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FREE RESOURCE · CHECKLIST

Donor Audit Readiness Checklist

Map your procurement documentation against

Global Fund, USAID, FCDO, and EU requirements.

Find gaps before the auditor does.

4	80+	5
Donor frameworks	Compliance checks	Risk categories

COVERS:

Global Fund (PMRS & GF Procurement Manual) · USAID (2 CFR 200) · FCDO Smart Rules

EU PRAG Guidelines · Cross-donor common requirements

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HOW TO USE THIS CHECKLIST

Identify Your Gaps Before the Auditor Does

This checklist maps the procurement documentation requirements of four major donor frameworks — Global Fund, USAID (2 CFR 200), FCDO Smart Rules, and EU PRAG — against a standard procurement file set. Work through each section relevant to your donor(s). Mark each item as Compliant, Non-Compliant, or Not Applicable. Items marked Non-Compliant require remediation before your next audit cycle.

HOW TO WORK THROUGH THIS CHECKLIST

1. Identify which donor framework(s) apply to your current grants or contracts.
2. For each applicable section, review your file set against each requirement.
3. Mark each item: ■ Compliant ■ Non-Compliant ■ Not Applicable
4. For Non-Compliant items, note the specific gap in the Notes column.
5. Prioritise remediation: Critical (audit finding risk) before Important (process weakness) before Minor (documentation tidiness).
6. Set a remediation date for each gap and assign a responsible person.

Understanding the Risk Categories

RISK	WHAT IT MEANS	TYPICAL CONSEQUENCE	ACTION REQUIRED
CRITICAL	Direct audit finding — auditor will flag this if documentation is absent	Disallowed expenditure, grant suspension, or recovery of funds	**Remediate before next audit — no exceptions**
HIGH	Likely audit comment or management letter finding	Qualified audit opinion, conditions placed on future disbursements	**Remediate within 30 days**
MEDIUM	Process weakness that creates audit risk if not addressed	Recommendation in management letter, capacity assessment downgrade	**Remediate within 90 days**
LOW	Good practice gap — not immediately audit-threatening	Noted for improvement — unlikely to affect current audit outcome	**Address in next SOPs review cycle**

SECTION 1

Global Fund Procurement Compliance Requirements

The Global Fund Procurement and Supply Management Framework requires Principal Recipients and Sub-Recipients to meet these documentation standards at all times. Non-compliance risks disallowed expenditure and PR suspension.

GLOBAL FUND — Procurement & Supply Management Requirements

REQUIREMENT	DOCUMENT / EVIDENCE REQUIRED	COMPLIANT?	NOTES / GAPS
Procurement Plan Approved	Annual procurement plan uploaded to Supply Planning Tool (SPT) and approved by GF. Must align with grant workplan.	■ Yes ■ No ■ N/A	
Competitive Bidding Documentation	Minimum 3 qualified quotations for all procurements above threshold. Evaluation matrix signed by evaluation committee.	■ Yes ■ No ■ N/A	
Price Monitoring and Reporting	All health commodity procurement reported in the Price Monitoring and Reporting System (PMRS) with actual purchase prices.	■ Yes ■ No ■ N/A	
Supplier Qualification Evidence	WHO Prequalification certificate or equivalent for all health commodities. Supplier registration and compliance documentation on file.	■ Yes ■ No ■ N/A	
Purchase Orders and Contracts	Signed POs or contracts for every procurement. Prices match PMRS report. Specification matches procurement plan.	■ Yes ■ No ■ N/A	
Goods Receipt Documentation	Signed delivery notes for all received commodities. Discrepancies between ordered and received quantities documented and reported.	■ Yes ■ No ■ N/A	
Storage and Warehouse Records	Stock management records showing opening balance, receipts, issues, closing balance. Bin cards or electronic equivalent maintained.	■ Yes ■ No ■ N/A	
Distribution Records	Waybills and distribution reports for every commodity movement. Facility-level receipt confirmation for last-mile delivery.	■ Yes ■ No ■ N/A	
Expired/Damaged Commodity Report	Record of all expired or damaged commodities. Disposal certificate where applicable. Written-off items reported to GF.	■ Yes ■ No ■ N/A	
Programme Management Committee Minutes	PMC meeting minutes documenting procurement decisions above threshold. Quorum confirmed. Conflict of interest declarations signed.	■ Yes ■ No ■ N/A	

Audit Trail — End-to-End	Complete documentation chain: Plan > PO > Delivery Note > Stock Record > Distribution Report for each commodity lot.	■ Yes ■ No ■ N/A	
Sub-Recipient Oversight Documentation	SR procurement monitoring reports. Spot checks conducted and documented. SR corrective action plans where applicable.	■ Yes ■ No ■ N/A	

SECTION 2

USAID Procurement Compliance — 2 CFR 200

2 CFR 200 (Uniform Guidance) applies to all USAID-funded awards to non-Federal entities. Key procurement requirements focus on full and open competition, documented procurement procedures, and cost or price analysis for all purchases.

USAID — 2 CFR 200 Uniform Guidance Procurement Requirements

REQUIREMENT	DOCUMENT / EVIDENCE REQUIRED	COMPLIANT?	NOTES / GAPS
Written Procurement Procedures	Entity has documented, written procurement procedures that reflect 2 CFR 200 requirements. Updated procedures on file and in use.	■ Yes ■ No ■ N/A	
Full and Open Competition	Procurement process demonstrates full and open competition. Exceptions to competition are documented and justified in writing.	■ Yes ■ No ■ N/A	
Independent Cost Estimate	An independent cost or price estimate was prepared before solicitation for all procurements above the simplified acquisition threshold.	■ Yes ■ No ■ N/A	
Solicitation Documentation	Requests for Quotation, Invitation for Bids, or Requests for Proposals are on file, dated, and show distribution to multiple vendors.	■ Yes ■ No ■ N/A	
Evaluation Criteria and Process	Evaluation criteria stated in solicitation. Evaluation conducted against stated criteria. Selection decision documented in writing.	■ Yes ■ No ■ N/A	
Conflict of Interest Declarations	All procurement evaluation committee members signed conflict of interest declarations before the evaluation.	■ Yes ■ No ■ N/A	
Contract/Award Documentation	Signed contracts or POs for all awards. Award notifications sent to unsuccessful bidders where required.	■ Yes ■ No ■ N/A	
Cost Reasonableness Documentation	Price/cost analysis performed and documented for all contracts. Evidence that price paid is reasonable based on market comparison.	■ Yes ■ No ■ N/A	
Contractor Monitoring Evidence	Evidence of contractor performance monitoring. Deliverable acceptance documentation. Corrective action correspondence where applicable.	■ Yes ■ No ■ N/A	
Debarment and Suspension Check	SAM.gov search or equivalent conducted for all contractors and suppliers. No awards to debarred or suspended entities.	■ Yes ■ No ■ N/A	

Property Management Records	Inventory records for all USAID-funded equipment and property. Physical verification conducted. Disposition plan for end of award.	■ Yes ■ No ■ N/A	
Subaward Procurement Oversight	Subrecipient procurement monitoring documentation. Pre-award risk assessment conducted. Pass-through entity monitoring reports.	■ Yes ■ No ■ N/A	

SECTION 3

FCDO Smart Rules Procurement Requirements

The FCDO Smart Rules set minimum standards for procurement funded through FCDO grants and commercial contracts. Partner organisations and implementing entities are expected to meet these standards and maintain documented evidence.

FCDO — Smart Rules Procurement Compliance Requirements

REQUIREMENT	DOCUMENT / EVIDENCE REQUIRED	COMPLIANT?	NOTES / GAPS
Procurement Strategy / Plan	A procurement strategy or plan approved at the appropriate authority level before procurement begins. Strategy covers all planned procurement categories.	■ Yes ■ No ■ N/A	
Market Assessment Evidence	Evidence of market assessment or analysis conducted before procurement. Assessment informs choice of procurement route.	■ Yes ■ No ■ N/A	
Procurement Route Justification	Written justification for procurement route chosen (competitive tender, framework agreement, direct award). Matches FCDO requirements for value threshold.	■ Yes ■ No ■ N/A	
Tender Documentation	Complete tender documentation package on file: specification, evaluation criteria, terms and conditions. Published or distributed to sufficient candidates.	■ Yes ■ No ■ N/A	
Supplier Selection Record	Documented supplier selection process. Evaluation scores and rationale on file. Selection decision approved at correct authority level.	■ Yes ■ No ■ N/A	
Conflict of Interest Management	Conflict of interest register maintained. Declarations made by all involved in selection process. Mitigation steps documented where conflicts identified.	■ Yes ■ No ■ N/A	
Contract Management Plan	Contract management plan or equivalent in place for all significant contracts. Milestones, KPIs, and payment triggers defined.	■ Yes ■ No ■ N/A	
Payment Documentation	Payment requests, invoices, and payment approvals on file. Payments match contract terms and deliverable acceptance.	■ Yes ■ No ■ N/A	
Delivery / Acceptance Records	Formal acceptance of goods or services documented. Acceptance criteria met before payment. Disputes managed and documented.	■ Yes ■ No ■ N/A	
Value for Money Assessment	VfM assessment conducted and documented. Assessment demonstrates economy, efficiency, and effectiveness of procurement.	■ Yes ■ No ■ N/A	

Anti-Corruption Documentation	Anti-corruption clauses included in contracts. Suppliers have signed anti-bribery declarations. Suspicious activity reporting process exists.	■ Yes ■ No ■ N/A	

SECTION 4

EU PRAG Procurement Requirements

The EU Practical Guide (PRAG) sets out the rules and procedures for all procurement financed by the EU General Budget and European Development Fund. These requirements apply to service contracts, supply contracts, and works contracts above specified thresholds.

EU PRAG — Procurement Compliance Requirements

REQUIREMENT	DOCUMENT / EVIDENCE REQUIRED	COMPLIANT?	NOTES / GAPS
Procurement Plan Published	Forecast notice or procurement plan published in accordance with PRAG requirements. Sufficient lead time provided.	■ Yes ■ No ■ N/A	
Threshold-Based Procedure Followed	Correct procurement procedure followed for the contract value: Local Open Tender (above threshold), Simplified (below), Negotiated (justified exceptions).	■ Yes ■ No ■ N/A	
Technical Specifications	Technical specifications drafted in accordance with PRAG requirements. Specifications are functional/performance-based, not brand-specific.	■ Yes ■ No ■ N/A	
Tender Dossier Completeness	Complete tender dossier on file including: Instructions to Tenderers, Draft Contract, Technical Specifications, Administrative Data Sheet.	■ Yes ■ No ■ N/A	
Tender Opening Record	Tender opening conducted with required quorum. Formal minutes of tender opening session signed by all present.	■ Yes ■ No ■ N/A	
Evaluation Report	Formal evaluation report produced using PRAG standard format. Evaluation committee composition and declarations on file.	■ Yes ■ No ■ N/A	
Standstill Period Evidence	Standstill period observed between contract award decision and contract signature where required. Unsuccessful tenderer notifications on file.	■ Yes ■ No ■ N/A	
Contract Signature and Registration	Contract signed by authorised representatives of both parties. Contract registered in accordance with EU Delegation requirements.	■ Yes ■ No ■ N/A	
Visibility Requirements	EU visibility requirements met — funding acknowledgement on all publications, events, and deliverables. Photographic evidence where required.	■ Yes ■ No ■ N/A	
Audit Access Clause	Audit access clause included in all contracts and subcontracts. EU, ECA, and OLAF access rights preserved.	■ Yes ■ No ■ N/A	

Financial Guarantee (if applicable)	Performance bond or financial guarantee in place where required by the contract. Amount and format compliant with PRAG requirements.	■ Yes ■ No ■ N/A	

SECTION 5

Cross-Donor Common Requirements

These requirements appear across all four donor frameworks. They represent the baseline of procurement compliance regardless of which donor is funding the programme. Any gap here will be flagged regardless of the specific audit framework applied.

CROSS-DONOR — Common Procurement Compliance Requirements

REQUIREMENT	DOCUMENT / EVIDENCE REQUIRED	COMPLIANT?	NOTES / GAPS
Organisational Procurement Policy	Written, Board-approved procurement policy in place. Policy covers thresholds, methods, delegations of authority, and ethical requirements.	■ Yes ■ No ■ N/A	
Segregation of Duties	Procurement, authorisation, and payment functions are separated between different staff. No single person controls the full procurement-to-payment cycle.	■ Yes ■ No ■ N/A	
Conflict of Interest Policy	Written conflict of interest policy. Annual declarations from all staff involved in procurement decisions. Register maintained.	■ Yes ■ No ■ N/A	
Procurement Filing System	All procurement files are complete, organised, and retrievable. Naming conventions applied consistently. Physical or electronic storage is secure.	■ Yes ■ No ■ N/A	
Staff Competency Evidence	Procurement staff have relevant qualifications or training. NITA-certified training records or equivalent on file.	■ Yes ■ No ■ N/A	
Supplier Register	Active supplier register maintained. Supplier registration, verification, and performance records on file.	■ Yes ■ No ■ N/A	
Contract Register	All active contracts recorded in a contract register. Key dates (start, end, renewal) monitored. Variation orders documented.	■ Yes ■ No ■ N/A	
Whistleblower / Fraud Reporting	Mechanism for reporting procurement fraud or irregularity exists and is communicated to staff. Reports are investigated and documented.	■ Yes ■ No ■ N/A	
Internal Audit Coverage	Procurement is included in the internal audit plan. Internal audit findings and management responses on file.	■ Yes ■ No ■ N/A	
External Audit History	Most recent external audit report available. Procurement findings from prior audits have been addressed. Management responses implemented.	■ Yes ■ No ■ N/A	

SECTION 6

Remediation Planning Template

Use this template to record each gap identified and assign a remediation owner and deadline. Share this with your finance and operations leads. Review progress weekly until all Critical and High items are resolved.

REF	GAP IDENTIFIED	DONOR FRAMEWORK	RISK LEVEL	REMEDIATION ACTION	OWNER	DEADLINE	STATUS

PRIORITY ORDER FOR REMEDIATION

1. Critical items — Resolve immediately. These are direct audit findings. Any unresolved critical item at the time of audit will result in disallowed expenditure or findings.

2. High items — Resolve within 30 days. These will appear as management letter comments and can affect future disbursement conditions.

3. Medium items — Resolve within 90 days. These represent process weaknesses that will accumulate into audit risk if not addressed.

4. Low items — Address in next annual SOPs review. These are good practice gaps that do not create immediate audit risk.

Found gaps in your checklist?

We review your files against the auditor's actual checklist —

and close every gap before they find it.

OUR AUDIT REMEDIATION

- File-by-file gap analysis vs donor checklist
- Procurement documentation rebuild
- Commodity traceability framework design
- Reporting templates that produce audit trails by default

DONORS WE WORK WITH

- Global Fund — PMRS, traceability, HACT
- USAID — 2 CFR 200, pre-award assessment
- FCDO — Smart Rules procurement compliance
- EU — PRAG procurement and financial management

ENGAGEMENT MODEL

- You share current documentation
- We identify every gap against the relevant checkli
- Fixed-fee remediation plan with clear timeline
- You receive a documented, audit-ready file set

Describe Your Audit Challenge

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