# OFFICE OF RESIDENT AUDITOR

## DOW UNIVERSITY OF HEALTH SCIENCES

# STRATEGIC PLAN
## (2024 – 2027)
### Pioneering Excellence | Inspiring Innovation

**To Heal | To Educate | To Discover**

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# RESIDENT AUDITOR'S MESSAGE

As the Resident Auditor, we have the responsibility and privilege of upholding financial integrity, transparency, and compliance within our institution. In today's increasingly complex financial landscape, maintaining accountability and ethical conduct is not just a regulatory requirement, it is essential for sustaining trust and operational excellence.

Our role is to ensure that the university's financial resources are managed efficiently and effectively to support its academic and healthcare mission. Through comprehensive audits, risk assessments, and process evaluations, we identify areas for improvement and provide valuable insights that enhance financial controls, safeguard assets, and promote operational efficiency.

By ensuring adherence to laws, regulations, and institutional policies, we offer assurance to management, stakeholders, and the broader community that financial practices are sound and aligned with strategic goals. Furthermore, we actively foster a culture of accountability, continuous improvement, and ethical decision-making, strengthening the university's long-term success and sustainability.

Together, we contribute to an environment of financial stewardship and excellence, reinforcing the institution's commitment to its mission and values.

## Mr. Furqan Ahmed

# EXECUTIVE SUMMARY

The Resident Auditor Office serves as a cornerstone of financial integrity, transparency, and compliance within our university. Our primary responsibility is to evaluate, review, and process financial transactions with unwavering commitment to accountability, efficiency, and accuracy.

We diligently oversee financial activities, ensuring they adhere to established principles and best practices. Our work is guided by the following key principles:

- Legality and Propriety: We ensure that every financial transaction complies with statutory laws, institutional policies, and financial regulations. This prevents unauthorized or improper use of university funds.
- Authenticity of Documents: We meticulously verify the legitimacy and accuracy of financial records, supporting documents, and justifications to safeguard against fraud and misrepresentation.
- Proper Authorization: We confirm that all financial transactions undergo the necessary approval processes, whether through manual authorization or automated system-based controls, to maintain a structured and secure financial environment.
- Accuracy and Compliance: We ensure that all financial transactions are correctly recorded, categorized using appropriate accounting codes, and aligned with standard accounting principles and institutional guidelines.

Our mission is to uphold the highest standards of financial governance by fostering a culture of integrity, diligence, and accountability in all financial operations. Through our rigorous auditing processes, we strive to enhance financial transparency, mitigate risks, and support the university in achieving its objectives with financial prudence and ethical responsibility.

## ABOUT THE DEPARTMENT

The Resident Auditor plays a vital role in ensuring financial integrity, transparency, and accountability within the university. The department focuses on compliance monitoring, financial auditing, risk mitigation, and internal control evaluation.

Key responsibilities include verifying financial transactions, overseeing budget utilization, ensuring adherence to institutional policies and accounting standards, and promoting ethical financial practices.

The team has spearheaded several efficiency-driven initiatives, such as developing a comprehensive agreements database, launching a Bill Tracking System application, digitizing financial records for easier authentication, and implementing a system-based auditing process. These efforts have streamlined workflows, enhanced transparency, and strengthened the university's financial governance.

# INTRODUCTION & OVERVIEW

Functional Role of the Resident Auditor

The Resident Auditor plays a crucial role in ensuring financial integrity, transparency, and accountability within the university. This function encompasses various responsibilities aimed at maintaining compliance, accuracy, and efficiency in financial operations. The key functional roles include:

## 1. Compliance Monitoring and Regulatory Adherence
- Ensures that all financial transactions comply with statutory laws, institutional policies, and regulatory requirements.
- Reviews financial documents to confirm adherence to national and international accounting standards.
- conducts internal assessments to detect and prevent potential violations of financial policies.

## 2. Financial Auditing and Risk Mitigation
- Performs regular audits of financial transactions, departmental expenditures, and budget allocations to prevent financial irregularities.
- Identifies and mitigates financial risks, including fraud, mismanagement, and unauthorized expenditures.
- Ensures timely resolution of audit findings and recommends corrective actions for process improvements.

## 3. Verification of Financial Transactions and Documentation
- Reviews and verifies the authenticity, accuracy, and completeness of financial records, invoices, receipts, and other supporting documents.
- Ensure that all financial transactions are properly authorized and approved before processing.
- Validates procurement transactions and contract compliance to prevent fraudulent or improper payments.

## 4. Budget Oversight and Financial Reporting
- Assists in monitoring budget allocations, expenditures, and variances to ensure responsible financial management.
- Provides insights and recommendations to enhance financial planning and decision-making processes.
- Prepare audit reports highlighting key observations, financial risks,

and compliance gaps.

### 5. Internal Control Evaluation and Process Improvement

- Assesses the effectiveness of internal controls and financial procedures to strengthen financial governance.
- Recommend improvements in financial management systems and automated controls to enhance operational efficiency.
- Works with university departments to streamline financial workflows and reduce procedural bottlenecks.

### 6. Ethical Oversight and Fraud Prevention

- Promotes a culture of integrity and accountability by implementing fraud prevention measures.
- Investigates potential financial misconduct, irregularities, or ethical breaches.
- Conducts awareness programs and training on financial ethics, compliance, and risk management.

By fulfilling these functional roles, the Resident Auditor ensures that financial operations align with the highest standards of accountability, accuracy, and ethical responsibility, ultimately safeguarding the university's financial health and reputation.

## KEY HIGHLIGHTS & ACHIVEMENTS

The Resident Audit team has been at the forefront of numerous initiatives focused on optimizing operational processes, enhancing transparency, and achieving management's performance objectives. By aligning their efforts with institutional goals, they have made significant strides in improving efficiency across various functions. Key areas of focus included reducing the time required for bill processing, automating observation and compliance activities, and maintaining accurate records of tender agreements. Furthermore, the team emphasized fostering effective communication with relevant committees for tender preparation and ensuring timely implementation of master plans in coordination with other departments. Below are the notable achievements:

### 1. Developing and Maintaining a Comprehensive Database of Agreements

The team successfully designed and implemented a well-organized database system to manage and retrieve tender agreements. This database significantly reduced manual effort and the risk of errors, providing easy access to important information for auditing, compliance, and reporting purposes. It ensures that all agreements are systematically stored and readily accessible, promoting greater accountability and better decision-

making.

## 2. Developing a Bill Tracking System Application

To address the challenge of efficient bill processing, the team introduced an innovative Bill Tracking System application. This system not only improved the speed and accuracy of bill tracking but also provided enhanced control over the entire process. By enabling real-time tracking, the system ensures transparency, minimizes delays, and contributes to timely financial reporting. It has effectively streamlined the approval process, facilitating quicker turnaround times for all stakeholders involved.

## 3. Systematic Document Scanning for Authentication

The team undertook a comprehensive initiative to scan documents for authentication and ease of access. By digitizing important documents, they enhanced the security and reliability of records, enabling quicker retrieval when necessary. This also facilitates smoother audits, as electronic versions of documents are readily available for verification and validation. The system ensures that all relevant documents are preserved in a secure format and complies with institutional policies regarding recordkeeping.
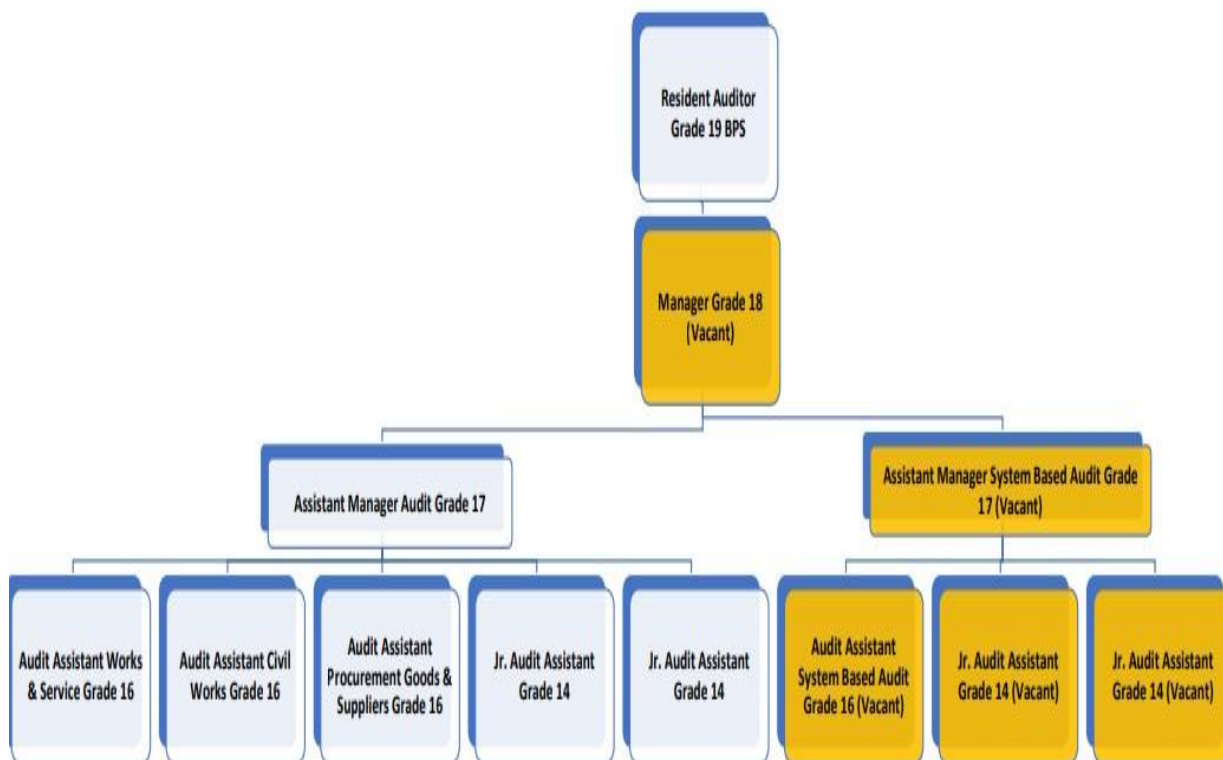
## 4. Implementation of a System-Based Auditing Process

In line with the need for more efficient and accurate auditing practices, the team introduced a system-driven auditing process. This innovative approach streamlines the auditing workflow, allowing for real-time data access, automated validation, and alignment with institutional policies. The new process reduces human error, enhances accuracy, and provides detailed reports for performance evaluation, audit planning, and compliance checks. By implementing this system, the team has created a more agile and effective auditing environment that promotes operational transparency and supports the institution's commitment to governance.

Through these initiatives, the Resident Audit team has not only driven operational efficiency but has also established a foundation for continuous improvement. The systematic approach to tracking, auditing, and record-keeping ensures the institution is better positioned to meet its goals, manage risks, and maintain a high standard of performance across departments.

# INSTITUTIONAL ORGANOGRAM

## Organogram – Resident Audit Office

```
                          ┌─────────────────────┐
                          │   Resident Auditor   │
                          │    Grade 19 BPS      │
                          └─────────────────────┘
                                    │
                          ┌─────────────────────┐
                          │   Manager Grade 18   │
                          │      (Vacant)        │
                          └─────────────────────┘
                                    │
              ┌─────────────────────┴──────────────────────────┐
  ┌───────────────────────────┐              ┌────────────────────────────────────────┐
  │ Assistant Manager Audit    │              │ Assistant Manager System Based Audit   │
  │       Grade 17             │              │          Grade 17 (Vacant)             │
  └───────────────────────────┘              └────────────────────────────────────────┘
```

| Audit Assistant Works & Service Grade 16 | Audit Assistant Civil Works Grade 16 | Audit Assistant Procurement Goods & Suppliers Grade 16 | Jr. Audit Assistant Grade 14 | Jr. Audit Assistant Grade 14 | Audit Assistant System Based Audit Grade 16 (Vacant) | Jr. Audit Assistant Grade 14 (Vacant) | Jr. Audit Assistant Grade 14 (Vacant) |

**Non Technical Support Staff**

1. Office Attendant
2. Dispatcher

Total Post: 14
Vacant Post: 05
Current Strength: 09

# SECTION I: OVERVIEW OF THE STRATEGIC PLANNING PROCESS

The strategic planning process of the Resident Auditor Department is a structured approach designed to align auditing activities with the university's broader financial and operational goals. It is rooted in the principles of accountability, transparency, and continuous improvement. The process involved a comprehensive assessment of existing auditing practices, identification of key areas for enhancement, and formulation of specific, measurable goals. Input was gathered from key stakeholders across departments to ensure the plan addresses critical compliance, financial, and operational needs. Emphasis was placed on system-based solutions, proactive risk mitigation, and the strengthening of internal controls to support institutional growth and governance. A Strategic Planning Committee was formed within the department to oversee the assessment and implementation of strategies to achieve these goals. The committee includes the following officers:

1. Furqan Ahmed – Resident Auditor
2. Awais Ali Khan – In-charge Pre-Audit
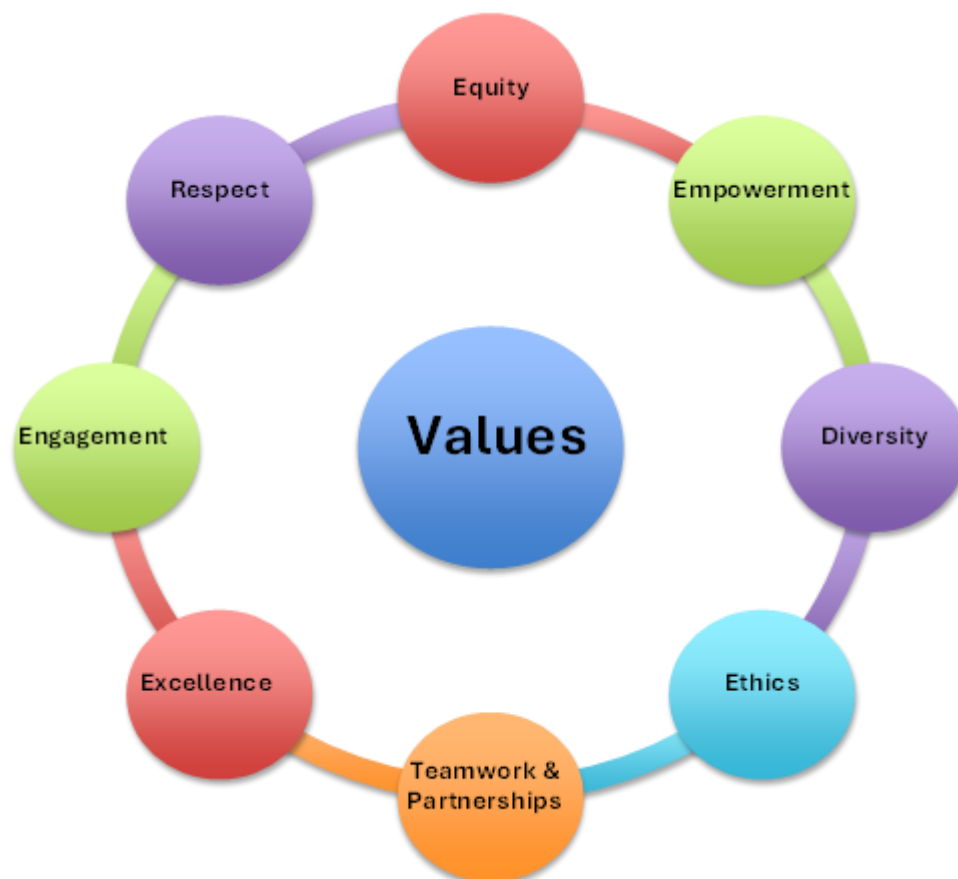3. Saroosh Khan – Audit Assistant

## SECTION II:     VISION, MISSION, & VALUES

### VISION

To be a pre-eminent academic institution committed to changing and saving lives.

### MISSION

Providing outstanding patient-centered education, training, and clinical care informed by cutting-edge research and innovation, generating and disseminating new knowledge

VALUES

- **Customer Service**
    - o  Put students first

- **Empathy & Compassion**

    - o  Understand before you judge

    - o  Be concerned for the sufferings and misfortunes of others

- **Excellence**

    - o  Be the best and commit to exceptional quality and service

- **Innovation**

    - o  Encourage curiosity, imagine, create, and share

- **Teamwork**

    - o  Engage and collaborate

- **Integrity & Leadership**

    - o  Be a role model and influence others to achieve their best

    - o  Have the courage to do the right thing

    - o  Hold yourself and others accountable

- **Respect & Collegiality**

    - o  Be kind

    - o  Listen to understand

    - o  Value different opinions


STATEMENT OF PURPOSE

We are dedicated to fostering a culture of transparency, accountability, and excellence in financial management at DUHS. Our mission is to ensure robust financial controls, promote ethical practices, and enhance efficiency in resource utilization, ultimately supporting the institution's long-term growth and sustainability.

# SECTION III:     STRATEGIC GOALS

**Goal I:**     **Pre-Audit Bills**

**Objective 1:** Ensure compliance and efficiency in procurement and service acquisition processes.

**Objective 2:** Strengthen financial accountability for academic and non-academic events.

**Objective 3:** Standardization of Pay Structure and Promotion/Upgradation Policy

**Goal II:**      **Stock Counting**

**Objective 1:** Perform physical stock counts across all hospital supplies and related stores to maintain inventory accuracy.

**Objective 2:** Enforce systematic stock reporting and reconciliation to identify and address discrepancies effectively.

**Goal III:**     **Prepare for and Facilitate External Audits**

**Objective 1:** Ensure timely preparation of financial and operational records.

**Objective 2:** Facilitate external audit processes through efficient query resolution.

**Goal IV**     **System-based auditing**

**Objective 1:** Pre-Auditing Bills Through System

**Objective 2:** Issue Observations for Compliance Through System

**Objective 3:** Managing Records in the System

**Goal V:**     **Auditing of research projects expenditure**

**Objective 1:** Process of Research Expenditures Through System

**Objective 2:** Issue Observations for Compliance Through System

# OBJECTIVES, OKRs, & KPIs

| Strategic Goal 1: Pre-Audit Bills |
|---|
| Goal Statement: To ensure compliance, transparency, and accountability in financial transactions through a structured pre-audit of procurement and event-related expenditures, aligning with organizational policies and regulatory standards. |
| OKR (Objective and Key Results) |
| Objective 1: Ensure compliance and efficiency in procurement and service acquisition processes. |

| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
|---|---|---|---|---|---|---|---|
| Ensure compliance and efficiency in procurement and service acquisition processes. | KR 1.1: Ensure the Preparation of Procurement Plans for the complete year | Database of Procurement Plans 100% | Completion of Documentation according to Checklist, Budget, Tax Rules & Procurement Rules | After the Disclosure of the Federal Budget | Director Procurement Director W&S Director P&D | One Jr. Staff Required | Annually (Every August) |
| | KR 1.2: Verification of Procurement Plan | Percentage of Procurement Plans Verification | | After the Completion of the DUHS Budget | Resident Auditor I.T | | Semi-Annually |
| | KR 1.3: Review comparative analysis of procurement plans and actual data for all departments | Accuracy rate of procurement analysis | | Recording of all entries after the closing of the period | Director, Procurement & Finance Directorate Director W&S/P&D Resident Auditor | | Semi-Annually |
| | KR 1.4: Monitor and validate compliance of tender executions | Tender Compliance Rate | | 70% | Director Procurement Director W&S/P&D Procurement Committee Resident Auditor | | Semi-Annually |
| | KR 1.5: Validation of local purchases for adherence to regulations | Local Purchase Validation Rate | | 80% | Director Procurement Director W&S Resident Auditor | | Semi-Annually |

| Objective 2: Strengthen financial accountability for academic and non-academic events. | | | | | | | |
|---|---|---|---|---|---|---|---|
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Strengthen financial accountability for academic and non-academic events. | KR 2.1: Ensure budgets for planned events are annually | Percentage of events verified against budgets. | Budget approval logs, cost comparison reports, and event audits. | Q1 2026 | Concerned Department Resident Auditor | - | Annually (2024–2026). |
| | KR 2.2: Review budgets for 100% of planned events annually | Percentage of events verified against budgets. | | Q1 2026 | Finance Directorate Resident Auditor | - | |
| | KR2.3: Review historical event costs of new events | Number of event budgets reviewed. | | Q3 2025 | Finance Directorate Resident Auditor I.T | - | |
| | KR 2.4: Achieve a 10% cost reduction through comparative analysis | Cost reduction achieved. | | Q4 2026 | Finance Directorate Resident Auditor | - | |
| Objective 3: Standardization of Pay Structure and Promotion/Upgradation Policy | | | | | | | |
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Standardization of Pay Structure and Promotion/Upgradation Policy | KR 3.1: Verification of HR Policy for the standardization of pay structure | Percentage of policy verified | Documents Produced | 50% | H.R Department Resident Auditor | One Jr. Staff Required | Quarterly |
| | KR 3.2: Ensure the assignment of Staff pay is according to the HR policy | Number of Staff Pay Reviewed | Documents Produced | 5% | H.R Department Resident Auditor | | Quarterly |
| | KR 3.3: Verification of Upgradation and Promotion Policy | Percentage of policy verified | Documents Produced | 50% | H.R Department Resident Auditor | | Quarterly |
| | KR 3.4: Ensure staff upgradation and promotion according to the HR policy | Number of staff files reviewed | Documents Produced | 5% | H.R Department Resident Auditor | | Quarterly |

| | Strategic Goal 2: Stock Counting | | | | | | |
|---|---|---|---|---|---|---|---|
| | Goal Statement: To ensure the accuracy and reliability of inventory records by conducting periodic physical stock counts, reconciling discrepancies, and enforcing systematic reporting to enhance operational efficiency and accountability. | | | | | | |
| | OKR (Objective and Key Results) | | | | | | |
| | Objective 1: Perform physical stock counts across all hospital supplies and related stores to maintain inventory accuracy. | | | | | | |
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Perform physical stock counts across all hospital supplies and related stores to maintain inventory accuracy. | KR1.1: Prepare Stock Counting Schedule for Complete Year | Intimation and Notifications | Stock count logs, discrepancy reports, reconciliation records. | Random Audit for Quarterly & Complete for Yearly | ALL STORES HEADS | - | Before 30 Days starting the new Financial Year |
| | KR1.2: Complete planned stock counts annually starting in Q4 2025. With coordination with Finance, Internal Audit and the External Auditor Team | The number of stock counts completed. | | Based on 60% sampling | | - | Next day of Completion of Financial Year |
| | KR 1.3: Resolve 90% of identified inventory discrepancies within two months of stock count completion. | Percentage of discrepancies resolved. | | Before the closing of each quarter | | - | after 20 days of activity |
| | KR 1.4: Validate 100% of stock count results against system records | Validation rate of stock counts. | | Based on 40% sampling | | - | After one month of activity |

## Objective 2: Enforce systematic stock reporting and reconciliation to identify and address discrepancies effectively.

| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
|---|---|---|---|---|---|---|---|
| Enforce systematic stock reporting and reconciliation to identify and address discrepancies effectively. | KR 2.1: Submit stock reports within 30 days of physical counts by Q1 2026 | Number of Issuance of Stock Report | Reporting logs, compliance checks. | Q1 2026 | ALL STORES HEADS | - | Quarterly from FY 2026 |
| | KR2.2: Achieve compliance with the stock report | Stock reporting compliance rate | | 2 Months after the issuance of the Stock Report | | - | |

| Strategic Goal 3: Prepare for and Facilitate External Audits |
|---|
| Goal Statement: Ensure transparency and readiness by systematically preparing and providing comprehensive documentation for external audits, resolving queries efficiently, and improving compliance. |
| OKR (Objective and Key Results) |

## Objective 1: Ensure timely preparation of financial and operational records.

| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
|---|---|---|---|---|---|---|---|
| Ensure timely preparation of financial and operational records. | KR1.1: Ensure Preparation of GL and operational reports | GL Report Completion Rate | Documents Produced | 75% | Finance Directorate / Resident Auditor | Two Junior Resources for supporting of Audit Coordinator | 2 Weeks before External Audit Schedule |
| | KR 1.2: Ensure the completion of all Reconciliation, including trial balances | Number of Reconciled Accounts | Check List of Audit Items, according to Audit Schedule | 75% | | | One Month after the completion of the Financial Year |
| | KR 1.3: Submit all audit documentation with 100% accuracy | Accuracy of submitted documentation. | | | | | |

## Objective 2: Facilitate external audit processes through efficient query resolution.

| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
|---|---|---|---|---|---|---|---|
| Facilitate external audit processes through efficient query resolution. | KR 2.1: Resolve 75% of auditor queries within 30 days after receiving Audit Observations | Query Resolution Timeliness Rate | Query Resolution Record | 75% | Finance Directorate / Resident Auditor | - | Annually |
| | KR2.2: Conduct pre-audit training sessions for 100% relevant staff annually | Number of staff trained | Training Attendance Record | 8 Staff | Resident Auditor | - | |

| Goal 04: System-based auditing | | | | | | | |
|---|---|---|---|---|---|---|---|
| Goal Statement: Ensure compliance, enhance accuracy, streamline audit readiness, improve decision-making, and strengthen controls by pre-auditing through the system | | | | | | | |
| Objectives & Key results (OKRs) | | | | | | | |
| Objective 1: Pre-Auditing Bills Through System | | | | | | | |
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Pre-Auditing Bills Through System | KR1.1: Ensure 100% of all submitted bills are pre-audited through the system by the end of the year. | Percentage of bills pre-audited through the system. | Through System Report | 25% | Director IT ERP Team Resident Auditor | 2 Trained Resources are Required | Quarterly |
| | KR 1.2: Reduce the average bill auditing time by 20% within the next 6 months. | Average time taken to pre-audit a bill | Through System Report | 25% | Resident Auditor | | Quarterly |
| | KR 1.3 3: Maintain a 95% accuracy rate in identifying errors and discrepancies during pre-auditing. | Error identification accuracy rate in pre-auditing. | Through System Report | 60% | Resident Auditor | | Quarterly |
| Objective 2: Issue Observations for Compliance Through System | | | | | | | |
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Issue Observations for Compliance Through System | KR2.1: Automate 80% of compliance observation issuance within 12 months. | Percentage of compliance observations issued through the system. | Through System Report | 20% | Director IT ERP Team Resident Auditor | - | Quarterly |
| | KR2.2: Ensure 90% of issued observations are acknowledged and acted upon within the stipulated time frame. | Percentage of compliance observations issued through the system. | Through System Report | 20% | Resident Audit | - | Quarterly |
| | KR2.3: Reduce compliance issues by 25% over the next year by improving feedback mechanisms. | Number of repeat compliance issues. | Through System Report | 30% | Director IT ERP Team Resident Auditor Concerned Departments | - | Quarterly |

| Objective 3: Managing Records in the System | | | | | | | |
|---|---|---|---|---|---|---|---|
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Managing Records in the System | KR3.1: Digitize 100% of historical audit records within 6 months. | Percentage of historical records digitized. | Through System Report | 20% | Director IT ERP Team Resident Auditor | - | Quarterly |
| | KR3.2: Ensure all new records are uploaded into the system within 3 days of creation. | Average time to upload new records into the system. | Through System Report | 25% | Resident Audit | - | Quarterly |
| | KR3.3: Achieve 100% adherence to data backup protocols by the end of the quarter. | Percentage adherence to data backup protocols. | Through System Report | 50% | Resident Audit | - | Quarterly |

| Goal 05: Auditing of research projects expenditure | | | | | | | |
|---|---|---|---|---|---|---|---|
| Goal Statement: Ensure compliance, accuracy, and accountability in the financial and operational aspects of research projects while promoting transparency and efficiency. | | | | | | | |
| Objectives & Key Results (OKRs) | | | | | | | |
| Objective 1: Process of Research Expenditures Through System | | | | | | | |
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Process of Research Expenditures Through System | KR1.1: Ensure 100% of research expenditure requests are processed through the system within 3 working days by the end of the year. | Percentage of research expenditure requests processed through the system. | Through System Report | 20% Work Completion | Director IT ERP Team Resident Auditor Principal Investigator (P.I) | 1 Resource Personnel is Required | Quarterly |
| | KR1.2: Identify and rectify 90% of discrepancies in research expenditure processing within the first review cycle. | Average time taken to process a research expenditure request. | Through System Report | 20% Work Completion | Resident Auditor Principal Investigator (P.I) | | Quarterly |
| | KR1.3: Train 100% of relevant staff on using the system for research expenditure processing by the next quarter. | Number of staff trained on the system. | Through System Report | 20% Work Completion | Director IT ERP Team Resident Auditor Principal Investigator (P.I) | | Quarterly |

| Objective 2: Issue Observations for Compliance Through System | | | | | | | |
|---|---|---|---|---|---|---|---|
| Objective | Key Results | KPI | Measurement Method | Target | Person Responsible | Resource Requirement | Timeline |
| Issue Observations for Compliance Through System | KR2.1: Automate 75% of compliance observation issuance for research expenditures by the end of the next quarter. | Percentage of compliance observations issued through the system. | Through System Report | 20% Work Completion | Director IT ERP Team Resident Auditor Principal Investigator (P.I) | - | Quarterly |
| | KR2.2 Ensure 95% of issued compliance observations are addressed within the stipulated timeline. | Percentage of compliance observations resolved within the timeline. | Through System Report | 20% Work Completion | Resident Auditor Principal Investigator (P.I) | - | Quarterly |
| | KR2.3: Reduce recurring compliance issues in research expenditure by 20% within the next year. | KPI 3: Number of recurring compliance issues in research expenditure audits. | Through System Report | 20% Work Completion | Director IT ERP Team Resident Auditor Principal Investigator (P.I) | - | Quarterly |

## SECTION IV: RESOURCE PLANNING FOR ACHIEVING STRATEGIC GOALS

To achieve its strategic goals, the Resident Auditor Department has outlined a resource planning framework focusing on optimizing human, technological, and financial resources. This includes:

- **Human Resources:** Deployment of trained audit personnel for bill pre-audits, stock counts, and research project audits. Continuous professional development and cross-functional training will ensure staff remain current with the best practices and regulatory standards.
- **Technological Resources:** Continued enhancement and maintenance of digital platforms such as the Bill Tracking System and the System-Based Auditing platform to improve data accuracy, streamline workflows, and facilitate real-time compliance monitoring.
- **Financial Resources:** Allocation of budgetary support for auditing tools, training programs, and infrastructure required for digitization and secure document management.
- **Collaborative Resources:** Coordination with procurement, finance, academic, and research departments to ensure smooth implementation of audit-related processes and timely access to necessary data and documentation.

# SECTION V: IMPLEMENTATION AND MONITORING OF STRATEGIC PLAN

Implementation of the strategic plan will follow a phased approach, aligning key activities with the academic and fiscal calendars. Each strategic goal will be assigned to dedicated teams with clearly defined roles and timelines. Milestones will be tracked through regular progress reviews and performance metrics.

A robust monitoring framework will be established to evaluate implementation effectiveness. This includes:

- **Monthly Reviews** to assess progress on pre-audit and system-based compliance objectives.
- **Quarterly Stock Audits** to ensure inventory accuracy and reconciliation.
- **Annual Audit Readiness Checks** to prepare for external audits.
- **Real-Time System Reports** to monitor compliance observations and document tracking.

Feedback loops will allow for adaptive planning, ensuring the strategic plan remains responsive to emerging needs and challenges. The department will produce periodic reports for senior management, highlighting achievements, gaps, and areas for further enhancement.

Challenges and Risks in Bill Processing and Compliance

Identified Challenges:

1. Regulatory Compliance and Efficiency:

   o Ensuring that bill processing aligns with applicable rules and regulations while optimizing organizational resources.

   o Balancing regulatory adherence with operational efficiency to prevent delays.

2. Minimizing Non-Compliance Hindrances:

   o Reducing unnecessary disruptions caused by non-compliance to facilitate smoother workflows.

   o Implementing preventive measures to mitigate compliance-related bottlenecks.

3. Adhering to Compliance Timelines:

   o Ensuring timely budget utilization to avoid lapses in financial planning.

   o Facilitating the seamless execution of both new and ongoing projects by adhering to established deadlines.

4. Lack of Planning and Cost Estimation for Projects:

   o Addressing inefficiencies stemming from inadequate planning and budgeting for projects.

   o Implementing systematic project planning to ensure financial and operational feasibility.

5. Conducting Audits as per Established Plans:

   o Adhering to predefined audit schedules to maintain transparency and accountability.

   o Ensuring that audit processes are consistent, thorough, and aligned with compliance mandates.

6. Shortage of Qualified and Experienced Staff in the Audit Process:

   o Overcoming challenges related to the limited availability of skilled professionals in auditing.

   o Implementing targeted recruitment and training initiatives to enhance audit capabilities.

Identified Risks:

1. **Non-Compliance in Critical Tasks:**
   - Undertaking essential activities without proper compliance measures, leading to potential legal and financial repercussions (e.g., regulatory notices and penalties).

2. **Lack of Project Planning:**
   - Inadequate planning resulted in project delays, cost overruns, and operational inefficiencies.
   - Risk of misallocation of funds and resources due to poor forecasting.

3. **Escalating Project Costs Due to Unnecessary Obstacles:**
   - Inefficient processes lead to increased expenditure and resource wastage.
   - Delays in execution causing budget inflation and reduced cost-effectiveness.

4. **Ensuring Availability of Essential Life-Saving Medicines:**
   - As DUHS is committed to healthcare service provision, it must balance compliance with ensuring the uninterrupted availability of critical medicines.
   - Addressing supply chain risks while meeting all regulatory requirements.

Proposed Resolutions:

1. **Strategic Planning:**

   o Departments such as Planning & Development, Works & Services, and Procurement should formulate a comprehensive three-year master plan.

   o The master plan should be developed based on:

   - Current economic conditions

   - Past practices and lessons learned

   - Monitoring and evaluation policies

   - The organization's budgetary framework to ensure financial sustainability.

2. **Standardized Policies and Procedures:**

   o Develop and implement centralized policies governing all aspects of operations to ensure uniformity and compliance.

   o Establish clear guidelines for financial management, procurement, and project execution.

   o Enhance accountability by integrating compliance checks at every operational level.

3. **Periodic Reassessment and Policy Updates:**

   o Conduct regular reviews and reassessments of existing policies and guidelines to ensure relevance and effectiveness.

   o Adapt policies in response to changes in regulatory frameworks, economic conditions, and organizational priorities.

   o Implement a structured feedback mechanism to identify gaps and improve policy effectiveness.

By adopting these resolutions, DUHS can ensure a more streamlined and compliant approach to bill processing, project execution, and overall operational efficiency.

## SECTION VI:          LIST OF APPENDICES

| No. | DESCRIPTION |
|-----|-------------|
| A | SWOT ANALYSIS |
| B | TOWS MATRIX |

# APPENDIX A:    SWOT ANALYSIS

| STRENGTHS | WEAKNESSES |
|---|---|
| 1. Adherence to internal policies, rules & regulations and professional standards ensuring objectivity in audit processes at DUHS.<br>2. Utilization of ERP system for efficient data analysis and reporting.<br>3. Well-qualified and experienced audit professionals with expertise in financial and operational audits. (Existing Work Force)<br>4. Regular Audit processes to ensure check and balance over transactions to ensure better compliance.<br>5. Enforcement of audit controls to enhance reliable audit outcomes and risks mitigation to safeguard DUHS interests. | 1. Strict compliance against audit observations may hinder broader operational or strategic issues within DUHS.<br>2. More reliance on manual audit processes and documentation decreases accuracy & reliability.<br>3. Lack of standardized and consistent audit methodologies may lead to variations in audit outcomes.<br>4. Compromise compliance validation during audit due to limited time constraints.<br>5. Limited Skilled Professionals may impact on the department's ability to conduct comprehensive and result oriented audits. |
| OPPORTUNITIES | THREATS |
| 1. Integration of advanced technologies, data analytics, and automation to streamline processes, improve efficiency and enhance the scope of resident auditor insights for speedy compliance & turnaround time.<br>2. Explore opportunities to broaden the scope of resident auditors to cover emerging risks, strategic initiatives, and areas critical to DUHS success.<br>3. Develop robust mechanism of resident audit function for better compliance of Existing DUHS Rules, Policies & Procedures.<br>4. Explore initiatives of regular training & awareness programs to keep audit staff updated on emerging audit trends, technologies, and regulatory changes.<br>5. Conduct operational efficiency reviews to identify opportunities for cost savings, process improvements, and enhanced resource utilization. | 1. Rapid changes in government rules, laws and taxation may pose challenges in keeping audit processes compliant and up to date.<br>2. Time to time Government Declarations or notifications in emergency situations (Pandemics, Disaster Emergencies etc.) to bypass standard Rules & Regulations may directly impact audit processes and controls.<br>3. Frequent fluctuations in Forex Exchange Rates mostly impact Tender Approved Rates of Imported Supplies which create serious hindrances in audit processes especially related to payment to vendors / suppliers.<br>4. Increasing concerns related to data privacy / secrecy and cyber security challenges may pose a threat to confidentiality of sensitive data & information |

## APPENDIX B:   TOWS MATRIX

| OPPORTUNITIES | THREATS |
|---|---|
| 1. Integration of advanced technologies, data analytics, and automation to streamline processes, improve efficiency and enhance the scope of resident auditor insights for speedy compliance & turnaround time.<br>2. Explore opportunities to broaden the scope of resident auditors to cover emerging risks, strategic initiatives, and areas critical to DUHS success.<br>3. Develop robust mechanism of resident audit function for better compliance of Existing DUHS Rules, Policies & Procedures.<br>4. Explore initiatives of regular training & awareness programs to keep audit staff updated on emerging audit trends, technologies, and regulatory changes.<br>5. Conduct operational efficiency reviews to identify opportunities for cost savings, process improvements, and enhanced resource utilization. | 1. Rapid changes in government rules, laws and taxation may pose challenges in keeping audit processes compliant and up to date.<br>2. Time to time Government Declarations or notifications in emergency situations (Pandemics, Disaster Emergencies etc.) to bypass standard Rules & Regulations may directly impact audit processes and controls.<br>3. Frequent fluctuations in Forex Exchange Rates mostly impact Tender Approved Rates of Imported Supplies which create serious hindrances in audit processes especially related to payment to vendors / suppliers.<br>4. Increasing concerns related to data privacy / secrecy and cyber security challenges may pose a threat to confidentiality of sensitive data & information |

| STRENGTHS | SO | ST |
|---|---|---|
| 1. Adherence to internal policies, rules & regulations and professional standards ensuring objectivity in audit processes at DUHS. | 1. Standardization & Continuous Improvement: Develop and periodically review Standard Operating Procedures (SOPs) to ensure continuous process improvement and regulatory compliance. | 1. Talent Retention & Motivation: Address employee retention by offering promotions, incentives, and salary increments to sustain expertise and morale. |
| 2. Utilization of ERP system for efficient data analysis and reporting. | 2. Enhanced System Efficiency: Regularly evaluate system modules to refine processes, enhance reporting accuracy, and ensure better decision-making. | 2. Regulatory Adaptation & Compliance: Implement proactive measures to monitor and adapt to changes in rules and regulations, ensuring seamless compliance. |
| 3. Well-qualified and experienced audit professionals with expertise in financial and operational audits. (Existing Work Force) | 3. Capacity Building & Training: Organize structured capacity-building programs and conduct frequent training sessions to upskill employees and improve operational efficiency. | 3. Automated Control Systems: Establish pre-defined automated controls to minimize external risks and influences affecting business operations. |
| 4. Regular Audit processes to ensure check and balance over transactions to ensure better compliance. | 4. Strategic Action Planning: Develop comprehensive action plans aligned with industry best practices and regulatory frameworks to enhance operational sustainability. | 4. Emergency Preparedness: Develop emergency response timelines based on the severity of situations, ensuring a structured crisis management approach. |
| 5. Enforcement of audit controls to enhance reliable audit outcomes and risks mitigation to safeguard DUHS interests. | 5. Digital Transformation: Implement a digitalized control system to streamline compliance management and ensure efficient monitoring of regulatory requirements. | 5. Financial Contingency Planning: Maintain budget reserves to accommodate unexpected cost escalations and market price fluctuations. |
| | | 6. Data Security & Controlled Access: Implement a user |

| | | access control system to limit data access privileges, enhancing security and operational integrity. |
|---|---|---|
| **WEAKNESSES** | **WO** | **WT** |
| 1. Strict compliance against audit observations may hinder broader operational or strategic issues within DUHS.<br>2. More reliance on manual audit processes and documentation decreases accuracy & reliability.<br>3. Lack of standardized and consistent audit methodologies may lead to variations in audit outcomes.<br>4. Compromise compliance validation during audit due to limited time constraints.<br>5. Limited Skilled Professionals may impact on the department's ability to conduct comprehensive and result oriented audits. | 1. Advanced Decision-Making Tools: Deploy data-driven decision-making tools to enhance forecasting accuracy and strategic planning.<br>2. Training & Development Initiatives: Organize capacity-building programs and training workshops to mitigate skill gaps and improve workforce efficiency.<br>3. Workforce Expansion & Retention: Induct new skilled professionals while retaining existing employees through structured career growth opportunities.<br>4. Time Management Optimization: Implement efficient provisioning methods to enhance time management, reducing inefficiencies and operational delays.<br>5. Risk Management & Categorization: Conduct risk assessments to categorize risks based on their potential impact and mitigation strategies. | 1. Gradual Regulatory Implementation: Adopt a phase-wise implementation approach for new rules and regulations, ensuring smooth adaptation by stakeholders.<br>2. Community & Stakeholder Engagement: Facilitate town hall meetings and discussions to ensure clarity and smooth enforcement of new policies.<br>3. External Knowledge Acquisition: Encourage active participation in external seminars, workshops, and industry meetings to stay updated on best practices and industry trends. |