

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OFFICE OF INTERNAL OVERSIGHT SERVICES · BUREAU DES SERVICES DE CONTROLE INTERNE

TO: Mr. Choi Young-Jin
A: Special Representative of the Secretary-General
United Nations Operation in Côte d'Ivoire

DATE: 11 December 2007

REFERENCE: AUD-7-5:76 (07-00790)

FROM: Dagfinn Knutsen, Director
DE: Internal Audit Division, OIOS



SUBJECT: **Assignment No. AP2006/640/11: Audit of UNOCI results-based
OBJET: budgeting – portfolio of evidence**

1. I am pleased to present the report on the above-mentioned audit, which was conducted in November and December 2006. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.
2. Based on your comments, we are pleased to inform you that we will close recommendations 1 to 3 in the OIOS recommendations database as indicated in Annex 1. In order for us to close recommendation 4, we request that you provide us with the additional information as discussed in the text of the report and Annex 1.
3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as critical (i.e., recommendations 1 and 3), in its annual report to the General Assembly and semi-annual report to the Secretary-General.
4. IAD is assessing the overall quality of its audit process and kindly requests that you consult with your managers who dealt directly with the auditors and complete the attached client satisfaction survey form.

I. INTRODUCTION

5. Each budget year, peacekeeping missions translate their objectives into the results-based budgeting framework and prepare a mandate performance report which sets out expected accomplishments, indicators of achievement and actual outputs. This report is reviewed by DPKO and the Department of Management before it is transmitted to the UN legislative bodies. During the period 1 July 2005 to 30 June 2006, the results-based budgeting framework for UNOCI encompassed the following six components: ceasefire; disarmament, demobilization, reintegration, repatriation and resettlement; humanitarian and human rights; peace process; law and order; and support. The revised budget for the financial year 2005/06 amounted to \$418.8 million with an authorized strength of 7,090 military personnel, 725 civilian police officers and 1,221 civilian staff.
6. Comments made by UNOCI are shown in *italics*.

II. AUDIT OBJECTIVES

7. The objectives of the audit were to assess the:
- Accuracy and completeness of the mandate performance report for the budget year 2005/06 and the adequacy of the portfolio of evidence supporting the performance report; and
 - Efficiency and effectiveness of the Mission's controls over performance reporting activities.

III. AUDIT SCOPE AND METHODOLOGY

8. The audit included the validation of a sample of indicators of achievement and outputs reported in the mandate performance report for the budget year 2005/06 submitted to DPKO in October 2006. The audit focused on the following substantive programmes: disarmament, demobilization, reintegration, repatriation and resettlement (DDRRR); child protection; electoral assistance; United Nations police (UNPOL); and military operations. The mandate performance report for this period encompassed 36 indicators of achievement and 87 outputs for the substantive components, of which 9 indicators and 18 outputs were reviewed by OIOS, based on available documentation and interviews with responsible staff.

9. The audit assessed whether the information contained in the performance report was accurate and complete, and provided the reader with a fair presentation of progress made toward the accomplishment of Mission objectives. The performance report's compliance with the guidelines issued by the Office of Programme, Planning, Budget and Accounts (OPPBA) in the Department of Management as well as the performance data reporting systems in selected divisions/sections were reviewed.

IV. OVERALL ASSESSMENT

10. The performance report for the financial year 2005/06 was in many instances inaccurate and the portfolio of evidence incomplete. The Budget Section can improve the quality of the performance report by reviewing the overall completeness, consistency and coherence of the contributions provided by the programme managers. There is a need for programme managers to exercise due care in compiling sufficient and reliable data for performance reporting activities, in documenting the accomplishments and in presenting the Mission's achievements fairly.

V. AUDIT FINDINGS AND RECOMMENDATIONS

A. Documentation in support of performance report

11. Documentation supporting the reported actual outputs against the planned outputs pertaining to the operations of the following substantive components of the Mission for the fiscal year 2005/06 was either incomplete, inaccurate or inadequate, as explained below:

Military operations

- (a) The reported number of patrol days could not be differentiated between the military components conducting the patrols, i.e., military contingents or military observers. This distinction was made in the Joint Operations Centre's situation reports effective October 2006.
- (b) Of the 312 reported arms inspections, only 140 were electronically archived; no documentation was available for the rest of the reported arms inspections. Beginning in August 2006, all arms inspections are recorded in an electronic database.

UN Police operations

- (c) The 1,100 joint patrols reported in the performance report (1,100 joint patrols) were not documented. The UN Police Operations Section did not maintain a record of the number of joint patrols conducted during the fiscal year 2005/06. Such information was incorporated in the situation reports effective October 2006.
- (d) The Mission reported that 23 training sessions were organized throughout Côte d'Ivoire for 1,320 police officers and gendarmes, while the available documentation in the UNPOL Training Section indicated that only 8 training sessions had been organized throughout the country for approximately 1,490 gendarmes and police officers.
- (e) The planned output stated that training courses on crowd control and protection and security of DDR sites, among other courses, would be provided during the fiscal year 2005/06. However, in the performance report pertaining to this output, the Mission reported that "2,000 Police personnel and gendarmes were trained, of which 517 gendarmes trained on human rights, child protection, gender, HIV/AIDS, accident reporting and scientific police, international humanitarian law. Also, 400 officers from the gendarmerie were trained on accident reporting at the National Gendarmerie School of Toroghue". The performance report did not mention the conduct of training courses on crowd control and protection and security of DDR sites and thus there was no progress made toward the planned output. In addition, documentation available in the UNPOL Training Section on the number of police officers and gendarmes who participated in the training courses for the fiscal year 2005/06 showed that approximately 1,490 and not 2,000 attended.
- (f) The Mission did not indicate the number of courses completed in relation to the planned output concerning human rights refresher courses (five) for the national police and the Gendarmerie.
- (g) In explaining the reasons why the planned outputs relating to the "Establishment of a Joint Security Sector Reform Coordinating Committee" and "Advice to National Police and Gendarmerie on the implementation of integration and restructuring programme for the restoration of civilian policing presence throughout Côte d'Ivoire" were not achieved, the Mission only

indicated “due to the prevailing political situation”. In OIOS’ opinion, this explanation was inadequate and more specific details should have been provided to clarify the situation that caused the failure of the Mission to deliver the planned outputs.

Disarmament, demobilization, reintegration, repatriation and resettlement component

(h) The Mission reported that coordination meetings with the PNDDR (formerly National Commission for Disarmament, Demobilization and Reintegration – NCDDR) were conducted twice a week during the fiscal year. However, the DDR Section did not keep any minutes of the meetings with the PNDDR or other documentation showing that the DDR Section had provided advice to PNDDR.

(i) The DDR section commented that 10 inter-agency coordination meetings with UN agencies, donors and NGOs were held between July 2005 and June 2006. However, the DDR Section could only provide minutes for one inter-agency coordination meeting. The DDR Section also commented that it had participated in an Inter-agency Humanitarian and Coordination Committee (IAHCC) meeting, but documentation of this meeting was not available.

(j) Regarding the achievement of the planned indicator relating to the end of the recruitment and use of 3,000 child soldiers by the military forces in Cote d’Ivoire, the Mission reported that “In areas under the control of FAFN (Forces Armées des Forces Nouvelles), 1,194 ex-child soldiers and affected children continue to benefit from rehabilitation and reintegration programs. Another 600 self-demobilized children who received military training from the Liberian pro-FAFN fighters are also receiving support through UNICEF sponsored programs” However, the Child Protection Unit’s portfolio of evidence showed that of 1,194 beneficiaries of rehabilitation and reintegration in areas under the control of FAFN, only 327 children were associated with fighting forces. In addition, the Mission commented that “in areas under the control of government, 400 children formerly associated with militia groups in the West have been identified as demobilized for rehabilitation and reintegration”. However, the planned indicator related only to children associated with the FAFN and pro FAFN fighters, and did not include children associated with militia groups in the West.

Electoral component

(k) Regarding the planned indicator on the “Adoption by the Ivorian National Assembly of the electoral legislation and other texts governing the electoral process, in accordance with Linas-Marcoussis and Accra III Agreements”, the mission commented that decrees were promulgated by the president of Côte d’Ivoire on electoral legislation. However, the Mission did not list the relevant documentation specifically supporting this comment. For instance, the 15 July 2005 presidential decision pertaining to the funding of political parties and groups and presidential candidates, which was kept within the Electoral Division was not listed.

(1) The review of the information provided in the portfolio of evidence for the Electoral Division identified certain errors. For example, a report indicated 10 March 2005 as the date of the establishment of the Independent Electoral Commission instead of 10 March 2006, the correct date.

Recommendations 1 and 2

The UNOCI Administration should:

(1) Implement a control mechanism to ensure that the accomplishment of planned indicators and outputs in the substantive operations of the Mission are completely and accurately reported, and supported by adequate documentation; and

(2) Ensure that planned indicators and outputs in the substantive operations of the Mission, their accomplishment, or the reasons for failing to accomplish such indicators and outputs are provided in the performance report in sufficient detail to ensure that the performance of the Mission is properly reported.

12. *The UNOCI Administration accepted recommendations 1 and 2 and stated that through the Office of the Chief of Staff, all sections have been advised of the importance of providing verifiable budget outputs/indicators. To facilitate the collection of the required information, the Chief of Staff, in his email dated 30 April 2007, developed a methodology and format for the collection of budget performance information. In addition, a common folder has been created on the Mission local computer network, allowing sections to save relevant documents as they become available instead of waiting for the end of the fiscal year. The Budget Section has also taken steps to improve controls, including circulating the RBB document to the focal point of each section for an initial round of responses. The responses are reviewed and sent back with comments to the focal points for further clarification, as necessary. Focal points are given limited access to their respective folders. This allows the Budget Section to collect centrally and validate the evidence provided by each section. Based on the action taken by the Mission, recommendations 1 and 2 have been closed.*

B. Controls over performance reporting activities

13. The Budget Section explained to OIOS that the responsibility for ensuring that actual accomplishments reported are adequately substantiated by reliable evidence rests with the programme managers and that the Budget Section does not validate performance information reported by the programme managers/component heads. However, the nature and frequency of the deficiencies identified by OIOS indicates the need for a clear definition of responsibility for the review of the performance report and the portfolio of evidence before the performance report is submitted to DPKO.

Recommendation 3

(3) The UNOCI Administration should issue written guidelines stipulating the responsibilities of all parties involved (e.g., Budget Section, programme managers, section chiefs) in ensuring that information contained in the performance report is accurate and complete, and supported by adequate documentation.

14. *The UNOCI Administration accepted recommendation 3 and stated that the Chief of Staff issued a memorandum to all Mission components in April 2007 highlighting the importance of accurate, measured and documented responses to the RBB performance report. The memo further provided a standard template indicating the officers responsible for each input and emphasized the need for a collaborative approach in order to ensure a complete and consistent response. Based on the action taken by the Mission, recommendation 3 has been closed.*

C. Budget Section staff

15. The Budget Section is responsible for the preparation and submission of the annual performance reports to DPKO, and has three authorized posts: one for Budget Officer and two for Budget Assistants. Two international posts are vacant: one Budget Assistant post and the post of the Chief, Budget Section, with the departure of the former chief in November 2006.

Recommendation 4

(4) The UNOCI Administration should immediately fill the vacant posts in the Budget Section to ensure the proper discharge of the Section's functions.

16. *The UNOCI Administration accepted recommendation 4 and stated that a candidate was selected for the Chief Budget Officer post but declined the offer at the last minute. Interviews are currently taking place for a replacement and for the FS-5 Budget Assistant post. Recommendation 4 remains open pending receipt of documentation from UNOCI showing that the two vacant Budget Section posts have been filled.*

VI. ACKNOWLEDGEMENT

17. We wish to express our appreciation to the Management and staff of UNOCI for the assistance and cooperation extended to the auditors during this assignment.

cc: Mr. Wallace Divine, Chief Administrative Officer, UNOCI
Mr. Philip Cooper, Director, DFS
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS
Mr. Roland Bill, Chief Resident Auditor, UNOCI

STATUS OF AUDIT RECOMMENDATIONS

| Recom. no. | C/O¹ | Actions needed to close recommendation | Implementation date² |
|-------------------|------------------------|--|--|
| 1 | C | Action completed | September 2007 |
| 2 | C | Action completed | September 2007 |
| 3 | C | Action completed | Implemented |
| 4 | O | Submission to OIOS of documentation showing that the two vacant Budget Section posts have been filled. | September 2007 |

¹ C = closed, O = open

² Date provided by UNOCI in response to recommendations.

UNITED NATIONS



OIOS Client Satisfaction Survey

Audit of: RBB portfolio of evidence in UNOCI

(AP2006/640/11)

| | 1 | 2 | 3 | 4 | 5 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| By checking the appropriate box, please rate: | Very Poor | Poor | Satisfactory | Good | Excellent |
| 1. The extent to which the audit addressed your concerns as a manager. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. The audit staff's understanding of your operations and objectives. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Professionalism of the audit staff (demeanour, communication and responsiveness). | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. The quality of the Audit Report in terms of: | | | | | |
| • Accuracy and validity of findings and conclusions; | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Clarity and conciseness; | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Balance and objectivity; | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Timeliness. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. The extent to which the audit recommendations were appropriate and helpful. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. The extent to which the auditors considered your comments. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Your overall satisfaction with the conduct of the audit and its results. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Please add any further comments you may have on the audit process to let us know what we are doing well and what can be improved.

Name: _____ Title: _____ Date: _____

*Thank you for taking the time to fill out this survey. Please send the completed survey as soon as possible to:
 Director, Internal Audit Division, OIOS
 By mail: Room DC2-518, 2 UN Plaza, New York, NY 10017 USA
 By fax: (212) 963-3388
 By E-mail: knutsen2@un.org*