

Approved by
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of NPJSC “Zhetysu university
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DOCUMENTED PROCEDURE
Internal audit
IRD-ZU-15-03

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1 SCOPE

1.1 This documented procedure is the main document establishing the rules for organizing, planning and conducting internal audits, documenting their results, and using these results to improve the internal quality assurance system.

1.2 This documented procedure establishes responsibilities and requirements for planning and conducting internal audits, documenting and maintaining audit certificates in working order, as well as for subsequent actions, including verification of the measures taken.

1.3 This documented procedure contains requirements for the personnel performing the audit, participating in the audit and serves as a guide for specialists performing internal audits.

1.4 This documented procedure is applied by all departments of the University and is part of the documents of the internal quality assurance system.

2 NORMATIVE REFERENCES

References to the following normative documents are used in this documented procedure:

Standards and Guidelines for Quality Assurance of Higher Education in the European Higher Education Area (ESG) approved by the Ministerial Conference in Yerevan on May 14-15, 2015	Standards and Guidelines for Quality Assurance of Higher Education in the European Higher Education Area (ESG)
The Charter of the NPJSC "Zhetysu University named after Ilyas Zhansugurov", approved by the order of the Chairman of the State Property and Privatization Committee of the Ministry of Finance of the Republic of Kazakhstan No. 306 dated May 22, 2020	The Charter of the NPJSC "Zhetysu University named after Ilyas Zhansugurov"
IRD-ZU-15-01	Internal quality assurance system manual
IRD-ZU-15-02	Documented procedure. Management of the documented information
IRD-ZU-15-04	Documented procedure. Management of nonconformities and corrective actions

3 TERMS AND DEFINITIONS

The following are the most commonly used terms and definitions in this documented procedure:

Process	A set of interrelated or interacting activities that transform inputs and outputs
Procedure	An established way of carrying out an activity or process
Verification	Confirmation by providing objective evidence that the established requirements have been met
Audit	A systematic, independent and documented process for obtaining audit evidence and evaluating it objectively in order to determine the extent to which agreed audit criteria are met
Auditor	A person with the competence to conduct an audit
Audit team	One or more auditors conducting the audit, who, if necessary, are assisted by technical experts
Audit plan	Description of audit activities and activities
Audit program	A set of one or more audits scheduled for specific dates and aimed at achieving a specific goal
Audit criteria	A set of policies, procedures, or requirements

Audit certificate	Operational documented information, statement of facts or other information that is related to the audit criteria and can be verified
Audit scope	Audit content and boundaries
Conclusion on the results of the audit	Audit output provided by the audit team after reviewing the audit objectives and all audit observations
Nonconformity	Non-fulfillment of the requirement
Corrective action	An action taken to eliminate the cause of a detected nonconformity or other undesirable situation

4 SYMBOLS AND ABBREVIATIONS

The following symbols and abbreviations are used in this documented procedure:

ZU, University	Zhetysu university named after I. Zhansugurov
IQAS	Internal quality assurance system

5 RESPONSIBILITY AND AUTHORITY

5.1 The Chairman of the Board - Rector of the University approves this documented procedure.

5.2 Center for International Cooperation and Strategic Development is responsible for:

- implementation and management of the procedure;
- development of an internal audit plan;
- organization and coordination of activities for the implementation of specific stages of the internal audit process and their final results;
- coordination and assistance of the head of the audit team at all stages of the quality audit;
- analysis of audit results.

5.3 Heads of structural divisions are responsible for:

- the quality of work performed at specific stages of the process;
- timely provision of all necessary materials for the audit;
- development of a corrective action plan;
- carrying out corrective actions to eliminate the identified nonconformities and their causes based on the results of the internal audit.

5.4 The Head of the audit team is responsible for:

- development of an audit program;
- preparation and conduct of all stages of the audit;
- execution of documents based on the results of the audit.

5.8 The members of the audit team are responsible for:

- conducting a quality audit in a structural unit.

5.9 Member of the Board – Vice-Rector for Scientific Work approves the schedule and plan of internal audits.

6 DESCRIPTION OF THE PROCEDURE

6.1 General provisions

6.1.1 Internal audits are conducted by a working group, the composition of which is approved by the relevant order.

6.1.2 The audit is managed by the Chief Auditor.

6.1.3 Audits are carried out by auditors who are not directly responsible for the work area being checked.

6.1.4 The head of the audit team and the composition of the team of auditors are appointed taking into account the competence necessary to achieve the objectives of the audit and independence from the activities to be audited.

6.1.5 If the audit is carried out by one auditor, he/she must perform all the duties of the head of the audit team.

6.2 Audit goals and objectives

6.2.1 The main goal of internal audits is to assess the effectiveness of the internal quality assurance system (IQAS) and compliance with applicable quality standards.

6.2.2 The main tasks in conducting internal audits are:

- assessment of the degree of compliance of the activity with the audit criteria (regulatory documents, documents of the IQAS, etc.);
- assessment of the effectiveness of the functioning of the internal control system and identification of opportunities and ways to improve it (identification of the area of potential improvement of the internal control system);
- determination of the causes of the identified nonconformities;
- verification and evaluation of the effectiveness of corrective actions based on the results of previous audits.

6.2.3 The algorithm of the internal audit process is shown in Figure 1.

6.3 Planning internal audits

6.3.1 Before conducting audits, a schedule of internal audits is drawn up.

6.3.2 In accordance with the developed schedule, an audit plan is drawn up.

6.3.2 Each audit should be based on documented objectives, scope and criteria.

6.3.3 The internal audit plan should be developed taking into account:

- the status and importance of the processes and areas to be audited;
- results of previous audits;
- instructions from management;
- audit objectives;
- nonconformities identified during internal and external inspections;
- carrying out structural or other organizational changes;
- changes in the requirements of regulatory legal acts.

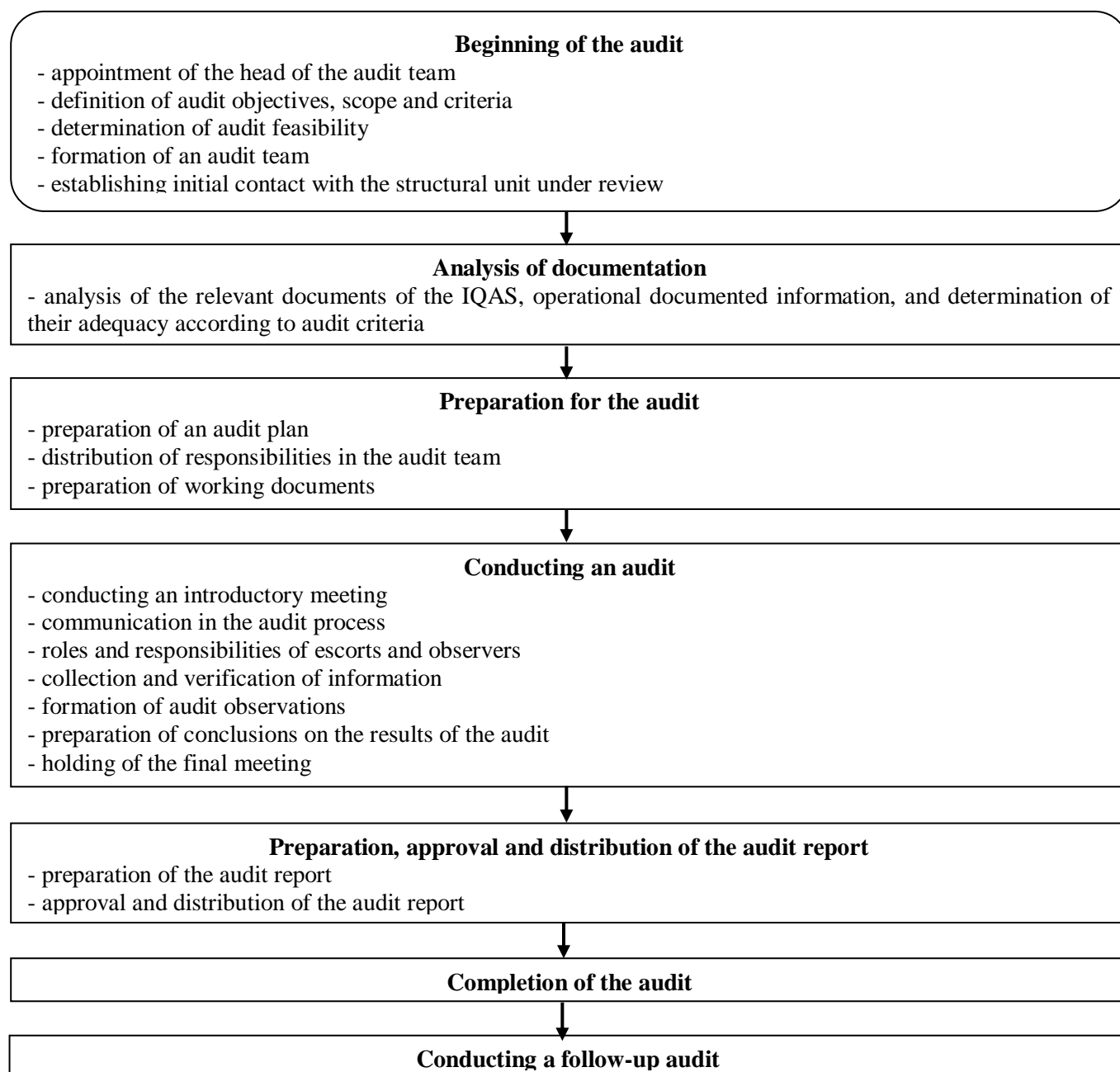
6.3.4 The internal audit plan should contain:

- the basis for the audit;
- audit objectives;
- audit criteria;
- audit area (departments, functions, processes that are subject to audit);
- audit date;
- audit team;
- schedule and terms of work
- allocation of resources for the audit.

6.3.5 The plan of internal audits is approved by the member of the Board – the Vice-Rector for Scientific Work.

6.3.6 The frequency of internal audits of processes or further individual structural units is determined depending on the status and importance of processes in structural units, but at least once a year.

6.3.7 The purpose of the audit area – the depth and boundaries of the audit – depends on the purpose and type of audit (planned or unplanned).



6.4 Preparation for the audit

6.4.1 In accordance with the internal audit plan, the head of the audit team plans to conduct specific audits, distributes responsibilities among members of the audit team and notifies the audited unit and members of the team about the time and objects of the audit. The following documents are sent to the head of the audited unit:

- approved audit plan;
- request for necessary materials related to a specific audit (if necessary).

6.4.2 In the case when the audit is carried out by a group of several persons, the head of the audit team should distribute responsibilities among them for auditing specific processes, functions of departments and activities, taking into account the following requirements:

- independence of the auditor;
- the auditor should not check his/her own work;
- competence of the auditor;
- efficient use of resources.

6.4.3 During the audit, in order to achieve the audit objective, the Chief Auditor may make changes to the distribution of responsibilities.

6.4.4 The head of the audit team should analyze the documentation provided by the unit in order to determine the readiness of the audited unit and processes for audit.

6.4.5 In the event that the unit's documentation is found to be inadequate and cannot meet the audit area or its criteria, the Chief Auditor submits a memo to the Director of the Center for International Cooperation and Strategic Development, in which he/she indicates the identified nonconformities.

6.4.6 The Director of the Center for International Cooperation and Strategic Development prepares an order on the inexpediency of carrying out further audit actions, in which he/she indicates the reasons for nonconformities, necessary corrective actions and coordinates them with the head of the audited unit.

6.4.7 The Audit Team should prepare the following working documents for the audit:

- Audit checklist;
- nonconformity sheet;
- Final audit report.

6.5 Conducting an audit

6.5.1 During the audit, a preliminary meeting is held by the audit team together with the head of the unit being audited and with those responsible for the functions and processes being audited.

6.5.2 At the preliminary meeting, the objectives of the audit are announced, its goal is explained and the accompanying persons are read out.

6.5.3 Accompanying persons should assist the audit team, but they should not influence the conduct of the audit. Their responsibilities include:

- providing contacts at the appointed time for conversations;
- providing visits to certain areas (laboratories, classrooms, specialized classrooms);
- ensuring security and familiarizing the audit team with the security rules.

6.5.4 Data corresponding to the objectives, scope and criteria of the audit should be collected, verified, and include information on the interaction between functions, activities, processes. Only verified information is audit evidence. Audit evidence should be recorded.

6.5.5 During the audit, the following audit methods should be used:

- employee surveys;
- monitoring of activities, environment and conditions;
- analysis of IQAS documents.

6.5.6 The audit evidence collected should be evaluated according to audit criteria in order to obtain audit results, i.e. audit observations.

6.5.7 In case of identified nonconformities with the audit criteria, a nonconformity sheet is issued for each of them.

6.5.8 Nonconformities are analyzed by the audited unit and the section on corrective measures in the nonconformity sheet is filled in.

6.5.9 Preparation of the audit report includes the following:

- analysis of audit observations for compliance with its objectives;
- approval of the conclusion based on the audit results;
- preparation of recommendations, if this is provided for by the audit objectives.

6.5.10 Audit conclusions may cover the following:

- the degree of compliance of the audit object with the established criteria;
- the effectiveness of the functioning of the IQAS;
- the ability of the process to ensure the effectiveness of the IQAS.

6.5.11 The results of the audit should be reported at the final meeting.

6.6 Registration of audit results

6.6.1 The head of the audit team is responsible for the preparation and content of the final internal audit report.

6.6.2 The final audit report must contain the following complete, accurate and understandable audit record:

- date and area of the audit;

- the audit team;
- the audited unit;
- audit criteria;
- exposed nonconformities and comments (audit observations);
- description of the identified discrepancy;
- conclusion/recommendations;
- mailing list;
- applications.

Information can be provided in the application:

- nonconformity reports;
- any obstacles during the audit;
- unresolved issues between the audit team and the audited unit;
- recommendations for subsequent audits, etc.

In the "Conclusion" section, an assessment is given of how well the object of the audit meets the established criteria; how well the personnel's activities meet the requirements of the IQAS; whether corrective measures are effective based on the results of previous audits; what is the efficiency of eliminating critical nonconformities (if any).

In the "Recommendations" section, the following are specified:

- the need and time frame for the development of corrective actions at the level of departments or organizations;
- nonconformities that need to be eliminated before developing a corrective action plan;
- proposals for inclusion in the corrective action plan;
- recommendations for improving the documents of the IQAS.

6.7 Review and analysis of the final report

6.7.1 The head of the audit team should submit a final report to the Center for International Cooperation and Strategic Development.

6.7.2 The head of the department, together with the head of the audit team, draws up a corrective action plan and coordinates it with the Director of the Center for International Cooperation and Strategic Development.

6.7.3 The corrective action plan is approved by the member of the Board – Vice-Rector for Scientific Work.

6.7.4 The heads of the relevant departments should ensure that actions to eliminate the detected nonconformities and their causes are taken without undue delay.

6.8 Verification of corrective actions

6.8.1 Verification of the results of corrective actions includes:

- verification and confirmation that the recommended corrective actions have been carried out;
- ensuring the effectiveness of the corrective actions taken;
- registration of data on the inspection carried out on the implementation of corrective actions;
- if corrective actions are not carried out within the established time frame, a memo is issued, which is transmitted to the director of the Center for International Cooperation and Strategic Development.

6.8.2 Verification of the implementation of corrective actions by the unit being checked is carried out by the head of the audit team, and entries are made in the nonconformity sheet.

6.8.3 The Director of the Center for International Cooperation and Strategic Development makes a record of the implementation of the corrective action plan.

6.9 Analysis of internal audits

6.9.1 The Center for International Cooperation and Strategic Development analyzes the results of internal audits and submits them in the form of a report.

6.9.2 The report includes the following information:

- results of audit grouped by divisions;

- assessment of the dynamics of changes in the registered data;
- the average number of nonconformities per check;
- description of recurring critical nonconformities, the place of their detection;
- analysis of the effectiveness of corrective measures;
- suggestions for improving the documents of the IQAS;
- assessment of the effectiveness of the functioning of the IQAS;
- suggestions for improving the IQAS.

6.9.3 The results of the analysis of internal audits are input data for the annual assessment of the effectiveness of the functioning of the IQAS.

6.9.4 The results of the analysis of internal audits should be used by departments in the development of current and future plans, programs to improve the quality of services and meet the needs and expectations of consumers.

6.10 Competence of internal auditors

6.10.1 Internal auditors should have:

- knowledge and skills in the field of quality standards;
- certain personal qualities;
- education and practical experience;
- audit experience.

6.10.2 The internal auditor must have knowledge and skills in the following areas:

- Standards and guidelines for quality assurance of higher education in the European Higher Education Area (ESG);

- organizational structure and functional activities of the university;
- relevant laws, regulations and other requirements related to the activities of the university.

6.10.3 The head of the audit team should have additional knowledge and skills, which should include:

- planning internal audits and efficient use of resources;
- organization and distribution of work among the members of the internal audit team;
- adoption of internal audit conclusions;
- conflict prevention and resolution;
- preparation and completion of the internal audit report.

6.10.4 Internal auditors should have special knowledge and skills:

- in methods and technologies related to quality;
- on the products, services and processes of the university.

6.10.5 The internal auditor must have the following personal qualities: be open, diplomatic, observant, receptive, decisive, confident, moral and be able to focus on achieving the goal.

6.10.6 The internal auditor must:

- have an education that gives knowledge and skills in the field of professional activity;
- have practical experience;
- have experience in conducting audits.