



International Organization for Migration (IOM)
The UN Migration Agency

OFFICE OF THE INSPECTOR GENERAL

Management Response and Actions IOM Country Office Bissau Audit File No. GW201801

The IOM Office of the Inspector General (OIG) conducted an internal audit of the IOM Bissau (the “Country Office”) from 18 to 22 June 2018. The audit assessed the risk exposure and risk management of the Country Office’s activities, in order to ensure these are well understood and controlled by the country-level management and staff. The audit covered the activities of the Country Office from June 2016 to June 2018. The results of the audit are public and can be accessed through IOM’s global website¹.

The OIG assessed the Office as largely ineffective, and raised 24 audit findings and recommendations, out of which 15 were very high and high risk.

As of June 2020, the Country Office has five remaining open findings, two of which are high risk.

The below report provides an explanation of the actions taken since the 2018 audit and the current state of the IOM Bissau office.

Management Response and Actions to the Internal Audit Report of GW201801 – IOM Bissau

Management and Administration

Finding No. 1: Absence of a strategic plan

Implementation On-going

Mission’s Response: IOM Guinea Bissau strategic plan for the period 2020 - 2024 has been elaborated through a participatory process started during the Country Office's annual retreat in June 2019. As soon as the Regional Strategy will be validated, we will align the strategic plan with the regional strategy and organize a formal launch and sharing with relevant stakeholders.

Finding No. 2: Lack of delegation of authority matrix

Finding Closed

The delegation of authority matrix from procurement to finance as per threshold has been defined and finalized. The delegation of authority in relation to petty cash is in place since 2018.

¹https://www.iom.int/sites/default/files/about-iom/audit/gw201801_-_iom_bissau.pdf



International Organization for Migration (IOM)
The UN Migration Agency

Finding No. 3: Lack of local regulatory framework and knowledge of IOM Regulations and Rules

Finding Closed

The Country Office has already developed internal instructions complimentary to the IOM Instructions with regard to the use of vehicle, operational advances, working hours and attendance, transporting cash in remote areas (sub-office in Gabu), and petty cash. Since the audit, the Admin has already conducted refresher sessions to all staff (attendance in staff record) in relation to procurement, finance, and administration requirement twice. The internal standard operating procedures form part of the mandatory readings of newly recruited staff who also undergoes one-on-one induction in general matters related to admin processes.

Personnel

Finding No. 7: Inappropriate staff contracts

Finding Closed

The Country Office only had one staff in the administrative session with special short-term contract until January 2018, due to lack of funds. This situation was hindering the good control and functioning of the overall section. A Human Resources training was organized by the Regional Office in November 2018 but unfortunately the Admin Assistant who benefited of the training left the organization in December 2018. A mission form Regional Office Human Resources was completed in January to support the transition, the Country Office is in the process of implementing the recommendations. The change from special short-term to special fixed term took effect in April 2019, while the term of reference of two ungraded staff is being coordinated for grading to Panama Administrative Centre, and it has been done. However, for the operational positions, only one out of two will be adjusted based on foreseen structure requirement.

Finding No. 8: Staff members not enrolled in the Medical Service Plan

Finding Closed

Currently the Country Office complies with IN/94 Rev. 2 "Medical Service Plan". All Country Office staff are already on the Medical Service Plan. The Country Office organized an informative and clarification sessions with staff regarding the Medical Service Plan.

As for the use of dispensary, this has already been escalated to the Regional Office, and there is an ongoing discussion between the Regional Office and the Headquarters on how to proceed, as the issue has been raised for the entire region. In relation to this, the decision, and implementation is beyond the Country Office. The Country Office will continue to liaise locally with the concerned UN agencies on the possibility to use the dispensary subject to payment per case/visit, however, they have not been receptive and it is also not clear from their end who should decide, currently, the dispensary is available for agencies but only on an annual shared budget basis.



International Organization for Migration (IOM)
The UN Migration Agency

Finding No. 9: Weak Payroll administration

Finding Closed

Following IN/165 “Internal Controls Related to Payroll Process”, a payroll file has been created containing all month payroll and related documents since July 2018. Any issue encountered in the payroll process, such as technical or admin, is raised accordingly to proper channels. The Regional Office human resources also came for general human resources assessment/support last January 2019.

Finance and Accounting

Finding No. 13: Deficient accounting and documentary records

Finding Closed

The Country Office has been improving on the accounting and documentary records maintenance as follow:

- The IOM guidelines and accounting principles has been followed and the correctives actions are ongoing.
- Supporting documents and the appropriate approval are guaranteed and the correctives actions have been done.
- There are improvements on PRISM entries for each transaction, we strongly follow PRISM-FI Manual before doing entries in PRISM.
- The Country Office regularly follows the month-end accounting procedures, as Checklist for Monthly Account Closure, which is sent to Manila monthly.
- Currently there is compliance with correct accounting treatment following IOM instructions.

Finding No. 14: Absence of dual signatory panel to the bank account

Finding Closed

The Country Office has already established an adequate signatory panel, currently there are three bank signatories with panel A and B.

Finding No. 15: Deficiencies in the administration of petty cash

Finding Closed

Currently, all petty cash purchase follows the normal verifications and authorization process, and adequate supporting documents are provided all the time. After role assignments and duty segregations, purchase process follows normal procedures in compliance with IN/168 Rev. 2 “IOM Procurement Policy Manual for Goods, Works and Services” that allows tracking of asset in the system. The Country Office has already traced all the assets purchased through petty cash and been coordinating with Central Accounting Support-Asset Accounting the necessary steps to upload those assets in PRISM. Currently, the corrective action has been done, the cash filed separated form to bank file.



International Organization for Migration (IOM)
The UN Migration Agency

Finding No. 16: Weak financial monitoring of Staff and Office costs

Finding Closed

A Staff and Office forecast monitoring tool has been developed and engaged to have all the charges done based on projectization across all active projects. The Admin Head of session sends to all programme staff the financial reports of projects after each month end. A periodical review of projects and financial management are ensured by the Chief of Mission with staff through weekly and bi-weekly meeting with the project team and the Country Office ensures update of the common cost on a monthly basis.

Finding No. 17: Large cash advances to sub-office

Finding Closed

The Country Office is strongly committed to avoid giving large advances to the sub-office in Gabu. Most of payments are now done through purchase order, MIGO, and MIRO. Transactions to the bank of Gabu are now ensured to avoid travel with large cash amount. The standard operating procedures of advance and original supporting documents, operational advance, liquidations have already been drafted and approved by the Head of Office. Also, informative session with staff were organized regarding the standard operating procedures, although we will keep reinforce the needs of complying with timely justification of operational advances.

Procurement and Logistics

Finding No. 18: Weak procurement processes

Finding Closed

A purchase authorization matrix from Procurement to Finance has been developed. Due to the complexity of the country market, the Country Office decided to continue with the <USD 3,000 threshold for sole sourcing. The Country Office raises purchase order for purchases that requires purchase order, it raises a purchase order at the beginning of this year to commit the office rent and related cost and perform MIGO and MIRO each month. The good receipt certificate is attached to the payment and the receiver is not a procurement staff. The new procurement staff has been strictly working under IN/168 and has benefited of a training at the Regional Office in July 2018.

Finding No. 19: Deficient Asset Management

Implementation On-going

Mission's Response:

- The asset bought by the Regional Office on behalf of the country are already transferred to the Country Office. The Country Office has liaised with Regional Office Dakar to check if there still any other asset not recorded in system so that the action can be done.
- In relation to the insurance coverage, there are only two insurance company in the country and evaluations will be finalized shortly.



International Organization for Migration (IOM)
The UN Migration Agency

Finding No. 20: Poor Vendor screening

Finding Closed

Vendor assessment is done and the required information as per vendor information sheet before accepting a vendor and creating in PRISM is also done. The vendor screened retroactively has been implemented since November 2018. Periodic visits to vendors is on-going and commitments with a vendor are preceded by a visit will be improved; A comparative market survey/analysis is performed and the Country Office will liaise with UN agencies and expecting at the end of October 2019 to have completed existing long-term agreements.

Programme and Operations

Finding No. 24: Weaknesses in the programme management and implementation with inadequate project financial monitoring

Finding Closed

The financial monitoring reports of projects are shared on a monthly basis from Resource Management Unit to Project Managers highlighting the over and under expenditures on each work breakdown structure, showing the remaining months and implementation rates while proposing the needed action. A weekly coordination meeting is held between the Chief of Mission and the programme and among each project team. Apart from monthly report sharing, the project coordinators have the access to portal reports and are aware of their financial responsibilities. The Country Office will ensure compliance with all the cronogram and the implemented period of the projects.

OIG/Internal Audit Comment:

Internal Audit notes the efforts undertaken from the Country Office management and will monitor the implementation of the remaining recommendations through its regular follow up process.