



International Organization for Migration (IOM)
The UN Migration Agency

OFFICE OF THE INSPECTOR GENERAL

Management Response and Actions IOM Country Office Bangui Audit File No. CF201701

The IOM Office of the Inspector General (OIG) conducted an internal audit of the IOM Bangui (the “Country Office”) from 12 to 25 August 2017. 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 August 2015 to August 2017. 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 26 audit findings and recommendations, out of which 22 are very high and high priority.

As of October 2020, 9 recommendations remain open, of which 7 are high priority recommendations.

The below report provides an explanation of the actions taken since the 2017 audit and the current state of the IOM Bangui office.

Management Response and Actions to the Internal Audit Report of CF201701 – IOM Bangui

Management and Administration

Finding No. 1: Lack of Delegation of Authority matrix and outdated Organizational Chart

Finding Closed

The delegation of authority matrix has been internally approved and endorsed by the regional office in September 2019. The matrix has been disseminated within the structure, including the head of sub-offices. Organizational chart is constantly updated, following on-going recruitment.

Finding No. 2: Lack of specialized training for staff and missing Travel on Duty reports

Finding Closed

The Country Office has invested considerable efforts toward strengthening national staff capacities during 2019 and 2020. In detail:

- Following recruitment, national staff taking posts undergo induction for the specific tasks assigned; and
- General trainings on different subjects have been arranged, in order to strengthen staff awareness and understanding of IOM principles, rules and regulations to increase internal compliance, always involving sensible national staff.

¹https://www.iom.int/sites/default/files/about-iom/audit/cf201701-iom_bangui.pdf



International Organization for Migration (IOM)
The UN Migration Agency

Finding No. 3: Various Security issues

Implementation On-going

Mission's Response: The country office hired a Field Security Officer, since August 2020. Furthermore, local security structure has been strengthened by recruitment with staff contract of a Senior Security Assistant and a Security Assistant.

In 2020, the country office has invested resources to purchase PPEs in line with the country office's needs, including field offices. Interventions to strengthen premises security have been carried on (CCTV installed at the main warehouse, strengthening of perimetral walls and security installations in two field offices in Ndele and Bangassou are ongoing, interventions on the main office in Bangui are planned to increase compliance with UN Department of Safety and Security directives). IFAK training is in calendar between October and November 2020, performed by the Field Security Officer.

Finding No. 4: Lack of local regulatory framework and knowledge of IOM Regulations and Rules

Implementation On-going

Mission's Response: The country office has developed several initiatives to increase awareness of IOM rules and regulations since September 2019. In detail:

- The human resources department arranged for a quick informative session to explain special short-term and special fixed-term contracts to national staff;
- The human resources department deployed training on Staff Evaluation System – logic, purpose and tool;
- The human resources department deployed quick session training on Travel Authorization format and all related processes;
- The human resources developed a draft “Welcome Package Kit”, as part of the induction kit for newcomers. The draft is currently in revision with RMO and will be soon shared within the country office;
- In October 2019, Finance Department has arranged for a specific training session on operational advances management, involving Head of Sub-Offices and other field staff and relevant Bangui programme colleagues. A standard operating procedure on processing and monitoring of operational advances, in the form of internal memos, have been since then circulated within the country office and regularly updated and re-circulated as the context needs require adaptation;
- As per internal IOM instructions, finance staff (including national staff) and all relevant staff involved in cash handling functions also at field level, all are undertaking the mandatory training on Cash and Bank management module of the IN/267 “Financial Management Rules and Procedures”;
- Procurement and Logistics department periodically conduct trainings on general procurement principles and processes for procurement and non-procurement staff, including national staff;
- Procurement and Logistics department arranged for a specific session on selection of Implementing Partners – as part of the Procurement Manual;
- In collaboration with the Office of Legal Affairs and Office of Legal Affairs-Contract Review offices, Procurement and Logistics has arranged a training on contracts and their process within the organization; and
- Internal sessions on Prevention of Sexual Exploitation and Abuse are being arranged by the country office's focal point.



International Organization for Migration (IOM)
The UN Migration Agency

Other training sessions are being planned, to strengthen office compliance in the following areas:

- PRIMA, for project activation, management and reporting purposes; and
- Language trainings for national and international staff.

Personnel

Finding No. 6: Inappropriate staff contracts and incorrect calculation of danger pay

Finding Closed

The country office has engaged, since September 2019, in a global review of staff contracts management. Based on a more stable funding and solid sustainability perspectives, the country office has launched proper recruitment process and revision of contract types, both for national and international key positions. Priority has been given to minimization of utilization of consultancy contracts. Furthermore, all new positions are advertised as either Vacancy Notice or Special Vacancy Notice, in coordination with relevant headquarters' offices for related grading (Recruitment and Panama Administrative Centre). No new ungraded contract has been initiated since September, few were planned but the country office decided instead to opt for Special Vacancy Notices, recruitment for these positions is still ongoing. Danger pay and rest and recuperation allowances are calculated according to rules and Instructions (applicable to the extent possible due to ongoing pandemic and following Human Resources Management directives). "

Finding No. 7: Weak Human Resources administration

Finding Closed

The office is now live in PRISM HR, since January 2020, with collaboration and follow up by the regional office.

Finding No. 8: Staff hired as consultants and poor compliance with IN/84 "Guidelines for Selection and Employment of Consultants

Finding Closed

As mentioned above, the country office has engaged in September 2019 in a global review of contracts, with the aim to minimize consultancy contracts utilization in favor of stable staff contracts, throughout proper recruitment process, where funding is stable and solid sustainability perspectives are assured. The country office has launched proper recruitment process, both for national and international key positions, with the aim to reduce the utilization of consultancy contracts in key structure positions (procurement, finance, IT) or stable programme positions, especially related to field structure. Consequently, the country office counts now no consultants in Finance, Procurement and Logistic departments in the main office in Bangui, several program positions in Bangui have also been properly recruited. The process is ongoing to restore compliance for field offices and other critical Bangui departments. Therefore, until completion of recruitment process, few consultancy positions remain in place, not to generate structural gaps. New consultancy contracts are only issued after a proper selection process, in coordination with the regional office/Regional Thematic Specialist and through vacancy/call for expression of interest. "



International Organization for Migration (IOM)
The UN Migration Agency

Finding No. 9: Incomplete employee files and a lack of quality control over contract content

Finding Closed

Central African Republic is now live on PRISM HR; all recommendations are in place. Filing and archiving process is ongoing, under supervision of colleague in short-term assignment from Haiti. Review of contracts is done by the Resource Management Officer prior to the Chief of Mission's signature."

Finding No. 10: Unclear implementation of the Unified Staff Regulations and Rules

Finding Closed

As mentioned above, the office has initiated a review of staff contracts. Priority has been given to initiate recruitment process and implementation of proper staff contracts to minimize utilization of consultancy contracts. The country office is in process to look at the country office structure, looking at the possibility to replace positions currently covered by ungraded contracts with special fixed term. A follow up will be done by end of 2020. Human resources will follow up on recommendations to have all staff signing a copy of Unified Staff Regulations and Rules in their files, by December 2020. "

Finance and Accounting

Finding No. 12: Weak financial controls

Finding Closed

Delays observed were mainly due to understaffing in Finance departments. The structure is now strengthened and checklist for country office accounts closure is sent in a more regular manner, with dedicated staff assigned for regular follow up. Slight delay can still be observed occasionally, due to conflicting tasks."

Finding No. 13: Poor vendor account maintenance and outstanding litigations

Implementation On-going

Mission's Response: The country office operates in field offices with projects mainly implementing large cash-based activities. The operational context, lacking any banking facility in the fields, requires the transfer of consistent amounts in cash on a monthly (in some cases bi-weekly) basis. To minimize financial exposure, the office has instructed internal standard operating procedures to improve efficient utilization and monitoring of cash disbursed.

Operational advances are disbursed when consistent amount of previous advances disbursed is cleared from vendors accounts. It must be noted that documental verifications and clearance is made only at main office level, due to absence of structure in place in the field offices and lack of capacity. Recruitment is ongoing, following which specific trainings on Prism will be conducted to enable field offices with posting transactions.

Regarding the write-off of open items, the country office has made all efforts have been made to recover the amounts, succeeding in total recovery in one case. Write-off is being confirmed on other cases.



International Organization for Migration (IOM)
The UN Migration Agency

Finding No. 14: Large cash payments and excessive use of Petty Cash

Implementation On-going

Mission's Response: As mentioned above, the nature of activities implemented by IOM Central African Republic along with the context lacking banking facilities, requires the office to mobilize large cash payments, especially through petty cash/Operational Advances. Coordination with Treasury, Regional Resource Management Unit and Office of Staff and Security has taken place, to identify any possible measure to minimize risks.

For what specifically refers to cash payments in the field offices, the country office has identified solution to minimize risks related to mobilization of large amounts of cash: a private contractor is in charge of transferring cash, approved as per operational advance internal process, to field offices in secured manner, based on contract signed in June 2020.

Modalities for transfers and for management of Operational advances have been cleared through internal memo, serving as standard operating procedures, to all field offices and main office. For what refers to payments in Bangui and, to the extent possible, to large suppliers in the field offices, utilization of cash is minimized by issuance of checks or wire transfers (marginal option).

Procurement and Logistics

Finding No. 16: Weak procurement processes

Implementation On-going

Mission's Response: Open outstanding purchase orders are tracked in PRISM on a regular basis. Responsibility of follow up on procurement files lies with two newly hired procurement and logistic assistant and one National Logistics Officer. Monthly reporting of open purchase orders is part of standard Procurement and Logistics reporting framework, developed by the Procurement and Logistics Officer and regularly shared with Resource Management Officer and finance department for necessary follow-up actions (as part of the monthly accounts closure).

Finding No. 17: Weak accountability of procurement department

Finding Closed

Recruitment of Procurement and Logistic Officer has been completed in April 2020. A comprehensive review of the structure and staffing needs has been executed by the new Procurement and Logistic Officer and Resource Management Officer. The entire structure of the Procurement and Logistic department has been reviewed and related recruitment is being finalized by December 2020. A short-term assignment from other country office is currently reinforcing the structure and supporting compliance efforts since March 2020. Procurement and Logistic capacity at field offices level is being developed, recruitment in two main offices is under finalization while recruitment of dedicated positions in others field offices is ongoing. Induction in the main office is previewed, to strengthen awareness of rules and regulations before deployment to the fields.

Finding No. 18: Poor vendor screening

Finding Closed

Since October 2019, all vendors are screened through the documentation provided along vendor information sheet and checked against UN sanction list prior to submitting vendor creation form.



International Organization for Migration (IOM)
The UN Migration Agency

Vendor evaluation will be regularly performed once the full department structure is in place. The Procurement and Logistics team contributes to country market surveillance through bi-monthly targeted survey on availability, price and quality of selected non-food items in Bangui. Price check are operated ad-hoc by the Procurement and Logistics Officer, contributing to compliance monitoring to prevent and promptly detect suspicious dossiers.

Finding No. 19: Deficiency in Fleet Management and fuel consumption monitoring

Implementation On-going

Mission's Response: Duties and responsibilities of drivers are defined in their respective terms of reference. Drivers have been recruited in the country office according to standard staff hiring process; recruitment plan is ongoing for drivers in the field offices.

A standard operating procedure is in place addressing road movement security, developed in collaboration with the Office of Staff Security. Weekly Inspection checklist of vehicles is in place. From June 2020, the country office is standardizing the reporting on fuel consumption and maintenance costs. Following the training in June 2020 of the fleet supervisor through the fleet forum, an action plan is being drafted to further increase performance in fleet management.

Finding No. 20: Poor warehouse management

Finding Closed

An inventory file is in place since April 2020, as part of the monthly reporting currently being setup. Both warehouses have been through complete inventories. Responsibilities for access to warehouses has been clearly defined and documented. Storage of support and Programme items has been separated. Cleaning schedule is in place several times a week. The ongoing recruitment of a warehouse and assets supervisor will allow to implement IOM warehousing guidelines. Intensive training will be planned with the Procurement and Logistics assistant in field offices to ensure implementation of common standards across the country office."

Contracting

Finding No. 22: Missing deliverables and payment schedule and incomplete contract wordings

Finding Closed

Since September 2019, all implementing partners' agreements are developed under supervision of Office of Legal Affairs, no contract is signed without approval code including payment terms. Review by the Resource Management Officer prior to signature is also taking place regularly. As mentioned above, an internal training session on IPs selection and contractual aspects has been performed during 2020. "

Information Technology

Finding No. 23: Lack of IT backup procedures

Finding Closed

The country office is implementing requested actions. Additional server capacity has been procured in July 2020. Regular backups are being arranged by the IT Assistant, also following up on e-filing implementation. Second air conditioner will be installed by November 2020.



International Organization for Migration (IOM)
The UN Migration Agency

Programme and Operations

Finding No. 24: Inadequate forecasting and monitoring of Program Spending

Finding Closed

A regular update is shared by Resource Management Unit with Programme Management, based on the tool developed by the Regional Office for monitoring purposes. The file is based on meetings between Programme and Resource Management Unit, where follow up on burn rates and related actions is made, including procurement plans, recruitment actions, possible implementation challenges affecting burn rates. The office must underline that majority of current projects have obtained no-cost extensions, due mainly to ongoing pandemic consequences.

Finding No. 25: Payments to implementing partners not linked to deliverables and budget

Finding Closed

The Goods Receipt Note and SRN are in place; payments of implementing partner are requested by Procurement and Logistics once documents proving deliverables are met are submitted (approved narrative and financial reports in particular).

Finding No. 26: Large amounts of cash handling, putting staff and beneficiaries at risk

Implementation On-going

Mission's Response: Same as per Finding No. 14, the nature of activities implemented by IOM Central African Republic along with the context lacking baking facilities, requires the office to mobilize large cash payments, especially through petty cash/operational advances. Coordination with Treasury, the Regional Resource Management Unit and Office of Staff Security has taken place, to identify any possible measure to minimize risks. For cash payments in the field offices:

- Transportation of cash from Bangui to field offices: the office has established partnership with local contractor for transportation of cash from Bangui to field locations. This eliminates need for staff to carry cash when traveling to the field and reduces risks for our staff.
- For disbursements in the field: Office of Staff Security assists the field office in coordinating any action related to cash disbursement especially in remote localities. Coordination of escorts with Minusca is implemented, the Office of Staff Security assist in any payment operation at field office level.

OIG/Internal Audit Comment:

OIG Internal Audit takes note of the ongoing effort of the Office to implement the recommendations and strongly encourages the Office to implement the remaining high risk recommendations.