

# Audit Report

## Of HAP 2007 Standard

*Summary Findings*

### Application Organisation Information

<b>Organisation:</b>	MERCY Malaysia	<b>Audit Ref / No:</b>	AS003/1107 HAP
<b>Location:</b>	Kuala Lumpur, Malaysia Bande Aceh, Indonesia	<b>Head Office/Field Site:</b>	Head Office Field Site
<b>Auditor (s):</b>	Virginia Vaughn Riccardo Polastro Sheryl Haw	<b>Date (s):</b>	1 <sup>st</sup> to 10 <sup>th</sup> November 2007
<b>Agency Representative:</b>	Mona Sheikh Mahmud  Norazam A. Samah	<b>Role of Representative</b>	General Manager  Head of Operations - Indonesia

## **Methodology**

The scope of MERCY Malaysia Audit was:

- The Head Office – based in Kuala Lumpur – through on site audit
- The Field Site Operations (10 country / programmes) – through self assessment audit – NB: Only one overall self assessment document was provided as management is centralised through Kuala Lumpur
- The Sample Field Site – Aceh, Indonesia Project – through on site audit

The audit comprised of the following approaches:

### Phase One: Document Review

Documents of processes and policies presented by MERCY Malaysia in support of their compliance statement.

### Phase Two: On Site Audit at Head Office

Document verification and interviews with Head Office staff took place between 5<sup>th</sup> and 7<sup>th</sup> November 2007

### Phase Three: On Site Audit in Selected Field Site

Document verification and interviews with Field Office staff took place between 9<sup>th</sup> and 10<sup>th</sup> November 2007

### Phase Four: Review of Self Assessments received from All Field Sites

A summary analysis was reviewed from self-assessments carried out by all country managers and compiled into one document.

This report covers the combined summary findings of all four phases. The detailed findings report compiled by the independent auditors coupled with corrective action requests combine to make the full audit report.

## Outcome

The audit comprising two certified auditors and the certification manager of the HAP 2007 Humanitarian Accountability and Quality Management Standard, audited MERCY Malaysia in relation to its conformity with the HAP 2007 Standard. The audit was carried out between 1<sup>st</sup> and 10<sup>th</sup> November 2007.

The evidence provided in support of the Application for Certification is the responsibility of the Board and the Senior Management of MERCY Malaysia. Our responsibility is to express an opinion both on the evidence provided and the interviews carried out during the audit. We confirm that we all meet the formal requirements for HAP auditors concerning professional competence and independence.

Our audit was conducted in accordance with the procedures approved by the HAP Certification and Accreditation Review Board, and following the ISO 19011:2002 Auditor Standard, which together require that an audit be planned and performed to obtain reasonable assurance about whether the agency is in conformity with the HAP Standard. We have audited the agency on a sample test basis through an examination of documentary evidence disclosed and through interviews with MERCY Malaysia staff involved in the Head Office and Aceh Indonesian humanitarian operations. Coupled to this a review of the self-assessment statement jointly summarised from the country programmes was considered. We believe that the audit provides a reasonable basis for our opinion.

In our opinion the agency is in compliance with the HAP 2007 Standard, with findings summarised in the auditor's report, the Head Office and Field Site Findings Reports.



Summary Report Compiled by Sheryl Haw  
Certification Manager  
HAP International

28<sup>th</sup> November 2007

### Audit Team

Sheryl Haw – Chief Auditor, Reg. No: 0307007

Virginia Vaughn – Auditor, Reg. No: 0307006

Riccardo Polastro – Auditor, Reg. No: 0307005

## Summary Findings

**CAR:** Corrective Action Request

**Date:** Deadline for providing a Corrective Action Response that demonstrates what actions have been undertaken to rectify the minor or major non-compliance identified.

HAP Standard	Head Office		Field Site(s)	
	MAJOR	MINOR	MAJOR	MINOR
<i>Non-Compliance</i>				
<b>Qualifying Norms</b>				
<b>Benchmark 1</b>		Requirement 1.1 CAR: 31/05/08		
<b>Benchmark 2</b>		Requirement 2.2 CAR: 31/05/09		
<b>Benchmark 3</b>		Requirement 3.1 CAR: 31/05/09  Requirement 3.2 CAR: 31/05/09		
<b>Benchmark 4</b>				
<b>Benchmark 5</b>		Requirement 5.3 CAR: 31/05/09  Requirement 5.4 CAR: 31/05/08		Requirement 5.3 CAR: 31/05/09  Requirement 5.5 CAR: 31/05/09
<b>Benchmark 6</b>		Requirement 6.2 CAR: 31/05/08		
<b>Total</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>2</b>

**Major Non Compliance:** this will result in a delay in the recommendation for certification process, which can only proceed once the correction actions have been met and verified.

A major non-compliance could be due to a number of reasons such as:

- Complete absence of a procedure as noted in the Standard
- A series of minor non-conformances all focused on the same element of the standard
- A serious violation of qualifying norms and/or humanitarian principles
- A clear lack of control on some key management issues
- Immediate dangers for the beneficiaries or for the quality of the service to the beneficiaries
- A Minor detected in a previous audit not addressed within the specified time
- False Declarations

**Minor Non Compliance:** this will not result in a delay of the recommendation for certification but will require corrective action within a specified time frame.

A minor non-compliance could be due to a number of reasons such as:

- Failure to implement management system policy / guidelines systematically
- Incomplete key documents / records
- Oversight