

## Table of Contents

Annex 1 - Opinion on the Adequacy and Effectiveness of the UNFPA Framework of Governance, Risk Management and Control.....	2
Annex 2 – Internal Audit Reports Issued in 2015.....	4
Annex 3 – Good Practices and Improvement Opportunities Identified in Country Office Audits .....	5
Annex 4 – Recommendations Unresolved for 18 Months or More as at 31 December 2015.....	10
Annex 5 – Status as at 31 March 2016 of the 15 Recommendations in the Report of the Director of the Division for Oversight Services on Audit and Oversight Activities Conducted in 2010 (DP/FPA/2011/5)	12
Annex 6 – Operating Fund Account Management Controls and National Execution Audit Results .....	19
Annex 7 - Detailed Summary of All Investigations Concluded in 2015 .....	21
Annex 8 - Summary of Reports for Substantiated Investigations Issued in 2014.....	25

## **Annex 1 - Opinion on the Adequacy and Effectiveness of the UNFPA Framework of Governance, Risk Management and Control**

1. In accordance with Executive Board decision 2015/13 of June 2015, OASIS provided its opinion, as reflected in section II.B of the report on internal audit and investigation activities in 2015, on the adequacy and effectiveness of the UNFPA governance, risk management and internal control processes.

2. This annex provides additional information on the criteria used as the basis for the opinion, as well as the scope of audit work undertaken and additional sources of evidence considered, as appropriate, to formulate the opinion, the process followed for aggregating and assessing the issues identified, as well as the reasons for the opinion formulated.

### **Criteria used as a basis for the opinion**

3. OASIS utilized the 2013 COSO<sup>1</sup> internal control integrated framework and the 2014 enterprise risk management integrated framework, adopted by UNFPA as the basis for its internal control framework and enterprise risk management process, respectively, as the main criteria for assessing the adequacy and effectiveness of the governance, risk management and internal control processes to provide reasonable assurance on the achievement of UNFPA's objectives in the following categories:

- a) *Strategy*: fulfillment of UNFPA's mandate and achievement of its strategic plan goals;
- b) *Operations*: effectiveness and efficiency of UNFPA's operations, including (i) operational and financial performance goals; [ii] conformity of expenses with the purpose for which funds were allocated; and [iii] safeguarding of assets against loss;
- c) *Reporting*: reliability of UNFPA's internal and external (i) financial reporting, and (ii) non-financial reporting; and
- d) *Compliance*: adherence to UNFPA's regulatory framework as established in its legislative mandate, rules, regulations, policies and procedures.

### **Scope of audit work and additional sources of evidence considered for formulating the opinion**

4. The opinion is based on (a) OASIS audits of country offices, regional offices and corporate processes; (b) joint audits of interagency activities; as well as (c) follow-up reviews of past OASIS audits, undertaken between 1 January and 31 December 2015, as detailed throughout the report (sections V.C and V.D, and annex 2).

5. Additional sources of evidence considered, as appropriate, to formulate the opinion included (a) cumulative audit knowledge stemming from the audit risk assessment and OASIS audits completed in previous years, as deemed relevant; (b) status of implementation of internal audit recommendations as at 31 December 2015 (section V.E and Annex 5); (c) systemic governance, risk management and internal control issues noted in investigations completed in 2015; (d) audit findings reported by the United Nations Board of Auditors in its management letter on the interim audit of UNFPA dated 6 January 2016; (e) results of the national execution audits commissioned by management and completed in the year 2015 by an external audit firm (annex 6); (f) results of control self-assessments completed by numerous country and regional offices as well as headquarters units in February 2016; and (g) results of the risk assessments completed as part of the enterprise risk assessment process under implementation by management starting 2015.

6. The audits conducted by OASIS and some additional sources of evidence considered for purposes of formulating the opinion refer primarily to activities undertaken by UNFPA in 2014 and in previous years, with some in 2015. Additional matters could have been identified that may have impacted the opinion had additional audit work been performed in 2015 and / or in previous years.

7. In 2015, as in previous years, UNFPA outsourced significant functions to other United Nations system organizations, including (a) selected human resources management activities; (b) staff and service contract holder payroll preparation and payment; (c) payment processing; (d) treasury management; and (e) hosting and management of the enterprise resource planning system. UNFPA management relied on the management and fiduciary oversight activities undertaken by the organizations to which these functions were outsourced, as regards the adequacy and effectiveness of the related governance, risk management and internal control processes; these are not covered by the OASIS opinion.

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<sup>1</sup> Committee of Sponsoring Organizations of the Treadway Commission.

8. In addition, UNFPA outsources significant information and communications technology functions, including the hosting of significant systems, to third-party service providers. UNFPA management did not obtain third-party assurance reports on the adequacy and effectiveness of the related governance, risk management and internal control processes; these are not covered by the OAIIS opinion.

**Process followed for aggregating audit results and assessing issues**

9. Results of the audits undertaken by OAIIS and additional evidence considered to formulate the opinion were aggregated by audit area and process, using the framework previously developed for audit risk assessment purposes and for reporting key findings of internal audit activities (section V.D).

10. The potential impact of the issues identified on the achievement of the relevant UNFPA objectives in the categories detailed in paragraph 3 above, was assessed taking in consideration (a) the audit ratings assigned to the entities, areas and processes covered by the audits, weighted based on the amount of audited expenses; (b) the nature and materiality of the issues identified, individually and in the aggregate; (c) their root cause and pervasiveness; (d) the risk profile, as determined based on the outcome of the OAIIS audit risk assessment, and on the materiality of the processes affected; (e) the degree to which internal audit recommendations had been implemented; and (f) the adequacy and effectiveness of compensating controls operating at headquarters and / or regional office level that could contribute to mitigating the impact of the issues found.

**Reasons for the opinion formulated**

11. Based on the scope of work undertaken and the additional sources of evidence considered, OAIIS assessed the adequacy and effectiveness of UNFPA's governance, risk management and control processes as '*partially satisfactory*' which means that these processes were generally functioning; none of the issues found were assessed as having the potential to seriously compromise the achievement of UNFPA objectives; however, one or more issues were identified that, if not addressed by management, could negatively affect the achievement in the categories detailed in paragraph 3 above. Key matters requiring management focus are described throughout the report.

## Annex 2 – Internal Audit Reports Issued in 2015

Ref	Type	Report No.	Title	Rating
<b>Country Offices</b>				
▪ <b>Arab States</b>				
1	Full scope audit	SDN-103	Audit of the UNFPA Country Office in Sudan	Partially satisfactory
▪ <b>Asia and the Pacific</b>				
2	Full scope audit	PAK-102	Audit of the UNFPA Country Office in Pakistan	Unsatisfactory
3	Full scope audit	PHL-102	Audit of the UNFPA Country Office in the Philippines	Unsatisfactory
▪ <b>East and South Africa</b>				
4	Full scope audit	TZA-103	Audit of the UNFPA Country Office in Tanzania	Partially satisfactory
▪ <b>Latin America and the Caribbean</b>				
5	Full scope audit	VEN-101	Audit of the UNFPA Country Office in Venezuela	Unsatisfactory
<b>Regional Office</b>				
6	Full scope audit	ESARO - 101	Audit of the UNFPA East and Southern Africa Regional Office	Partially satisfactory
<b>Joint audit</b>				
7	Full scope audit	1312	Joint Audit of Delivering as One in Malawi (FAO, UNDP, UNFPA, and UNICEF)	Partially satisfactory
<b>Corporate processes and follow-up review</b>				
8	Full scope audit	FB-102	Audit of the inventory management process	Partially satisfactory
9	Full scope audit	DHR-102	Audit of staff benefits, entitlements and financial assistance	Partially satisfactory
10	Full scope audit	PSB-101	Audit of the governance arrangements and the design of internal controls over the procurement process	Satisfactory
11	Follow-up review	OED-114	Follow-up review of the audit of the Global and Regional Programme (GRP)	Progress achieved

### Annex 3 – Good Practices and Improvement Opportunities Identified in Country Office Audits

The table below presents the more prevalent good practices and improvement opportunities identified in country office audits, the latter categorized as either newly reported, identified only at certain locations ('some offices'); 'recurring' (similar level of occurrences identified in 2015 compared to previous years); 'increasing' (more occurrences noted in 2015); 'improving' (fewer occurrences identified in 2015); or not noted in 2015. The table is organized by standardized areas and major processes.

Area /Process	Issues Identified	Prevalence	High level recommendations
<b>GOVERNANCE</b>			
<b>Good practices</b>			
	Clear and relevant office management plans	Some offices	Map the planning processes implemented at these offices to identify successful practices that can be replicated globally
	Regular programme and operations staff meetings for information sharing, programme implementation monitoring and better coordination	Recurring	Encourage regular joint programme and operations staff meetings as a useful mechanism to share information, enhance coordination, bring down silos and integrate operations
<b>Improvement opportunities</b>			
<b>Office management</b>	Insufficient management oversight over programme / operational activities	Improving	Clarify the guidance provide in the internal control framework on management oversight controls and the tools and information available to that purpose
	Lack of completeness / alignment of annual management plans	Recurring	Reinforce guidelines and training to country offices to improve the effectiveness of the planning process Implement a more rigorous quality assurance review of annual management plans by the Programme Division and regional offices
	Inaccurate or unsupported information reported in country office annual reports	Improving	Implement an assurance process over the information included in business unit annual reports
<b>Organizational structure and staffing</b>	Lack of completion of mandatory and recommended training	Recurring	Monitor compliance with mandatory and recommended training
	High vacancy rates in key management and programme and operations positions	Recurring	Implement processes to monitor and accelerate the status of recruitment processes
	Insufficient corporate oversight of offices impacted by extended vacancies	Recurring	Increase the level of support and supervision by regional offices and headquarters of offices impacted by extended vacancies
	High level of dependency on service contract holders	Recurring	Accelerate the review of service contract utilization undertaken by the Division for Human Resources in 2015 and the implementation of measures to enforce the proper use of the different contractual modalities

Area /Process	Issues Identified	Prevalence	High level recommendations
	Lack of review of the organizational structure and personnel for alignment to programme delivery and operational needs	Recurring	Review the organizational structure and staffing of business units to ensure adequacy and alignment to programme delivery and operational needs on a periodic basis (at least at the start of a new programme cycle)
<b>Risk management</b>	Lack of regular completion / update of risk assessments	Improving	Improvement noted with the implementation of the new SIS <sup>2</sup> -based ERM module – increase oversight over and support to offices still unable to complete the assessments in a timely manner
	Lack of well-defined processes and skill-set to identify and assess risks and define and implement risk mitigation actions	Recurring	Accelerate implementation of the ERM process risk response phase activities Refine the guidelines and SIS ERM module functionality relative to the ERM process risk assessment phase activities Provide additional corporate and regional office support and training to enable an effective risk assessment process
<b>PROGRAMME MANAGEMENT</b>			
<b>Good practices</b>			
	Use of mobile phone technology and banking services for payments of incentives to programme beneficiaries and participants	Recurring	Map processes and solutions implemented in these areas to identify successful practices that can be replicated globally
<b>Improvement opportunities</b>			
<b>Programme planning, implementation and monitoring</b>	Incomplete or otherwise inadequate results frameworks, particularly at country offices operating in delivering as one environments	Newly reported	Provide guidelines and training to country office staff and management to allow the development of more effective results frameworks
	Late finalization of key programme documents (e.g., country programme actions plans) and workplans, leading to delays in project implementation	Recurring	Monitor the timely completion of key programme documents and workplans, as well as actions taken by country office management to manage the impact of delays
	Inadequate system set-up of workplans and budgets	Recurring	Expected improvements from the implementation of the new global programming system did not materialize – provide additional guidelines and training and enhance the system's functionality and controls to ensure alignment between workplans and their system representation

<sup>2</sup> Strategic Information System

Area /Process	Issues Identified	Prevalence	High level recommendations
	Incomplete, unclear or outdated annual workplans and budgets	Recurring	Expected improvements from the implementation of the new global programming system did not materialize – modify the workplan management policy, develop additional guidelines and, training, and enhance the system’s functionality, as appropriate, to address the issues identified by OAIS and by management
	Insufficient monitoring of programme implementation and results due to lack of staff, processes and tools	Recurring	Increase the scope and frequency of monitoring activities Provide additional tools and resources to build the monitoring capacity of country offices
	Weak programme financial management controls, including programme expense reviews and budget-to-actual reconciliations	Recurring	Provide training and tools and improve supervision to ensure more detailed, accurate and better supported programme budgets, as well as the regular review and reconciliation of actual expenditures to workplan budgets, at activity and expense category level
	Use of programme coordination and assistance (PCA) projects and funds for programme and institutional budget costs	<i>Not noted in 2015</i>	
<b>Inventory management</b>	Delays in inventory custom clearance	Improving	Clarify the roles and responsibilities of inventory focal points
	Delays in inventory distribution by country offices and implementing partners	Recurring	Provide training on good inventory management practices Strengthen tracking and monitoring of commodity shipments and stocks
	Lack of or insufficiently documented inventory receiving and handover controls	Recurring	Enhance inventory receiving and inspection as well as handover controls and the documentation thereof
	Deficiencies in warehouse facilities and warehouse management controls	Improving	Enhance inventory controls at UNFPA and implementing partner warehouses; Regularly monitor commodity inventories held by implementing partners and their timely distribution to beneficiaries; as well as commodity availability and stock-out levels at service delivery points
	Lack of or insufficient monitoring of commodity inventory levels, distribution and availability	Recurring	Include the value of commodities provided to implementing partners within the scope of NEX audits
	Excessive freight and custom clearance costs	<i>Not noted in 2015</i>	Improve tracking and control of inventory through the use of general ledger control accounts
	Insufficient / limited involvement in commodity needs assessment and forecasting activities	Newly reported	Monitor involvement of country offices in commodity needs assessments and forecasting activities

Area /Process	Issues Identified	Prevalence	High level recommendations
	Gaps in partner supply-chain management systems that could reduce commodity availability and originate stock-outs	Newly reported	In collaboration with other programme stakeholders, assess the supply-chain management capacity of national partners and support cost-effective actions to address gaps identified
<b>National execution (NEX)</b>	Insufficient assessment of implementing partner capacity	Recurring	<p>Perform more rigorous assessments of implementing partner capacity to select the most appropriate implementation and cash-transfer modalities; identify capacity building needs and determine the frequency and scope of monitoring</p> <p>Provide training course and guidelines on good implementing partner capacity assessment practices</p> <p>Integrate the capacity assessment tools currently used</p> <p>Standardize and document the results of capacity assessments and track the execution of capacity building activities, for instance using a web-based tool</p>
	Delays in project initiation and funding to implementing partners	Improving	<p>Ensure earlier completion, approval and signing of letters of understanding and annual work-plans</p> <p>Enhance controls regarding submission, review, approval and timely payment of funding requests</p>
	Insufficient monitoring of implementing partner activities	Recurring	Increase scope and frequency of implementing partner monitoring (programmatic and financial)
	Funding to implementing partners for programme activities provided outside the OFA process, through the issue of purchase orders or accounts payable vouchers	Some offices	Introduce appropriate supervisory controls by country office management and the Finance Branch to ensure that funding to implementing partners is provided through the OFA process
	Expenditures incurred by implementing partners recorded as direct execution by UNFPA instead of NEX	Some offices	Expand the scope of NEX audits to cover expenditures incurred by implementing partners that received funding outside the OFA process, or where expenditures were erroneously recorded as UNFPA direct execution
	Lack of reconciliation of OFA balances to Funding Authorization and Certificate of Expenditures forms	Improving	Maintain supervisory controls to enforce compliance with OFA balance reconciliation controls



Area /Process	Issues Identified	Prevalence	High level recommendations
<b>OPERATIONS MANAGEMENT</b>			
<b>Improvement opportunities</b>			
<b>Human resources management</b>	Deviations from policies and procedures regarding selection and award of service and individual consultancy contracts	Recurring	Strengthen the composition and role of recruitment panels and implement country and regional office supervisory controls to improve compliance with the applicable consultant recruitment policies and procedures
	Weaknesses in the leave management process (e.g. no systematic use of Atlas) and inaccurate Atlas leave balances	Improving	Implement supervisory controls to enforce compliance with the new leave management policy
<b>Procurement</b>	Deviations from procurement policies and procedures as regards bidding	Increasing	Strengthen monitoring and supervisory controls by country and regional office management, and the Procurement Services Branch to ensure compliance with procurement procedures
	Inadequate procurement planning and lack of monitoring of the execution of procurement plans	Recurring	Strengthen the procurement planning process and tools Integrate the procurement planning process into the Atlas procurement process
	Deviations from procurement policies and procedures as regards contract awards (submission to contract review committees)	Recurring	Implement automatic access and workflow controls in Atlas to enforce submissions to contract review committees
	Limited use of long-term agreements to improve procurement transaction cost effectiveness	Recurring	Increase use of long-term agreements for high volume and lower cost/risk goods and services procurement, preferably at inter-agency level
	Inadequate use of long-term agreements, i.e., – lack of secondary bidding when multiple LTAs exist or when LTAs establish “ceiling” prices	Newly reported	Modify the procurement procedures to require submission of significant contract awards from existing LTAs for approval by contract review committees
	Limited documentary evidence of receipt and inspection of goods and services before payments are made to vendors	Recurring	Complete and formalize receipt and inspection procedures for all goods and services procured before payments to vendors are approved
<b>Financial management</b>	Recording of transactions in the wrong project, activity, fund and general ledger account codes	Recurring	Enhance supervisory controls, including Finance Branch expense reviews, to ensure accurate and timely recording of financial transactions
	Inadequate management and accounting of value-added tax payments and reimbursements	Recurring	Ensure that reimbursable value-added tax is accounted for in accordance with applicable guidelines and that reimbursement claims are timely submitted and tracked, up through collection of funds

## Annex 4 – Recommendations Unresolved for 18 Months or More as at 31 December 2015

<b>Governance</b>	
<b><u>Risk management</u></b>	
1	Update the fraud and operational risk assessment on an annual basis and establish a systematic mechanism to identify, prioritize and log risks, develop action plans to address them, and track their implementation ( <i>country office, medium, 2014</i> ). [a]
<b>Programme management</b>	
<b><u>Programme planning, implementation and monitoring</u></b>	
2	Enhance programme financial management mechanisms, including a clearer definition of the roles, responsibilities and accountability of programme managers and budget holders as regards financial monitoring controls ( <i>headquarters, high, 2011</i> ).
3	Provide additional tools and training to build up the monitoring capacity of country offices, and periodically evaluate the support and management oversight provided by Regional Offices and Headquarters to ensure that they contribute to high quality monitoring across UNFPA ( <i>headquarters, high, 2011</i> ).
4	Consider the most appropriate model for the Global and Regional Programme or any other programme that may replace it beyond 2013 to help UNFPA achieve the goals of its Strategic Plan, ensuring that the issues related to programme design; programme governance and management; and programme execution identified by the GRP performance audit are addressed in an effective and sustainable manner ( <i>headquarters, high, 2013 – partially implemented</i> ).
5	Allocate costs to the relevant outcomes and funds to which they can be attributed, including the use, where required, of a rotational basis of apportionment, commencing January 2014 ( <i>country office, medium, 2014</i> ).
6	Manage programme coordination and assistance costs in accordance with Section 1.7.3 of the Development and Approval of the Country Programme Document policy ( <i>country office, medium, 2014</i> ).
7	Prepare activity level budgets for inclusion in 2014 workplans, supported by detailed budget costing sheets that clearly document inputs, units, rates and assumptions utilized to develop the budget estimates, as required by the applicable guidelines ( <i>country office, medium, 2014</i> ).
<b><u>National execution (NEX)</u></b>	
8	Implement a quarterly review process to identify funding to implementing partners outside of the NEX/OFA process and ensure that the corresponding projects are subject to a NEX audit ( <i>country office; high, 2013, addressed to headquarters</i> ).
9	Execute contributions to UN Agencies in accordance with the guidelines released by the Fiduciary Management Oversight Group of the United Nations Development Group in 2011 and account for the contributions following the OFA process guidelines ( <i>country office, medium, 2014</i> ).
<b><u>Inventory Management</u></b>	
10	Develop more accurate procurement plans, based on an enhanced needs and specification identification process, and establish a mechanism to track their timely implementation ( <i>country office, high, 2013</i> ).
11	Strengthen warehouse operations and management by: (i) using the inventory control system in an effective manner; (ii) conducting, documenting and reconciling regular physical counts undertaken by independent personnel; (iii) tracking inventories by batch number; (iv) reconciling inventory movements against receipt and delivery authorizations; and (v) tracking inventory in-transit and deliveries to implementing partners ( <i>country office, medium, 2013</i> ).

- 12 Implement supervisory controls to enforce compliance with the inventory management policy and procedures issued in 2012, including (i) rigorous inspection controls upon receipt of goods; (ii) preparation of receiving and inspection reports; (iii) obtaining signed delivery forms upon delivery of the goods to the implementing partners and follow-up and clarification of any discrepancies reported; (iv) regular reconciliation of actual deliveries to the distribution plans; (v) and maintenance of appropriate inventory control records (*country office, high, 2014*).

### **Operations management**

#### **Human resources**

- 13 Develop a system for the monitoring and control of the recruitment and use of service contracts and special service agreements by country offices (*headquarters, high, 2011 partially implemented*).

#### **Procurement**

- 14 More clearly document the contract management process (especially guidance for end-user contract management) and the related controls in the policies and procedures manual and the Internal Control Framework (*headquarters, high, 2011*).

- 15 Implement more stringent accounts payable controls at headquarters (*headquarters, high, 2011*).

#### **ICT management**

- 16 Develop an information technology governance and control framework (*headquarters, high, 2010*).

- 17 Upgrade the directory server to a fully supported version (*headquarters, high, 2014*).

- 18 Modify the Atlas user profiles and workflow to enforce the approval of financial transactions in excess of a predetermined amount (for instance, the threshold applicable for submission to the Contract Review Committee) by at least two different "level 3" managers (*headquarters, high, 2014*).

- 19 Clarify and promptly issue the revised Internal Control Framework guidelines related to segregation of duties requirements, and Atlas profiles and approvals. Going forward, review the guidelines at least with the same periodicity of the Atlas rights certification (*headquarters, high, 2014*).

- 20 Periodically reconcile Atlas, Global Directory and directory server data to minimize the risk of unauthorized creation or updates of accounts (*headquarters, medium, 2014*).

- 21 Identify exceptions to the segregation of duties guidelines on a regular basis and assess their potential impact and risk as well as the continued validity of the business reasons that justified their initial approval (*headquarters, medium, 2014*).

- 22 Review inactive Atlas profiles on a regular basis to determine whether they should be removed from the concerned user accounts (*headquarters, medium, 2014*).

[a] The information provided in brackets for each recommendation indicates the location for which it was issued, its priority and year of issuance (this annotation is valid for the entire annex).

**Annex 5 – Status as at 31 March 2016 of the 15 Recommendations in the Report of the Director of the Division for Oversight Services on Audit and Oversight Activities Conducted in 2010 (DP/FPA/2011/5)**

N°	Recommendation	Management status update	Status
#1	Building on the midterm review of the UNFPA strategic plan, 2008- 2013, the Executive Director should elaborate a vision statement that would reorder the priorities and guide UNFPA for the subsequent strategic plan and results framework. This vision statement should be supported by a strategic communication approach targeted at the public and UNFPA employee		<i>Implemented (2012)</i>
#2	UNFPA should ensure that: <ul style="list-style-type: none"> <li>▪ Vacant positions are filled without delays by competent staff;</li> <li>▪ Staff have the necessary UNFPA-related competencies and skills in management, programming, monitoring and evaluation and operations as required;</li> <li>▪ A programme is launched to ensure succession planning, develop young talent within the organization, and develop and provide career paths and training. The recourse to temporary personnel (retirees, officers-in-charge) should be discouraged.</li> </ul>		<i>Implemented (2014)</i>
#3	UNFPA should comply with Executive Board decisions 2008/12, paragraph 2; 2009/18, paragraph 4; and 2010/26 - paragraph 11. UNFPA should further elaborate an evidence-based methodology to be applied at corporate level for making investment decisions and at country level for designing the programme in 2011. UNFPA should also develop and implement a comprehensive training in 2012 on evidence-based programming.		<i>Implemented (2013)</i>
#4	UNFPA should encourage country offices to focus their programme priorities, thus developing no more than eight outputs and reducing the number of implementing partners and AWP's to a manageable size.		<i>Implemented (2013)</i>
#5	While complying with Executive Board decision 2000/19: Review of the system for the allocation of UNFPA resources to country programmes, UNFPA should develop a flexible process to better align programme resource allocation with beneficiaries' needs.		<i>Implemented (2013)</i>
#6	At the Board's second regular session 2012, UNFPA should submit an assessment report on the new structure after a review of the headquarters, regional offices and country offices. This report would also inform the design of the new strategic plan, 2014– 2018.	<ul style="list-style-type: none"> <li>▪ The restructuring of the UNFPA Headquarters was completed by the end of 2014, by establishing two distinct divisions, the Division for Governance and Multilateral Affairs (to lead the development of strategies and policies to promote UNFPA's institutional objectives in intergovernmental and inter-agency processes), and the Division of Communication and Strategic</li> </ul>	<i>Implemented (2015)</i>

N°	Recommendation	Management status update	Status
		<p>Partnerships (to advocate greater awareness of and commitment to the International Conference on Population and Development goals), replacing the previously existing Internal and External Relations Division.</p> <ul style="list-style-type: none"> <li>▪ The restructuring was followed by an update of the UNFPA's Organizational Handbook. Terms of Reference for Country and Regional Offices, Headquarters Divisions, the Procurement Services and Information Services branches, and the Executive Director, Evaluation and Audit and Investigations offices were revised, to reflect organizational changes introduced since the last update of 2007 and (a) provide clarity about structure, roles and responsibilities, delegation of authority and accountability; (b) ensure full alignment with the organization's strategic direction, executive board decisions and audit recommendations. The final version of the organization handbook was released in June 2015.</li> </ul>	
#7	UNFPA should take the opportunity of the midterm review of the strategic plan, 2008–2013, to streamline indicators, improve their relevance, specificity and measurability, and simplify the results framework		<b>Implemented (2012)</b>
#8	<p>UNFPA should:</p> <ul style="list-style-type: none"> <li>• Review job descriptions and identify skills and expertise required for key positions. This review should start first at country level. The review should take into consideration the various types of operations and depart from the old business model based on country office typology;</li> <li>• Define in a transparent` manner lines of responsibilities, supervision and accountability, as well as key performance indicators;</li> <li>• Use the PAD system to promote accountability of performance as measured by key performance indicators;</li> <li>• Develop or outsource the development of standard training packages and organize annual training sessions for newly appointed professionals. The use of e-learning may be developed as a complement to these institutional trainings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ After the introduction of a new competency framework in 2014, new generic job descriptions were developed for 21 key management, programme and operations positions, including Representatives, Deputy Representatives, Assistant Representatives and International Operations Managers. Drafts of these job descriptions were shared with the HR Strategic Partners (i.e., HR advisors) to obtain input into the design process from the field. The new job descriptions were approved in April 2015, posted on UNFPA's Intranet and are now accessible to all UNFPA Country Offices.</li> <li>▪ UNFPA as a whole underwent a redrafting of the Terms of Reference for Headquarters Divisions, Regional Offices and Country Offices. The goal of this review was to clarify responsibilities, accountability and delegation of authority. The review was completed in April 2015.</li> <li>▪ The Division for Human Resources (DHR) has worked closely with managers/supervisors to address under-performance. It has developed a performance improvement plan and guidelines for addressing under-performance, undertaken capacity building activities, provided coaching, and assisted managers, HR focal points and staff to manage cases related to underperformance. A number of DHR staff was involved in these activities, including the Director, Deputy</li> </ul>	<b>Implemented (2015)</b>

N°	Recommendation	Management status update	Status
		<p>Director, Chief of the Talent Management Branch, the Performance and Career Development Specialist, the HR Strategic Partners and the counterparts in the Legal Unit, investing considerable amounts of time to address this issue.</p> <ul style="list-style-type: none"> <li>▪ DHR has launched a recognition scheme in three languages with a view to encourage good performance and improve the overall quality of performance feedback. The completion rate for Phase 1 of the performance assessment process (i.e. annual performance plans) in 2015 was 97 per cent and for Phase 3 (i.e. annual performance assessments) was 90 per cent, with offices still finalizing the performance assessments as at 31 March 2015. For the non-mandatory Phase 2 (i.e. mid-year performance reviews) the completion rate was 91 per cent.</li> <li>▪ UNFPA has redesigned its orientation programme for newly appointed professionals in the following fashion: <ul style="list-style-type: none"> <li>- Basic Induction for all new staff in their home office/unit;</li> <li>- Orientation workshops for operations staff at Headquarters;</li> <li>- Orientation workshops for programme staff in the Regions; and</li> <li>- Workshops for new managers at Headquarters.</li> </ul> </li> <li>▪ The learning team developed the new induction training in 2015, focusing on specific roles of the organization separately (programme, operations and management). Care was taken to identify new staff members selected to attend and invite them to the workshop best fitting their functions.</li> <li>▪ As a pilot of the new orientation structure, a workshop for Programme staff was conducted in the West and Central Africa Regional Office (8-11 April 2015) and the East and Southern Africa Regional Office (23-26 November 2015). These trainings served as a blueprint for future orientation workshops related to Programme functions, meaning that beyond the specific context/areas for each region, there is a core set of topics that are relevant to all regions to be addressed during such events. The learning team contributed the methodology and facilitation to the workshop with the support of various key players, hence bringing a balance of practice and theory to the sessions.</li> <li>▪ In September and November 2015, an orientation workshop for Operations staff and Junior Professional Officers and Managers was conducted at Headquarters.</li> <li>▪ Due to the austerity measures implemented in 2016, which saw a reduction of 75 per cent in the</li> </ul>	

N°	Recommendation	Management status update	Status
		<p>learning budget, DHR will only be able to host one in-person workshop for new staff members. The participants will primarily be headquarters new staff and Junior Professional Officers, as those are in case required to travel to New York for orientation as per our donor agreements.</p> <ul style="list-style-type: none"> <li>▪ However, webinars/virtual session for new staff members in the field based on their functional roles will be conducted. Finally, DHR and the Management Information Services Branch have been working on further developing some of our onboarding initiatives for new/transferring staff members, in particular the new Induction Portal, which will serve as an easy and user friendly platform that new staff can access prior to joining UNFP.</li> <li>▪ The portal will: <ul style="list-style-type: none"> <li>- Provide a customized induction based on role and duty station;</li> <li>- Provide the new staff member with a customized induction based on role/duty station;</li> <li>- Provide an induction timeline for the new staff member; and</li> <li>- Serve as an easy way to share the UNDP-BES documents to the new staff member.</li> </ul> </li> <li>▪ UNFPA is using an ‘<i>Omni-channel</i>’ approach to all its learning programmes, which includes also elements of e-learning. Specifically in support of orientation programmes, we are using e-learning mainly for: <ul style="list-style-type: none"> <li>- Basic induction;</li> <li>- Operation standards;</li> <li>- Programming approaches;</li> <li>- Management basics; and</li> <li>- Languages.</li> </ul> </li> </ul>	
#9	<p>UNFPA should integrate the Monitoring and Evaluation (M&amp;E) function within country offices’ cycle of operations. The effective recruitment of M&amp;E officers has yet to be seized as an opportunity and necessary step towards the creation of a more formalized results oriented M&amp;E system to support evidence-based programming and evidence-based management of country offices’ programmes and activities.</p> <p>UNFPA should also pursue its efforts to develop a solid country programme evaluation methodology to better contribute to the evidence required for making informed programming decisions, better respond to evaluation questions that are of interest to stakeholders while enhancing the involvement of programme countries.</p>		<b><i>Implemented (2014)</i></b>

N°	Recommendation	Management status update	Status
#10	UNFPA should adopt a more rational, integrated and strategic approach to management, following the logical approach recommended by the International Organization of Supreme Audit Institutions (INTOSAI) to better articulate risk management, internal controls and policies. This would help to assess priorities, timing and resources needed for these important internal reforms.		<b>Implemented (2013)</b>
#11	UNFPA should comply with Executive Board decisions 2006/8, paragraph 3; 2006/13, paragraph 6; 2007/10, paragraph 5; 2008/13, paragraph 14; 2009/15, paragraph 16; and 2010/22, paragraph 14; and ensure that risk management is a systematic approach embedded in the culture of UNFPA and drives decision making, the design of control activities including those in the ERP system.	<ul style="list-style-type: none"> <li>▪ UNFPA Management has taken concrete steps towards implementing an Enterprise Risk Management (ERM) process in line with the COSO<sup>3</sup> ERM framework and developing a consolidated risk register. This will allow UNFPA to better measure risk, communicate action plans and mitigate risk at every level of the organization.</li> <li>▪ The ERM process, which has strong senior management support, seeks to introduce change in incremental steps, leveraging existing resources, harmonizing existing risk management activities and embedding ongoing ERM improvements, knowledge sharing, and continuing education into the organization's day-to-day operations. The ERM framework and support strategy documents are currently awaiting approval by UNFPA's Risk Committee, chaired by the Executive Director.</li> <li>▪ As a first step, in 2014, UNFPA undertook a risk identification process, as a result of which 12 top corporate risk areas, including fraud risk, were selected for an initial risk assessment phase starting on July 1, 2015. As of 31 March 2016, over 105 business units had completed their risk assessments, validated by Regional and Divisional Directors, leveraging on functionality built into the Strategic Information System.</li> <li>▪ As a second step, as of 31 March 2016, UNFPA was working in the implementation of the risk response process. As part of this process, risks assessed as critical and high by business units are escalated to Risk Treatment Working Groups, chaired by designated Risk Owners, which will meet periodically to discuss and coordinate mitigation strategies with the support of subject matter experts.</li> <li>▪ As a third and future step, the UNFPA Risk Committee will evaluate the operation of the process, identify emerging risks and provide feed-back to help fine tune the ERM activities.</li> </ul>	<b>Under implementation with significant progress made since 2013</b>

<sup>3</sup> Committee of Sponsoring Organizations of the Treadway Commission (COSO)



N°	Recommendation	Management status update	Status
#12	<p>UNFPA should comply with Executive Board decisions 2007/10, paragraph 4; 2007/29, paragraph 3; 2008/13, paragraph 16; 2009/15, paragraph 16; and 2010/22, paragraph 14; and should continue to develop an internal control framework following international guidance and standards. UNFPA should also ensure that staff is fully trained in using and monitoring internal controls.</p>	<ul style="list-style-type: none"> <li>▪ The UNFPA Internal Control Framework (ICF), was updated in April 2015 to align its structure and language with the COSO 2013 Framework.</li> <li>▪ An ICF Revision Project also got underway in 2015, in collaboration between the Division for Management Services and the Programme Division, to broaden the scope of the ICF to cover all key operational and programmatic process and align them to the COSO 2013 standard.</li> <li>▪ The ICF Revision Project focused initially on three key business processes (Accounts Payable, Grant Management and Implement Partner Selection). Based on an assessment performed by an external consultant, with significant ICF experience within the United Nations system, Management decided to revisit the project's modus operandi, to allow its completion within a realistic timeframe and resources available.</li> <li>▪ A new ICF Revision Project workplan, was communicated to the Audit Monitoring Committee on 14 March 2016, with four deliverables targeted for completion by 30 June 2016: (a) publication of a principles based ICF document; (b) contribution to guidance on policy writing for the Policies and Procedures Manual (PPM) Secretariat; (c) retirement of outdated ICF guidance and components; and (d) development of an action plan for the next project phase more concentrated around the second line of defense and other COSO principles.</li> <li>▪ Following on the envisaged action plan for the next project phase (item d) above, it is envisaged that key policies will be identified by the project team in conjunction with the PPM Secretariat that require development or updating by the corresponding business owners. As a first step in the process, the ICF Project Team will first identify and communicate the key risks to be considered in the policies to be updated / developed, and thereafter will perform a quality assurance role on the finalized policies to ensure that such risks have been suitably considered and addressed through appropriately designed controls, and that the the policy documents are consistent with the aforementioned ICF guidance developed.</li> </ul>	<b>Under implementation</b>
#13	<p>Given the rapid changes in technology, UNFPA should undertake a complete reassessment of its ICT architecture, including the organization, management and staffing of the MIS Branch. Failure to invest in information and communications technology will prevent UNFPA from implementing an organization-wide solution to its systemic operations and controls issues. More importantly, the assessment will also support UNFPA in identifying strategic opportunities in</p>	.	<b>Implemented (2014)</b>

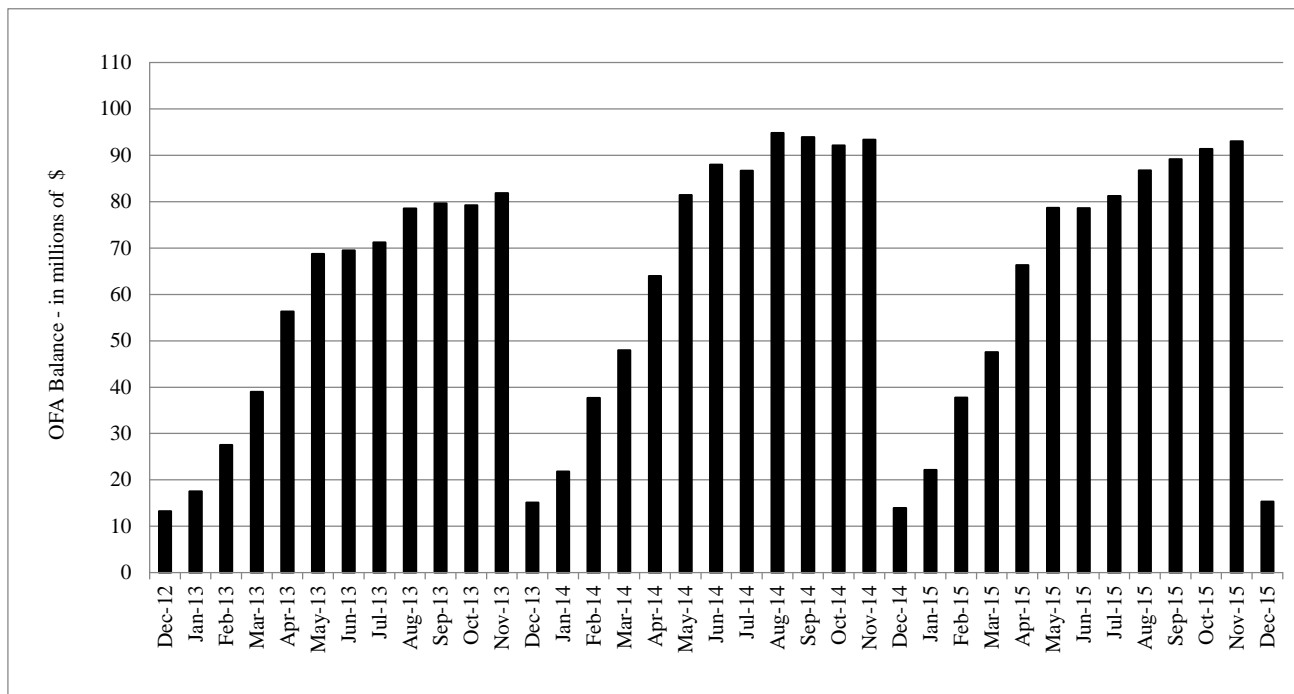
N°	Recommendation	Management status update	Status
	enhancing and aligning the ICT strategy, organization and governance arrangements.		
#14	UNFPA should address the root causes of deficiencies pertaining to programme implementation and execution modalities while continuing to follow up on the recommendations of the external auditors (See also recommendations No. 3 and 4).		<i>Implemented (2012)</i>
#15	Para 64. UNFPA should clearly identify the implications of the adoption of IPSASs for the Fund's programme and operations; review the project implementation plan; assign sufficient resources; and enhance project governance and oversight to minimize the risks that could prevent an effective IPSASs implementation by the established deadline of 1 January 2012.		<i>Implemented (2012)</i>

**Annex 6 – Operating Fund Account Management Controls and National Execution Audit Results**

Operating fund account

1. During 2015 UNFPA continued to maintain generally adequate controls over the operating fund account (OFA). However, it has not yet been possible to address the root causes, of programmatic nature, that result in payment of the larger advances to implementing partners, and the corresponding accumulation of significant outstanding OFA balances, in the third and fourth quarters of each fiscal year, and their liquidation over a short period at the end of the year, as shown in Figure 1 below.

**Figure 1**  
Evolution of OFA balances – 2013 / 2015 (Millions of United States dollars)



Assurance provided by national execution audits

2. Continuing with the positive trend initiated in 2012, and as shown in table 1 below, NEX audits have allowed UNFPA to obtain significant assurance over its NEX expenses, with a high level of audit coverage; fewer qualified, modified or adverse opinions, and a lower level of unsupported expenditures. The increased level of late submission of audit reports in the 2014 NEX audit cycle is attributable to security challenges and other factors outside the control of UNFPA which prevented an earlier completion of NEX audit work.

**Table 1**  
National execution audit performance

Indicator	2012	2013	2014
<b>Audit coverage</b>			
▪ Expenses audited (\$ millions)	160	165	184
▪ Percentage of total NEX expenses	85.6%	81.7%	80.4%
<b>Qualified, modified or adverse opinions</b>			
▪ Number of reports	49	32	23
▪ Percentage of audits performed	7.5%	5.3%	4.2%

<b>Indicator</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Unsupported expenses reports in NEX audits</b>			
▪ Amount (\$ millions)	2.2	2.0	1.5
▪ Percentage of audited NEX expenses	1.4%	1.2%	0.8%
<b>Percentage of NEX audit reports submitted late</b>	7.9%	4.0%	8.1%

OAIS Reference Number	Regional Office	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Action taken as at January 2016	Substantiated
0001-15	APRO	Fraud/ financial irregularity	IP fraud	External	Government official misused UNFPA funds by claiming and receiving undue DSA payments	USD 600.00	OLA considering matter for referral to national authorities.	Substantiated
0002-15	LACRO	Fraud/ financial irregularity	Financial irregularity	Internal	Staff member allegedly mismanaged a UNFPA private sector partnership.	No financial loss	--	Unsubstantiated
0003-15	APRO	Fraud/ financial irregularity	Procurement fraud	External	Procurement of dignity, hygiene kits and other commodities was alleged to have been corrupted.	No financial loss	--	Unsubstantiated
0004-15	APRO	Fraud/ financial irregularity Fraud/ financial irregularity	IP fraud Financial irregularity	External External	Government official wrongfully retained UNFPA funds that should have been returned to the Organization Government official mismanaged UNFPA funds by failing to maintain accurate financial records	USD 2,444.56	OLA considering matter for referral to national authorities.	Substantiated
0005-15	LACRO	Fraud/ financial irregularity	Financial irregularity	Internal	Staff member mismanaged a UNFPA private sector partnership	No financial loss	Report and exhibits provided to staff member who provided comments on the report. Action on-going	Substantiated
0006-15	WCARO	Other wrongdoing	Assault	Internal	Staff member allegedly physically threatened other staff member.	No financial loss	--	Unsubstantiated
0007-15	EECARO	Fraud/ financial irregularity	Misuse of UNFPA property	Internal	Staff member allegedly misused UNFPA vehicles for personal purposes.	No financial loss	--	Unsubstantiated
0008-15	HQ	Other wrongdoing	Unauthorized disclosure	Internal	Staff member allegedly disclosed confidential recruitment information.	No financial loss	--	Unsubstantiated
0009-15	APRO	Other wrongdoing	Assault	Internal	Staff member made death threats against another staff member	No financial loss	Disciplinary Measure of Separation from Service imposed.	Substantiated
0010-15	LACRO	Fraud/ financial irregularity Favoritism/ conflict of interest Fraud/ financial irregularity	Procurement fraud Procurement fraud Conflict of interest Misrepresentation	External External External External	UNFPA consultant colluded with UNFPA vendors for ICT services UNFPA consultant steered contracts to an UNFPA ICT consultant UNFPA consultant failed to disclose concurrent employment with a national Government UNFPA consultant issued official documentation without authority to do so. In one instance, he produced false supporting documentation.	No financial loss No financial loss No financial loss No financial loss	Subject of investigation was no longer consultant at UNFPA. Report and exhibits were provided to the subjects who provided comments. Report and comments were placed on his file	Substantiated

OAIS Reference Number	Regional Office	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Action taken as at January 2016	Substantiated
0010-15 (cont)		<i>Other wrongdoing</i>	<i>Excess of authority</i>	<i>External</i>	<i>UNFPA consultant allegedly developed ICT applications without approval.</i>	<i>No financial loss</i>		<i>Unsubstantiated</i>
0011-15	LACRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor colluded with UNFPA consultant in the award of ICT service contracts	No financial loss	Management action pending	Substantiated
		Fraud/ financial irregularity	Forgery	External	UNFPA vendor falsified official UNFPA documents to conceal a conflict of interest with a UNFPA consultant	No financial loss		
0012-15	LACRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor colluded with UNFPA consultant in the award of ICT service contracts	No financial loss	Management action pending	Substantiated
0013-15	WCARO	Fraud/ financial irregularity	Financial irregularity	External	Implementing Partner released payment to subcontractor without verifying completion of works	USD 22,609.00	Management action pending	Substantiated
		Fraud/ financial irregularity	IP fraud	External	Implementing Partner misrepresented status of project completion thereby misleading UNFPA to release undue payment.			
		Fraud/ financial irregularity	Financial irregularity	External	Implementing Partner failed to maintain accurate financial records regarding project expenditures for the renovation of health care facilities	USD 91,366.00		
		Fraud/ financial irregularity	Financial irregularity	External	Implementing Partner failed to maintain accurate financial records regarding project expenditures for the renovation of youth centers.	unknown		
		Other wrongdoing	Obstruction	External	Implementing Partner failed to cooperate with the OAIS investigation.	No financial loss		
		Favoritism/ conflict of interest	Conflict of Interest	External	Implementing Partner contracted individual to perform renovation works who was related to staff of the Implementing Partner	No financial loss		
		<i>Fraud/ financial irregularity</i>	<i>IP fraud</i>	<i>External</i>	<i>Implementing Partner allegedly misrepresented its contractual relations to subcontractors.</i>	<i>No financial loss</i>		<i>Unsubstantiated</i>

OAIS Reference Number	Regional Office	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Action taken as at January 2016	Substantiated
0014-15	ASRO	Other wrongdoing	Excess of authority	Internal	UNFPA staff allegedly conducted procurement for construction and rehabilitation works in refugee camps without authorization.	No financial loss	--	Unsubstantiated
		Favoritism/ conflict of interest	Favoritism	Internal	Staff member allegedly favored UNFPA vendors in said procurement	No financial loss	--	
0015-15	ASRO	Other wrongdoing	Excess of authority	Internal	Staff member allegedly made unauthorized changes in a procurement for construction and rehabilitation works in refugee camps.	No financial loss	--	Unsubstantiated
		Favoritism/ conflict of interest	Favoritism	Internal	Staff member allegedly favored UNFPA vendors in said procurement	No financial loss	--	
0016-15	APRO	Favoritism/ conflict of interest	Favoritism	Internal	Staff member shared confidential information with prospective vendor thereby enabling said vendor to secure a UNFPA contract	No financial loss	Report and exhibits provided to the staff member who provided comments. Action on-going	Substantiated
		Fraud/ financial irregularity	Procurement Fraud	Internal	Staff member allegedly requested and received bribes from a prospective vendor	No financial loss		Unsubstantiated
0017-15	ASRO	Other wrongdoing	Excess of authority	Internal	Staff member allegedly made unauthorized changes in a procurement for construction and rehabilitation works in refugee camps.	No financial loss	--	Unsubstantiated
		Favoritism/ conflict of interest	Favoritism	Internal	Staff member allegedly favored UNFPA vendors in said procurement	No financial loss	--	
0018-15	APRO	Harassment/ abuse of authority	Harassment	Internal	Staff member engaged in harassment towards several UNFPA personnel	No financial loss		
		Fraud/ financial irregularity	Financial irregularity	Internal	Staff member approved undue travel allowances.	To be determined by management	Report and exhibits provided to the staff member who provided comments. Action on-going	Substantiated
		Harassment/ abuse of authority	Abuse of authority	Internal	Staff member repeatedly requested driver to drive under hazardous conditions.	No financial loss		
		Fraud/ financial irregularity	Misuse of UNFPA property	Internal	Staff member allegedly misused UNFPA vehicle for personal purposes.	No financial loss		Unsubstantiated
0019-15	APRO	Other wrongdoing	Assault	Internal	Staff member allegedly engaged in verbal abuse of employees of a UNFPA vendor.	No financial loss	--	Unsubstantiated
		Other wrongdoing	Unauthorized disclosure	Internal	Staff member allegedly disclosed confidential UNFPA information to a Government Official.	No financial loss	--	
0020-15	ASRO	Other wrongdoing	Assault	Internal	UNFPA personnel (driver) assaulted employee of UNFPA vendor	No financial loss	Reports and exhibits provided to the staff member. Awaiting comments to take further action	Substantiated

OAIS Reference Number	Regional Office	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Action taken as at January 2016	Substantiated
0021-15	APRO	Other wrongdoing	Unauthorized disclosure	Internal	Staff member allegedly disclosed confidential UNFPA information to a Government Official.	No financial loss	--	Unsubstantiated
0022-15	APRO	Harassment/ abuse of authority	Harassment	Internal	Staff member engaged in harassment towards several UNFPA personnel.	No financial loss	Management action pending	Substantiated
		Fraud/ financial irregularity	Financial irregularity	Internal	Staff member allegedly authorized undue travel allowances.	To be determined by management		
0023-15	LACRO	Favoritism/ conflict of interest	Favoritism	Internal	Staff member allegedly favored a UNFPA bidder in the procurement of accounting software.	No financial loss	--	Unsubstantiated
0024-15	APRO	Retaliation	Retaliation	Internal	Staff member retaliated against subordinate	No financial loss	Management action pending	Substantiated
0025-15	APRO	Retaliation	Retaliation	Internal	Staff member allegedly retaliated against subordinate	No financial loss	--	Unsubstantiated
0026-15	APRO	Other wrongdoing	Unauthorized disclosure	Internal	Staff member allegedly disclosed confidential UNFPA information to a Government Official.	No financial loss	--	Unsubstantiated
0027-15	APRO	Retaliation	Retaliation	Internal	Staff member allegedly retaliated against subordinate.	No financial loss	--	Unsubstantiated
0028-15	APRO	Harassment/ abuse of authority	Harassment	Internal	Staff member allegedly engaged in reprisal against subordinate	No financial loss	--	Unsubstantiated
		Other wrongdoing	Obstruction	Internal	Staff member allegedly tampered with evidence.	No financial loss	--	
0029-15	APRO	Fraud/ financial irregularity	Misuse of UNFPA property	Internal	Staff member misused UNFPA vehicle and mobile phone for personal purposes	No financial loss	Management action pending	Substantiated
		Other wrongdoing	Obstruction	Internal	Staff member allegedly withheld facts during the investigation.	No financial loss		Unsubstantiated

<b>TOTAL</b>	<b>USD 117,019.56</b>
of which fraud:	USD 25,653.56
Unsupported expenditures	USD 91,366.00



OAIS Reference Number	Regional Office	Type of Wrongdoing	Type	Description	Estimated Loss to UNFPA	Action Taken - updated as at January 2016
0001-14	East and Southern Africa	Fraud	Internal	Staff member claimed and retained DSA for official travel the staff member did not undertake (reimbursed the Organization after being cited as a Subject of Investigation).	No financial loss	Staff member demoted.
		Other misconduct	Internal	Staff member was absent from place of work or duty without authority.	To be determined by DHR	
0002-14	Eastern Europe and Central Asia	Other misconduct	Internal	Staff member misrepresented facts in official UNFPA documentation.	No financial loss	Staff member charged after resigning; report and comments placed on staff member's file.
0004-14	Eastern Europe and Central Asia	Other misconduct	Internal	Staff member entered into an unauthorised agreement with a vendor.	No financial loss	Staff member separated from service.
		Financial irregularities	Internal	Staff member misused UNFPA funds for an unauthorised purpose (Staff member reimbursed the Organization prior to conclusion of investigation)	No financial loss	
0008-14	Eastern Europe and Central Asia	Financial irregularities	Internal	Staff member used UNFPA fuel cards for personal use (Staff member reimbursed Organization prior to conclusion of investigation)	No financial loss	
0004-14(2)	Headquarters	Favouritism	Internal	Staff member requested a subordinate, and potential candidate, to draft terms of reference and rank candidates for a position for which the subordinate was applying.	No financial loss	Staff member reprimanded.
0007-14	West and Central Africa	Favouritism	Internal	Staff member selected and recruited a consultant without fair and transparent competition	No financial loss	Staff member contract ended prior to finalization of the Investigation Report; staff member was provided with the report and submitted comments thereto; a note to file has been placed on the staff member's personnel file.
		Favouritism	Internal	Staff member requested a subordinate, and potential candidate, to draft terms of reference for a position for which the subordinate was applying.	No financial loss	
0010-14	East and Southern Africa	Fraud	Internal	Staff member claimed and retained home leave entitlements for dependents who were not residing in the duty station.	\$18,783.66	Staff member censured. Recovery in installments ongoing
0011-14	Latin America and the Caribbean	Other misconduct	External	Service Contractor failed to disclose outside employment held concurrently as his/her contract with the Organization.	No financial loss	Country Office did not renew the service contract; service contractor provided with report and management is awaiting comments. a note to file has been placed on the contractor file.
		Other misconduct	External	Service Contractor misrepresented facts in official UNFPA documents.	No financial loss	<i>OAIS determined that the allegation is unsubstantiated</i>

OAIS Reference Number	Regional Office	Type of Wrongdoing	Type	Description	Estimated Loss to UNFPA	Action Taken - updated as at January 2016
0012-14	Latin America and the Caribbean	Fraud	External	UNFPA vendor and private sector donor engaged in collusive practices.	No financial loss	Pending with Vendor Review Committee
		Fraud	External	UNFPA vendors engaged in collusive practices.	No financial loss	
		Other misconduct	External	Contravention of national law.	No financial loss	
0013-14	Asia and the Pacific	Other misconduct	Internal	Possessing and viewing pornographic material on UNFPA ICT resources.	No financial loss	Staff member separated from service. Matter referred to national authorities
		Fraud	Internal	Engaging in collusive practices with an UNFPA vendor.	No financial loss	
0014-14	Asia and the Pacific	Fraud	Internal	Vendor engaged in collusive practices with an UNFPA staff member.	No financial loss	Pending with Vendor Review Committee
0015-14	Latin America and the Caribbean	Fraud	External	Private sector donor engaged in collusive practices with vendor.	No financial loss	Management action pending
		Financial irregularities	External	Private sector donor sold goods for profit in breach of the co-financing agreement with UNFPA.	No financial loss	
		Other misconduct	External	Private sector donor misused UNFPA's name and emblem.	No financial loss	
		Other misconduct	External	Violation of national law.	No financial loss	
0017-14	Asia and the Pacific	Fraud	External	Service Contractor forged authorized signature and thereby misrepresented facts in official documents.	No financial loss	Service contract was not extended
0019-14	East and Southern Africa	Harassment and abuse of authority	Internal	Staff member used harassing and inappropriate language towards subordinate and created a hostile work environment.	No financial loss	Administrative action taken.
<b>TOTAL ESTIMATED FINANCIAL LOSS</b>					<b>\$18,783.66</b>	

\* All reports were submitted to the Executive Director

Type of Wrongdoing	External	Internal	Grand Total
Other misconduct	21%	17%	38%
Fraud	17%	17%	33%
Favouritism	0%	13%	13%
Financial irregularities	4%	8%	13%
Harassment and abuse of authority	0%	4%	4%
<b>Grand Total</b>	<b>42%</b>	<b>58%</b>	<b>100%</b>