



International Organization for Migration (IOM)

The UN Migration Agency

OFFICE OF THE INSPECTOR GENERAL

Management Response and Actions IOM Country Office Khartoum Audit File No. SD201801

The IOM Office of the Inspector General (OIG) conducted an internal audit of the IOM Khartoum (the “Country Office”) from 20 to 28 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 May 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 19 audit findings and recommendations, out of which 9 are very high and high priority².

As of 30 June 2020, there remain 10 (Medium and Low) open recommendations while all high priority recommendations were implemented.

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

Management Response and Actions to the Internal Audit Report of SD201801 – IOM Khartoum

Management and Administration

Finding No. 1: Absence of a mission-wide risk management plan

Finding closed

Mission established a Programme Support Unit in February 2019 for strategic project coverage and regular donor engagement and frequent reporting and other responses. IOM Resource Management Unit has an updated Country Office financial management and tracking tool established to cover for financial management risks. The Country Office conducted a recent retreat where most of the project based weak and unattended areas were discussed and a harmonized strategy was agreed and initiated.

Finding No. 3: Outdated delegation of authority, conflicting role in PRISM, unclear organizational structure and lack of standardization of processes and procedures

Finding closed

IOM Country Office in Sudan had an unusual staffing structure that did not match with the existing reporting lines and was not sustainable as per the funding base. The Country Office has revised the whole organigram (ongoing since July 2019 following the departure of a number of staff) where few

¹[https://www.iom.int/sites/default/files/about-iom/audit/sd201801 - iom khartoum.pdf](https://www.iom.int/sites/default/files/about-iom/audit/sd201801_-_iom_khartoum.pdf)

² One high risk finding under Management and Administration was not presented, according to the provisions of IB/78 “Disclosure of IOM Internal Audit Reports”.



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major reforms were introduced by abolishing two major positions and introducing a Head of Programmes for better and harmonized involvement at the management level. A Programme Support Unit was created (in February 2019) to streamline the programme cycle and a Procurement and Logistics Officer was hired (in December 2019) to provide clear guidance on procedures – the improvement of which had begun with the arrival of a temporary Head of RMU in August 2019.

In addition, the Country Office has introduced a revised and implemented in February 2020 a comprehensive delegation of authority covering authorities, threshold at finance, human resources, procurement, administration, and many authoritative functions.

Finance and Accounting

Finding No. 8: Delays in project activation, ineffective recording of data and absence of adequate financial monitoring

Finding closed

Project activation is streamlined through implementation roll out of PRIMA in the Country Office, thus, major areas are now functioning smooth and projects are activated within appropriate time. Whereas financial monitoring is done through PRISM tools and Country Office financial toolkit established by Resource Management Unit head. Most of the major project managers are using PRISM for their financial needs. The Country Office has also introduced project inception and close out meetings as mandatory.

Prior to the roll out of PRIMA the Finance Officer was tasked with the oversight for project code activation and followed-up closely the process.

Finding No. 9: Weak controls over the safeguarding of cash, excessive operational advances, and delays in recording transactions

Finding closed

It should be noted that in Sudan the use of advances is a necessary part of implementation given the cash economy, a high rate of inflation and changeable exchange rate. The Country Office has drastically reduced the use of operational advances and has introduced a no advance policy unless the previous one is liquidated. After nominating designated focal for each region in finance the data entry has become relatively faster.

Finding No. 10: Long outstanding vendor accounts and cheques

Finding closed

The Country Office has done a huge cleanup operation in 2019 and early 2020 of all the old advances, following the arrival of the temporary Head of Resource Management Unit in August 2009. The advances which were more than a year which have be cleared/set off from the records.



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Procurement and Logistics

Finding No. 13: Weak controls over the procurement process

Finding closed

Much of the documentation sampled was from before the arrival of the Chief of Mission in May 2018. Until February 2020 when the delegation of authority was introduced the Chief of Mission signed all documents. With this and the arrival of the temporary Head of Resource Management Unit in August 2019 the sequence of the processes and documentation have improved, and the correct procedures have been established as the norm in the Country Office. More improvements have been introduced since the arrival of a dedicated Procurement and Logistics Officer in December 2019. A review of active long-term agreements began in 2019 and tenders were issued. In 2020, the new Procurement and Logistics Officer is further reviewing the long-term agreements and identifying procurement where a long-term agreement would be useful. The Procurement and Logistics Officer and has begun work with programme colleagues to ensure a mission-wide understanding of the procurement process. The Country Office has now introduced inception meetings.

Finding No. 14: Several vendors with no documentation or vendor files and absence of vendor evaluations

Finding closed

We agree to this observation and the Procurement and Logistics Officer has started emphasizing the completion of the needed documentation and the implementation is now visible.

Contracting

Finding No. 17: Absence of contracts with certain vendors and need to clarify internal requirements for advance approvals

Finding closed

All vendors are now covered with appropriate contracts having Office of Legal Affairs code. All the European Union contracts are reviewed by the Office of Legal Affairs and files are being updated. No advance is extended over and above USD5,000 which is still an old limit set by IN/168 Rev. 2 "Procurement Manual for Goods, Works and Services". Sudan is a market where finding out financially strong vendors sometimes become challenging, but all advances are within the policy limits.

Programme and Operations

Finding No. 19: Low burn rate and delays in donor reporting

Finding closed

The establishment of the Programme Support Unit, the arrival of the temporary Head of Resource Management Unit and the hiring of a Procurement and Logistics Officer has improved this process. Procurement and Logistic sends Procurement Plan calls to all PMs for continual planning. Project activation is now processed more quickly. Project inception meetings give adequate required information for planning to all respective Resource Management departments i.e. human resources, procurement and logistics, finance, Information and Communications Technology and to Programme



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Support Unit for Monitoring and Evaluation, visibility, and reporting. The change has been observed because of such meetings, there is more collaboration to meet delivery time across the different departments. The Programme Support Unit has created a tracking sheet for proposals and reports and established internal deadlines with regular follow up made in weekly meetings. Official communication with donors is now directed through the Programme Support Unit.

OIG/Internal Audit Comment:

OIG Internal Audit takes note of the implementation of the high priority recommendations and encourages the mission to continue the effort to implement all recommendations.