



International Organization for Migration (IOM)
The UN Migration Agency

OFFICE OF THE INSPECTOR GENERAL

Management Response and Actions IOM Country Office Kampala Audit File No. UG201901

The IOM Office of the Inspector General (OIG) conducted an internal audit of the IOM Kampala (the “Country Office”) from 15 - 26 July 2019. 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 1 January 2018 to 30 June 2019. 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 35 audit findings and recommendations, of which 19 were very high and high priority. As of the date this summary is publicly available, 5 recommendations (*of which 3 are high*) were assessed as implemented and closed while there remain 30 open recommendations (*of which 16 are very high and high*), which are in the process of implementation as per below updates provided by the auditee².

Management Response and Actions to the Open Recommendation of Internal Audit Report of UG201901 – IOM Country Office Kampala

Management and Administration

Finding No. 1 Weak control environment

Implementation On-going

On 6 November 2020, there was a Refresher Financial Management Presentation. The Resource Management Unit and Programme Managers and Assistants were highly represented with the Support of the Chief of Mission, for tracing the email is enclosed in the additional file.

On 20 April 2021, Finance held a refresher Financial Management Presentation, email is enclosed to the file. In addition, there are periodic virtual meetings with the Regional Office with Programme and Finance Staff related to Regional Projects BMMII and UNOPS.

Finding No. 2 Poor working environment

Implementation On-going

The Regional Office is constantly in communication with the Country Office. From Chief of Mission with Regional Director, and Country Office Sr. Resource Management Officer with Sr. Regional

¹https://www.iom.int/sites/default/files/about-iom/audit/ug201901-iom_kampala.pdf

² One recommendation under Finance and Accounting was not presented, according to the provisions of IB/78 Rev. 1 “Disclosure of IOM Internal Audit Reports”.



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Resource Management Officer. The Regional Director recently visited the Country Office which provided excellent feedback to the Country Office and its leadership relations. The same was commended by a recent periodic virtual meeting held with Regional Office Sr. Regional Resource Management Officer /Uganda Country Office Sr. Resource Management Officer.

Finding No. 3 Inefficient segregation of duties

Implementation On-going

- a) Segregation of duties of staff was done and conflicting roles were distributed. Staff doing procurements are different from the one receiving goods and doing inventory management. Asset tracking and management is done by different staff. Releasing and approval of purchase orders is done by Sr. Resource Management Officer and Chief of Mission as per Mission threshold Workflow as per the Mission delegation of authority in line with Online Purchase Request Application.
- b) Included in the file also responded under Finding No. 16.
- c) The procurement unit is handling all management of inventories for beneficiary assets as advised.
- d) The mission has established long-term agreements for transport refugees, hotel accommodations and hospitals (for medical services). For Operations – the long-term agreements clearly state use of bus ordering requests (BOR), Service Order Requests (for refuge accommodation and meals); as a control the focal staff fills in the request form, forwards it to the Operations Associate to assign it a unique reference number, and finally the Operations Officer for approval before sending it to the vendor. For all correspondence procurement is in copy to ensure proper tracking of the transactions. For Medical services, basing on the long-term agreement with the hospitals, the panel physician/ nurses fill in a referral form (under delegation of the CMO) which is forwarded to the Hospital before any service is offered. The basis of the above is because the requests come in on a very regular basis given the approval lead time for purchase request forms, it is not efficient to have purchase request form for such requests there are however controls in place to ensure proper follow through and tracking of invoices.
- e) Financial assessment and verifications of Implementing Partner’s financial reports is done by Resource Management Unit and by Finance to be specific for all projects. Finance is the last point of review of all Implementing Partner expenses and documentation.
- f) Roles are shared with PRISM Central Support Team for their review and approval.

Finding No. 4 Inadequate support and oversight of the field activities

Implementation On-going

Moving forward, field offices now send regularly Situation Reports to Project Managers and Resource Management Unit. Senior Management minutes of the meetings are now shared with all Users in Uganda. The Chief of Mission has established a new Head of Departmental Units meeting that are held every other week. Resource Management Unit staff has meetings on a weekly basis in order to follow up on processes and needs escalated by the camps and programme staff. The Resource Management Unit retreat was planned in early March in coordination with the Regional Office in order to improve the support team services and create innovation mechanisms. However, this was not possible due to covid-19 lockdown. Now that we have returned to work, this will be revisited.



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- 1) There was a Resource Management Unit and Programme Staff event on 6 November, this was highly supported by the Chief of Mission. SMT minutes are included in the file. The Resource Management Unit meeting minutes are also included in the file and an additional Financial Management Presentation for Programme Staff BMMII took place 20 April, email shared in the file.
- 2) There is close monitoring mechanism with camp location staff and its situation reports; Resettlement and Movement Management and Migration Health Division have also established need focal points that follow up directly with the actions requested from the camps and the Resource Management Unit staff.
- 3) As mentioned in No. 2, the Resettlement and Movement Management and Migration Health Division FP staff coordinate their requests and process their vouchers to be in compliance with the standard operating procedures and delegation of authority.

Finding No. 5 Incomplete organizational structure

Implementation On-going

- a) Updating of the mission's organizational structure. *(On-going)*
- b) Escorts positions were included in PRISM. *(Implemented)*
- c) The duty stations of staff in the field such Entebbe, Nakivale, Kyaka and Kyangwali were already changed in PRISM. *(Implemented)*
- d) A separate formal organizational structure for the Refugee Resettlement Camps has been finalized last 2020. The OM has been updated but we need to apply the "manages relationship". *(On-going)*
- e) Details on enumerators are captured in PRISM. *(Implemented)*
- f) Double its efforts and fill up the vacant positions in order to ease the workload and pressure on the existing staff covering the roles of the vacant positions. *(On-going)*
- g) Revise the Terms of Reference of MHD Admin/ Finance Clerk to ensure that the position reports functionally to the SRMO and administratively to the Chief Medical Officer. *(Implemented)*

Finding No. 6 Lack of Delegation of Authority

Implementation On-going

The delegation of authority has been implemented and was developed and reviewed by Regional Office, a copy of the delegation of authority and email correspondence to Regional Office for procurement compliance review (Annex 1 and 2) was submitted to internal audit.

Finding No. 7 Absence of local standard operating procedures

Implementation On-going

- 1) The procurement unit is in the process of drafting the standard operating procedures; the two already approved; Guideline for review of payment requests (Annex 3), standard operating procedures for invoice tracking (Annex 4). The rest of the standard operating procedures under fleet and procurement are work in progress and will be concluded and implemented by September 2021.



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- 2) The mission has established long-term agreements for transport refugees, hotel accommodations and hospitals (for medical services). For Operations – the long-term agreements clearly state use of bus ordering requests (BOR), Service Order Requests (for refuge accommodation and meals); as a control the focal staff fills in the request form, forwards it to the Operations Associate to assign it a unique reference number, and finally the Operations Officer for approval before sending it to the vendor. For all correspondence procurement is in copy to ensure proper tracking of the transactions. For Medical services, basing on the long-term agreement with the hospitals, the panel physician/ nurses fill in a referral form (under delegation of the CMO) which is forwarded to the Hospital before any service is offered. The basis of the above is because the requests come in on a very regular basis given the approval lead time for purchase request forms, it is not efficient to have purchase request form for such requests there are however controls in place to ensure proper follow through and tracking of invoices.

Personnel

Finding No. 11 Payroll issues

Implementation On-going

- a) Human resource created a payroll workflow to ensure that all PA's contract extensions are signed before the second payroll run.
- b) Emails advising manager to verify if staff will be extended dependent on the required notice period.
- c) Human Resource Officer follows-up with managers to respond on the work breakdown structure.
- d) Human resource does not deduct Compensation Plan from daily staff and Intern from payroll as this will trigger a payroll action. Compensation Plan is charged outside payroll by Finance team when posting payments AP for these services. *(Implemented)*
- e) Daily paid issues were already corrected. HR is implementing the updated instructions when using issuing hourly and daily contract. *(Implemented)*

Finance and Accounting

Finding No. 16 Deficient bank signatory panels

Implementation On-going

- 1) Amendment for OIC was coordinated by Regional Resource Management Officer and Treasury as enclosed, Mission to forward the latest signature panel to Manila Treasury Services.
- 2) Mission to complete deletion PERN 31699, April 2021.
- 3) Bank Mandate approved by the Chief of Mission states "regarding correspondence with bank any two to sign A+A or A+B", otherwise mission ensures Chief of Mission or delegated signatory maintains bank signatory panel in coordination with Resource Management Officer.



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Finding No. 17 Uncertain recoverability of outstanding value added tax receivable

Implementation On-going

Programme units are regularly requesting appointment letters and IDs.

Amount outstanding over 120 days is USD 119,506 less than USD 200,000. Mission does not have any outstanding VAT item for 2018.

Finding No. 18 Weak review and verification of Implementing Partner's financial records

Implementation On-going

Latest Implementing Partner agreements for HADS and CAFOMI have been enclosed. WHO was not an Implementing Partner, however WHO agreement has been enclosed for the last project the mission worked on with WHO.

Finding No. 19 Disbursement process issues

Implementation On-going

- a) The Mission Implemented Invoicing tracking standard operating procedures with Joint responsibilities of Projects for the timely submission of all invoice by vendors, Implementing Partners, etc.
- b) The printing of the electronic banking system receipts to attach on vouchers started from March after audit findings. So far printing is on-going as we started from current months going back to January, this will be completed by end of October 20.

Finding No. 21 Issues on petty cash administration

Implementation On-going

- 1) Mission to amend DOA to include delegated SM in coordination with the Regional Office.
- 2) No insurance secured, all cash related transactions are processed through bank, no need to maintain cash in office.

Procurement and Contracting

Finding No. 27 Weak Implementing Partners' selection process

Implementation On-going

Capacity assessment tool is in place and Implementing Partners identified and selected as per IN/168 Rev. 2, Annex 20.6. The Projects have enhanced the Monitoring and evaluation of Implementing Partners as per the deliverables.



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Programme and Operations

Finding No. 32 Irregular processing of Letter of Invitations

Implementation On-going

The mission has already addressed the recommendations. All Letter of Invitations are nominal and signed by the Chief of Mission. When any change occurs on the duration or on the attendees, a new Letter of Invitations is issued.

IG - Internal Audit Comment:

IG Internal Audit strongly encourages the Chief of Mission and responsible staff to implement the open recommendations in a timely manner.