**Process Based audit - Checklist**

**IMP 09 Contract Administration (Rev 1)**

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| **Chris Docherty (Auditor)** | **(Auditee)** |  |
| **Commercial Manager:** | **Joe Blogs** |  |
| **Operations Director:** | **Peter Smith** |  |

|  | **Task** | **Responsible** | **Evidence / Checks** | **Finding** | **Comment** |
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| 1.0 | Enquiry Handling |  |  |  |  |
| 1.1 | Receive Enquiry and clarify any points with client | **R – Commercial Team**A - ManagerA - Contracts | An enquiry can come in from a client by various means. Clarify with client any points and verify those are recorded |  |  |
| 1.2 | Record enquiry | **R – Commercial Team**A - ManagerA - Contracts | Check enquiry was recorded on the tender / quotation register? |  |  |
| 1.3 | Acknowledge | **R – Commercial Team**A - ManagerA - Contracts | If applicable check acknowledgement was sent? |  |  |
| 1.4 | Liaise to prepare tender / quote | **R – Commercial Team**A - ManagerA - Contracts | Evidence of checks / liaising with other departments / functions? |  |  |
| 1.5 | Preparation of tender / quote | **R – Commercial Team**A - ManagerA - Contracts | Evidence of drafted tender or quote? – i.e. number |  |  |
| 1.6 | Review and approval | **R – Director**A - FinanceA – Commercial Team | Confirm this was completed and evidence of company authority limitations. Was this formally approved? |  |  |
| 1.7 | Submit tender / quote | **R – Commercial Team**A - ManagerA - Contracts | Confirm it was sent and evidence in place. Was register updated to reflect this? |  |  |
| 1.8 | Follow up and clarifications | **R – Commercial Team**A - ManagerA - Contracts | Evidence of follow up and any correspondence is recorded in the tender / quote file? |  |  |
| 1.9 | Award | **R – Commercial Team**A - ManagerA - Contracts | Recorded on tender / contract register?\*If unsuccessful gather feedback and record and report to senior management – evidence? |  |  |
| 2.0 | Main Contract Administration |  |  |  |  |
| 2.1 | RiskCost controlLiabilityScopeChange management | **R – Contract Manager**A - DirectorA - Operations | How are these elements reviewed ahead of undertaking the contract administration? Are there records? |  |  |
| 2.2 | Operations obligations and requirements are clearly communicated and understood | **R – Contract Manager**A - DirectorA – Operations | How has this been done and confirmed to be understood? |  |  |
| 2.3 | Relevant controls and routines related to the contract are defined and communicated, plus must be strictly adhered to meet T’s and C’s of contract. | **R – Contract Manager**A - EmployeeA – Operations | Select a recent contract and identify how those controls and routines have been identified, documents and what practices are used to manage those? |  |  |
| 2.4 | Ongoing operations management shall be controlled by the admin team | **R – Admin Team**A - DirectorA – Operations | Refer to the requirements as outlined in Procedure IMP 13 Service Realisation and review evidence such as;Main contract specific routinesContract variationsCustomer quality plansKPI’sContract claimsRegular meetingsAuditsReporting |  |  |
| 2.5 | Review of contract performance | **R – Contract Manager**A - EmployeeA – Operations | Evidence of meetings or reports to communicate and discuss key KPI’s, including HSE, NCR, Costs etc? |  |  |
| 2.6 | Key Subcontractors of the contract must be audited or inspected in accordance with Main Contract requirements | **R – Contract Manager**A - QHSEA – Operations | Evidence of contract requirements should be reviewed to identify what audits / inspections need to be done of key sub contractors? |  |  |
| 3.3 | Milestone management and communication | **R – Contract Manager**A - AdminA – Operations | Check milestone requirements of the contract and confirm those have been achieved, communicated where required. Or where not achieved, how has this been handled and recorded? |  |  |
| 3.4 | Non conformance management | **R – Contract Manager**A - AdminA – Operations | Evidence of how non conformances related to the contract have been recorded, managed and communicated? |  |  |
| 4.0 | Execution |  |  |  |  |
| 4.1 | Provide daily updated of progress | **R – Contract Manager**A - ControllersA – Operations | How are these daily updates communicated? Is there (should there be) evidence kept? |  |  |
| 4.2 | Measuring progress against milestones | **R – Contract Manager**A - ControllersA – Operations | How is this measured and is it recorded? |  |  |
| 4.3 | Compliance with customer quality plan  | **R – Operations**A - ControllersA – Contracts Manager | How is this measured and monitored? Is there a quality plan? |  |  |
| 4.4 | Potential risks or opportunities | **R – Operations**A - ControllersA – Contracts Manager | How is this recorded and how are people made aware? |  |  |
| 4.5 | Assessing progress and ensuring checks are made against potential risks; liabilities, variations, etc | **R – Contract Manager**A - ControllersA – Operations | How is progress assessed?How are risks checked and recorded? |  |  |
| 4.6 | Recording and monitoring elements related to reimbursable costs tracking | **R – Contract Manager**A - ControllersA – Operations | How is this monitored and recorded and where is evidence retained related to this?How is it tracked against project forecast? |  |  |
| 4.7 | Instruction to commence with work | **R – Contract Manager**A - ControllersA – Operations | Must only commence once all control measures are in place and checked in the above steps. How can this be confirmed? |  |  |
| 4.8 | Evidence of detailed work activity to undertake and ensuring it is fully understood | **R – Contract Manager**A - ControllersA – Operations | Is there evidence of this being done and understood? Refer to job instruction sheet for the contract under review. |  |  |
| 5.0 | Change Management |  |  |  |  |
| 5.1 | Handling changes (Including those which are subject to contract variation) | **R – Contract Manager**A - ControllersA – Operations | Evidence of correspondence and where appropriate variation control and records of approval? |  |  |
| 5.2 | Communication of changes to personnel and ensuring understanding | **R – Contract Manager**A - ControllersA – Operations | How is this communicated and is there evidence to support?* Was there approval required?
* Are there new risks due to the change?
* Impact on finances?
* Impact on other work?
 |  |  |
| 5.3 | Assessing change and approving | **R – Senior Management**A - ControllersA – Operations | Is there evidence on file of the review and approval? Ensuring that all necessary areas of concern were reviewed and agreed to, or at least communicated with the customer for approval? |  |  |
| 5.4 | Register of variation | **R – Contract Manager**A - ControllersA – Commercial Team | Review the register to ensure it captures all the necessary information and is then passed on to commercial team? |  |  |
| 5.5 | Subcontract Administration | **R – Contract Manager**A - ControllersA – Commercial Team | Subcontracts which form part of the work activity shall follow the compliance requirements of procedure IMP 08 Procurement of Material and Services. Can this be confirmed? |  |  |