

REGION	COUNTRY	AUDIT NAME	Audit Number	YEAR	RECOMMENDATION #	RECOMMENDATION	MANAGEMENT COMMENTS	STATUS	INDICATOR OF IMPLEMENTATION / PROGRESS	IAIG latest comments
AFO	Mauritania and Senegal	UNOPS execution of UNDP project "Conservation de la diversité biologique par la réhabilitation participative des sols dégradés dans les zones arides et semi-arides transfrontalières de la Mauritanie et du Sénégal".	PS 0201	2005	1	The project budget should be revised to take full account of cost sharing contributions received, including a disclosure of the in-kind contribution arrangements.	<i>"UNOPS manages only the cash contribution of UNDP-GEF and the Government of Netherlands. However, the next budget revision will reflect the update of on-kind contributions as recommended."</i>	In Progress	Contributions as recommended was done with the help of Finance from HQ and posted Following discussion with UNDP/UNOPS the contribution of the Government of Netherland was fully recorded in year 2008.	Audit Process has started, recommendation will be closed after final audit is accepted by the client
AFO	Mauritania and Senegal	UNOPS execution of UNDP project "Conservation de la diversité biologique par la réhabilitation participative des sols dégradés dans les zones arides et semi-arides transfrontalières de la Mauritanie et du Sénégal".	PS 0201	2005	3	We reiterate our recommendation in the 2004 audit report that, as a matter of priority, the requirement for an annual external audit by an independent auditor should be clarified with the counterpart office of UNDP and with the donors.	<i>"Noted action will be taken."</i>	In Progress	Audit will be done as extension of project (project supposed to be closed at the end of 2008) for a 10 month period is in process. Budget was approved to conduct annual external audit this year 2009. Message provided to audit "PTA Budget" i.e. AWP of 2009 where 60000 is committed to do final evaluation and Audit.	Audit Process has started, recommendation will be closed after final audit accepted by the client
AFO	Dakar, Senegal	Limited scope audit of the UNOPS implementation of the programme "Western and Central Africa Rural Development HUB, a tool for improved food security and rural poverty alleviation" (HUB)	PS 0218	2006	1	The Agreement should be amended to reflect the issues raised in this report with regard to the following: a) clearly stating the role of UNOPS, and b) clarifying the audit responsibilities.	<i>"UNOPS agrees with the recommendation and will discuss with IFAD on both issues in September 2006 when the next mission is scheduled"</i>	In Progress	IFAD will send a letter to UNOPS explaining the case. No action taken by IFAD. Issue not discussed during steering committee. Issue will be addressed next steering committee planned April 2009.	Audit Process has started, recommendation will be closed after final audit is accepted by the client
AFO	Dakar, Senegal	Limited scope audit of the UNOPS implementation of the programme "Creating a regional information network in Western and Central Africa - Phase II"	PS 0217	2006	1	The Agreement should be amended to reflect the issues raised in this report with regard to the following: a) clearly stating the role of UNOPS and b) clarifying the audit responsibilities.	<i>"UNOPS agrees with the recommendation and will discuss with IFAD on both issues in September 2006 when the next mission is scheduled."</i>	In Progress	IFAD will send a letter to UNOPS explaining the case. No action taken by IFAD. Project operationally closed since September 2008.	Audit Process has started, recommendation will be closed after final audit is accepted by the client
AFO	Dakar, Senegal	Limited scope audit of the UNOPS implementation of the programme "Creating a regional information network in Western and Central Africa - Phase II"	PS 0217	2006	3	The Agreement should be amended to reflect the cancellation of UNOPS obligation to collect the US\$2,000 yearly contribution from IFAD projects in the region.	<i>"UNOPS agrees that the obligation to collect monies from each IFAD project should be reviewed. In fact this has already been discussed and it is expected that changes will be made to the agreement in the next mission to be performed in September 2006."</i>	In Progress	IFAD accepted to withdraw this obligation. IFAD will send a letter to UNOPS. No action taken by IFAD. Project operationally closed since September 2008.	Recommendation will remain open until : a) letter from IFAD as referenced is obtained, and b) final audit is completed and accepted by the client

AFO		Limited Scope Audit of the UNOPS Africa Office (AFO) - PSAS	PS 0241	2007	9	The stipulations of the Assets Management Guidelines should be fully implemented at the AFO, specifically with regard to the preparation of complete and accurate inventory records, the proper identification of assets and the undertaking of an annual physical count of non-expendable property.	<i>"Noted. AFO has recognized that there were deficiencies in the ESARO asset management in early 2007 and action has already been initiated to rectify this. In March 2007 AFO issued an RFP for asset recording, costing of AFO assets. Bids have been received and evaluated and the contract is expected to be awarded by 15 June 2007."</i>	In Progress	28/02/09 - Inventory completed and uploaded into ATLAS as per UNOPS procedures - compliant and fully implemented. AFO RFMO to comment as all inventory records were sent to RFMO as the custodian of the records.	Inventory records for all OCs to be provided to Audit.
AFO	Nile Basin Initiative	Consolidated Report on the Financial Audit of "Nile Basin Initiative Shared Vision Program" (NBI) Project Activities for the Year 2006	PS 0253	2007	3	A uniform system should be introduced to capture data and produce financial statements.	<i>The training of NBI projects in ATLAS started in June 2007 and is expected to be completed early September 2007. The following 5 projects (CBSI, NTAP, RPT, SDBS and WRPM) projects have been trained in ATLAS and only two projects are left (ATP and EWUAP). The Objective is to give access to ATLAS for all projects and allow them to use the system to make payment directly in ATLAS, using their Imprest account. A new procedure is being tested to make Imprest disbursement in ATLAS and we expect our project to be onboard as soon as possible. This will reduce the number of errors due to manual entries in two different systems (ATLAS and Visual Imprest/FASS).  The implementation timeframe needs to be discussed further with the Regional Financial Management Officer. Once applied, this procedure will enable discontinuation of the use of local Imprest systems and all financial information will be produced by ATLAS.</i>	In Progress	UNOPS has implemented in 2007 the use of Atlas to projects (to enter requisitions). All projects have been trained and have access to Atlas, which have reduced the number of errors. We have stopped using Global Authorization PO, which help the control and reduce the number of errors.  New Atlas disbursement procedure is being implemented along with downsizing of Imprest, to date two projects have opened Atlas bank accounts.  On-Going	Confirmation that all NBI projects are using Atlas Bank Account.
AFO	Kenya	Financial Audit of the "Northwestern Integrated Community Development Programme" (NWICDP) for period ended at 31 December 2006	AR/2008/101	2008	2	In line with the current UNOPS financial regulations, expenditure should not exceed the funds received or the authorized budget.	<i>The expenditure included an obligation which has been liquidated in 2007.  MSA signed in 2001 provides for MGT Fee to paid only after audit of FY is completed and submitted to Client hence contributing to the problem. However, problem managed to a minimum.  No expenditure over and above funds received.</i>	Not Implemented	Improved controls implemented by UNOPS with revised DOAs and ATLAS rights. POs can only be overridden by RD, thereby reducing risk of expenditures in excess of funds received	The recommendation will remain open until final audit is conducted and accepted by the client
EMO	Afghanistan	"Audit of the Afghan Election Project 2004 -2006	PS 0232	2007	17	An Asset disposal committee should be set up to look forward to disposal of assets at the earliest with due consideration cost/ benefit factor arising from the opportunity cost stated above.	<i>UNDP  We acknowledge the recommendation, but several issues have to be taken into account:  • The property and legal aspects of the warehouse facilities have to be cleared first (The President handed over the land to the Independent Election Commission) • The warehouses have to be vacated first. This process is ongoing  Due to the financial gap UNOPS currently claims ownership of the warehouse facilities. This has to be clarified by UNOPS and UNDP  UNOPS  Agreed. The loss by way of opportunity cost is very real and merits attention. UNOPS has been seeking ways and means of selling / disposing these assets for over a year now. It is to be noted that definite steps have been taken in the past in this regards – several assets were sold to other UN agencies through the approval of CAP. UNOPS is also in dialogue with UNDP with regards to finalising a definite process for the sale / disposal of these assets. We are aware of the sunk costs that are being incurred by way of space utilization, security, power, etc., not to mention the depreciation of the assets, and are taking definite action in resolving this.  Conclusion</i>	In progress	Almost all assets of 2004 Election project are disposed, donated and liquidated with the consent of client. There are just few pending items under the assets disposition of Elect 2004 which are the followings. A: Transfer of credit to be posted on ATLAS crediting Elect 2004 project B: some Assets (Fleet) to be liquidated and written off, the process is already initiated. Supporting documents are attached. All credit transfers and write-off are complete. The only pending item is UNDP to sign off donation letters for some of the remaining Donation items	In progress, pending UNDP sign off donation letters.

EMO	Afghanistan	"Audit of the Afghan Election Project 2004 -2006	PS 0232	2007	27	Reconciliation of CLJ vehicles  Management clarification is required whether these vehicles have to be handed over to IEC or not.	UNDP  UNDP senior management approved the transfer of 2 CLJ vehicles to Independent Electoral Commission – IEC on the date of 31/10/2006. In conclusion, the total number of vehicles transferred to IEC HQs Kabul will be 13.  UNOPS  UNOPS is in the process of seeking clarification from UNDP on the transfer.  Way forward - UNDP and UNOPS  UNDP and UNOPS to discuss and resolve the transfer.	In progress	Transfer of vehicles and reconciliation complete. As above UNDP is yet to sign off some of the Donation letters.	In progress, pending UNDP sign off donation letters.
EMO	SWOC	Limited scope audit of the global monitoring for stability and security (GMOSS) activity under Project INT/01/R73	PS 0222	2007	1	In line with the current UNOPS financial regulations, expenditures should not exceed the funds received and the authorized budget.	"UNOPS agrees with the recommendation and will ensure that all control procedures are established and applied which require that project budgets are approved and expenditure are incurred in accordance with budget authorizations"  Expected Completion Date: " A Circular letter was sent in October 2006 to those responsible for project management."  Responsible Manager: Rino Semiro Imponenti, Chief a.i. . Division of Finance and Administration.	In progress	Check list for operationally closing the project is received and the project is now operationally closed in ATLAS. The project expenditures were met beyond the cash received based on approvals from DED. An ongoing discussion with the client and the senior management has been concluded and the over expenditures will now be submitted to HQCPC for write-off.	Recommendation is considered as in Progress. Will be closed once write-of is approved and implemented
EMO	SWOC	Limited scope audit of the global monitoring for stability and security (GMOSS) activity under Project INT/01/R73	PS 0222	2007	5	The project financial reporting period should be in line with the UNOPS financial period, as stipulated in the UNOPS financial regulations and rules.	"We do not agree with OAPR's recommendation, as this would excluded UNOPS from participating in many operations and cooperating with many international partners, to which different accounting periods apply. In addition, it is not plausible to us why the reporting period has to match the principle of a calendar year and cannot refer to any period as long as expenses truly accurately reflect UNOPS official financial records."  OAPR Response to UNOPS Management Comments:  It is essential to follow the organizational accounting period in order to authenticate and support underlying expenses charged in the books of accounts. However, in cases where a donor reporting requirement would intersect between two accounting periods, separate report for each UNOPS accounting period can be issued along with a combined report, if required. We, therefore, do not agree with the UNOPS management comments. Hence, we maintain audit recommendation 5 that the project financial reporting period should be in line with the annual year-end closing of the UNOPS financial accounts.	In progress	The final financial statement has been submitted to the client in Aug 2008. The client has not contested the statement, which is taken as acceptance. Per the attached mail there is no individual communication from EC.	Recommendation is considered as in Progress. Will be closed once the project is financially closed.
EMO	International Waters	Audit of the Yellow Sea Large Marine Ecosystem (YSLME) project for the period Nov 2004 to August 2007	AR/2008 /108	2008	6	It is recommended that YSLME, with UNOPS, close unused obligations reconcile the discrepancies in disbursement account between Atlas System and V-Imprest System	Agreed. YSLME, with UNOPS, will close encumbrances and reconcile the discrepancies.	In Process	Regularly check the PO and request to cancel the unused obligations.	Audit awaiting supporting documentation to proof that.

EMO	Philippines	Investigation on Alleged misconducts in UNOPS executed UNODC project in Philippines	AR/2008/106	2008	6	Management should consider informing UNODC about the case, emphasizing on the actions already taken as this client seems to not be aware of the case. It appears that they are satisfied with the project on the technical side. Also, Management should consider informing sending an Information Letter to both the UNDP Resident Representative (RR) in Manila and UNDP Office of Audit and Performance Review (OAPR) as the NDP Procurement Specialist who has reported the case has also informed those people.	NA	Not Implemented		
EMO	Philippines	Investigation on Alleged misconducts in UNOPS executed UNODC project in Philippines	AR/2008/106	2008	1	Management should ask UNOPS ATOC to closely monitor the payments that have been suspended by UNDP. Especially, UNDP should be requested to make payments as per Appendix 1.	NA	Not Implemented		No information received. Documentation received doesn't apply the recommendation.
EMO	Philippines	Investigation on Alleged misconducts in UNOPS executed UNODC project in Philippines	AR/2008/106	2008	2	Management should ask UNOPS ATOC to closely monitor the liquidation of all outstanding cash advances, in collaboration with UNDP Finance in Manila.	NA	Not Implemented		
EMO	Philippines	Investigation on Alleged misconducts in UNOPS executed UNODC project in Philippines	AR/2008/106	2008	4	Management should consider a revision of the work arrangement with UNODC to make sure that the responsibilities are clearly understood by all the parties wherever UNOPS does not have an Operation Centre and then needs to use UNDP services.	NA	Not Implemented		
EMO	Philippines	Investigation on Alleged misconducts in UNOPS executed UNODC project in Philippines	AR/2008/106	2008	3	Management should make sure that UNOPS ATOC is more involved in the other similar Anti-Trafficking funded and executed by UNODC with UNOPS as "Associated Agency". Especially, the validation of documents supporting the expenses incurred in the field should be performed on a more reliable manner. It will make sense to have a Finance and Administrative Assistant within the projects teams. Also, the procurement process within the projects needs to be strengthened by establishing an adequate pre-approval process for the quotations, before allowing the Projects to move forward and sign contracts. This could ensure an early detection of any fraudulent quotation and avoid contacting based on false quotations.	NA	Not Implemented		
FPG	FIN (Nile Basin Initiative)	"Consolidated Report Limited Scope Audit of Certain MSA Project Activities in the Nile Basin Countries and Ethiopia"	PS 0236	2007	4	The contradiction between the various UNOPS guidelines and directives with regard to the submission of original invoices to support disbursement vouchers should be addressed and clarified.	No response provided	Not Implemented		Recommendation reassigned to HQ Finance

NAO	Brazil	UNOPS execution of the "GEF Small Grants Programme" Project in Brazil.	PS 0191	2005	8	<p>It should be ensured that the operation of the national steering committee in Brazil is in line with the Guidelines, particularly in the following aspects:</p> <p>a) members should be formally appointed by the UNDP Resident Representative;</p> <p>b) any member of the national steering committee from the NGO sector, academic and scientific institutions, other civil service organizations, should be appointed to serve in her/his personal capacity and not as a representative of her/his organization;</p> <p>c) the practice of considering the tenure of members to be "indefinite" should be discontinued and the "two year rule" should be generally used as a yardstick.</p>	<p><i>"Agree with a), b) and c) are the responsibilities of the National Coordinator to ensure each member of the NSC is endorsed first by the SGP Global Manager before appointment by the RR. SGP CPMT is reviewing Operational Guidelines including rules and tenure for NSC membership." I</i></p>	In Progress	<p>Operational Guidelines were updated and provided to SGP-Brazil for corrections. Under c, the latest comments by the Brazil NC include the following: "Although the future composition of the National Steering Committee of SGP Brazil will depend on the geographical focus and the focal areas of GEF to be determined in November 2010, we are working on an interim solution. Without replacing valued NSC members, we will add new members, making it clear, informally, that composition and terms of appointments may not continue for two years if or when the scope of SGP changes. It is precisely the formal appointment for a two-year term that complicates decisions on membership now." The GEF Council is expected to decide on the Brazil SGP-OP5 project in November 2010.</p>	Decision on GEF Council is awaited
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