



International Organization for Migration (IOM)  
The UN Migration Agency

## OFFICE OF THE INSPECTOR GENERAL

### Management Response and Actions IOM Country Office Sarajevo Audit File No. BA202101

The IOM Office of the Inspector General (OIG) conducted an internal audit of the IOM Sarajevo (the “Country Office”) from 16 to 25 June 2021. 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 May 2019 to April 2021. The results of the audit are public and can be accessed through IOM’s global website<sup>1</sup>.

The OIG assessed the Office as ***partially effective, major improvements needed*** and raised 25 audit findings and recommendations, of which 11 were very high and high priority. As of the date this summary is publicly available, only 2 high recommendations are remaining in progress to be implemented.

### Management Response and Actions to the Open Recommendation of Internal Audit Report of BA202101 – IOM Sarajevo

#### Management and Administration

#### **Finding No. 1 Organizational structure and resource allocations to better align with programme and operational needs**

##### **Finding Closed**

In the past period the, several changes in the organigram were made in order to address all open points. Finance unit was split into two units, accounting and treasury and budgeting reporting, in order to have better internal control. The Senior Finance Assistant has initiated transfer of knowledge to other finance staff members (e.g. payroll process), to prepare a smoother handover of tasks. There is an excel based projectization tool in place, that follows mission’s needs and available budget, which resolved the issue of manual entering of payroll data into SAP, the newly established Cost Planning and Allocation will have an impact on the findings. Process of coordination between the Programme, Human Resources and Resource Management Unit is in place, and trough Cost Planning and Allocation it will be enhanced further. The latest organigram shared to Internal Audit

#### **Finding No. 2 Petty cash theft not escalated within IOM**

##### **Finding Closed**

The country office will continue to put efforts in complying with internal IOM procedures, still more improvements are needed with assistance and in coordination with country office FO management and IOM Security department.

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<sup>1</sup>[IOM Sarajevo](#)



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## Human Resources

### **Finding No. 6 Administration of staff contracts needs to be evaluated and improved**

#### **Finding Closed**

### **Finding No. 7 Payroll process could be improved**

#### **Finding Closed**

All recommendations were accepted and realized before 31 December 2021. Payroll posting roles are segregated between Human Resources and Finance staff. PY SIMULATION is given to Finance staff and PY POSTING is assigned to Human Resources staff. The country office uses PRISM HR reports to validate accuracy of payroll. Projectization approval is allowing all relevant units to check and verify payroll prior posting.

### **Finding No. 8 Areas for improvement on human resources administration**

#### **Finding Closed**

The Human Resources is involved in all recruitment processes. All files have signed the confidentiality agreement. The Human Resources Unit has worked and improved the process of document collection and compliance with the procedures prior issuing the contracts and they are following and updating the list of obligatory trainings for staff and consultants.

### **Finding No. 9 Weaknesses identified in the administration of non-staff**

#### **Implementation On-going**

The country office implemented all recommendations related to the internal audit findings as previously planned and tracking system for non-staff is in place.

## Finance and Accounting

### **Finding No. 10 Controls over financial transactions need to be evaluated and strengthened**

#### **Finding Closed**

The Bids, Evaluation and Awards Committee nomination is conducted by the Resource Management Officer as delegated by the Chief of Mission. The committee's composition is always minimum of three staff (or more) and always odd number in line with IOM procedures. The procurement staff is acting as secretariat. The Resource Management Officer or one Professional staff are appointed as a committee member in every Bids, Evaluation and Awards Committee composition. The Mission is ensuring that all internal correspondence potentially serving as supporting documentation is communicated in English. While the external correspondence with vendors, where it is the case that the correspondence is in local language (request for quotation/proposal), the official request for quotation/request for payment/purchase order documents in most cases are attached to the e-mail and are in English language. All documents and forms are updated in accordance with new authorization matrix and are dully signed, so adequate internal control is in place. Project DP.2211 costs in the amount of USD 293,000 is charged on MI.0438 as donor disallowed costs, since no OSI was approved for this purpose.



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**Finding No. 11 Controls over bank management need review**

**Finding Closed**

All recommendations were accepted and implemented before 31 December 2021. Bank panels are updated in accordance with internal audit recommendations. One-time vendor will be used only exceptionally when all the requirements for usage are met. Since now all vendors are created through PRISM applets - online vendor creation, there is much better control on this process and usage of one-time vendors.

**Finding No. 12 Delays in Project ID activation**

**Finding Closed**

IOM Bosnia and Herzegovina is fully using PRIMA for project activation, monitoring and reporting, process is in place and up to date. All projects outside PRIMA are completed and already reported. Extensions or revisions are done in timely manner, since there is a good coordination between project managers, programme support unit and budget and reporting unit.

**Finding No. 13 One-time vendor account used inappropriately**

**Implementation On-going**

All recommendations are accepted, and action taken to address them before 31 December 2021.

**Programme and Operations**

**Finding No. 25 Need to improve tracking and recording of donations received at IOM's temporary reception centres and warehouses**

**Finding Closed**

The IOM Warehouse Assistant responsible for Central Warehouse for all in-kind donations. Hand over receipt in place and signed by all parties. All donations which value is above USD 5,000 are reported to Central Accounting Support and everything is done in coordination with logistics unit.

**OIG - Internal Audit Comment :**

**Internal Audit positively notes the effort to implement the audit recommendations and encourages the Office to continue with implementing the remaining ones.**