



Asha for Education
440 N Barranca Ave, Ste 2742
Covina, CA 91723
www.ashanet.org
FEIN: 77-0459884

FY2020 Internal Assessment report of the Internal Audit Committee of Asha for Education (AfE)

Internal Audit Committee Members:

- 1) Akshay Bole
- 2) Ravi Kandikonda
- 3) Srikanth Pilla
- 4) Sabitha Balachandra

Submitted to: The Board of Directors, Asha for Education. Binay Pathak (President),

Summary:

The Internal Audit Committee for the FY 2020 had access to the external auditor audit for the organization. The new IA committee decided to reuse a large part of the questionnaire from the prior team (thanks!) with some modifications. The IA committee reviewed recent year Audit notes and overall is satisfied with the financial statements and processes of the organization. We also reviewed previously identified risks with responses provided and marked them as addressed in our notes. The committee is also satisfied with the non-financial processes, but identified the below risks in the operations of the organization that the Board should consider mitigating:

Risk	Severity	Recommendations
Lack of process to ensure all volunteers are familiar with at-least basic organizational policies for financial and legal compliance in US and India (for projects). Wiki was reviewed.	Low	(a) Include Project Stewards Training (b) Include Policy for evaluation software updates/Major release (c) Create awareness campaigns to educate all volunteers (d) Mandate an annual refresher and/or policy update 'course' for every active volunteer
Awareness of student chapters of their 'dual-status' and their obligations towards AfE and funds raised on behalf of AfE , Student chapters typically transfer fund from Bank accounts under the auspices of the university to AfE.	Low (Financial Risk)	Short-term: 1. Drive communication to each student chapter 2. AFe Policy with respect to the same could be documented and published on Wiki

Storage and Housekeeping	Low (Audit trails, Legal)	AfE to enhance storage and housekeeping for:- 1) Insurance Policies 2) 3 rd Party contracts
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Response from the Board of Directors:

We would like to use this opportunity to thank all the members of the Internal Audit Team for their thorough and thoughtful audit. Your work helps make our organization stronger. We acknowledge the recommendations and associated risks, and corresponding teams are looking at addressing them in a timely fashion. Please find our response to each of the recommendations in the table below.

Risk	Internal Audit Team Recommendations	Board of Directors Response
[Low] Lack of process to ensure all volunteers are familiar with at-least basic organizational policies for financial and legal compliance in US and India (for projects). Wiki was reviewed.	(a) Include Project Stewards Training (b) Include Policy for evaluation software updates/Major release (c) Create awareness campaigns to educate all volunteers (d) Mandate an annual refresher and/or policy update ‘course’ for every active volunteer	(a) We are looking to build training for project stewards. Please note that the central project and treasury teams do review every checklist closely, and chapter project coordinators and chapter volunteers review the projects regularly which reduces the chance of significant mistakes by the project steward. (b) We want to stay current to avoid any risk but a blanket policy may be difficult to implement. (c) We are looking to have training covering critical policies, roles and responsibilities. But not sure if awareness campaigns on such topics will be a big draw for volunteers.



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		(d) This will be difficult to implement in the current structure due to lack of a good definition for active volunteer.
[Low] Awareness of student chapters of their 'dual-status' and their obligations towards AfE and funds raised on behalf of AfE , Student chapters typically transfer fund from Bank accounts under the auspices of the university to AfE.	Short term: (a) Drive communication to each student chapter (b) AFE Policy with respect to the same could be documented and published on Wiki	(a) Most of the student chapters have been there for a long time and are aware of these requirements. We run into issues when transitions to new teams are not as thorough. Our team is looking at what will be a low effort way of achieving this. (b) Team is looking into having this documented.
[Low] Storage and Housekeeping	AfE to enhance storage and housekeeping for: (a) Insurance Policies (b) 3 rd Party contracts	(a) Central team maintains the insurance policies for all the events. There are few Team Asha Climb related events where involved chapters are expected to do the same. We can provide guidance to ensure they are on top of it. (b) Central team maintains all its contracts. There are few contracts signed by chapters and they are expected to maintain the same. We can provide guidance to ensure they are on top of it.