



International Organization for Migration (IOM)

The UN Migration Agency

OFFICE OF THE INSPECTOR GENERAL

Management Response and Actions IOM Regional Office Nairobi Audit File No. KE201802

The IOM Office of the Inspector General (OIG) conducted an internal audit of the IOM Regional Office Nairobi (the “Regional Office”) from 26 November to 5 December 2018. The audit assessed the risk exposure and risk management of the Regional Office’s activities, in order to ensure these are well understood and controlled by the regional office management and staff. The audit covered the activities of the Regional Office from January 2017 to October 2018. The results of the audit are public and can be accessed through IOM’s global website¹.

The OIG assessed the Office as partially effective, and raised 19 audit findings and recommendations, out of which 12 are very high and high priority.

As of May 2020, there remain 1 High priority open recommendation.

The below report provides an explanation of the actions taken since the 2018 audit and the current state of the IOM Regional Office Nairobi.

Management Response and Actions to the Internal Audit Report of KE201802 – IOM Regional Office Nairobi

Management and Administration

Finding No. 1: Sexual Exploitation and Abuse duty of care when engaging to non-IOM Staff *Finding Closed*

An email was sent to the Gender Officer in Headquarters.

IA notes: Hopefully, the Gender Unit will share IASC provides the materials for Implementing Partners on Prevention on Sexual Exploitation and Abuse.

Finding No. 2: Weak organizational structure *Finding Closed*

The current organogram (outside the system), was sent to internal audit. The change in OM will reflect this once the revisions of titles are approved by Human Resources Management.

Finding No. 3: Weak risk management *Finding Closed*

The latest email exchanges with Chief Risk Officer by two Country Offices in the region was sent to internal audit.

¹https://www.iom.int/sites/default/files/about-iom/audit/ke201802-iom_ro_nairobi.pdf



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Finding No. 4: Lack of standardized regional resource management reporting to the Director of Resource Management

Implementation On-going

Management's response by Department of Resource Management on standardized regional resource management reporting to the Department of Resource Management: Periodic reporting from the Sr. Regional Resource Management Officers to Department of Resource Management has been discussed and agreed between the two. Sr. Regional Resource Management Officers will submit bi-annual reports to the Heads of Department of Resource Management Divisions, highlighting key areas, risks, significant achievements or concerns related to each Regional Office and the respective region as of 2020.

A reporting template has been developed and coordinated amongst the Sr. Regional Resource Management Officers and Department of Resource Management Divisions. In addition to the formalized reports, Department of Resource Management has periodic meetings between Sr. Regional Resource Management Officers and heads of Department of Resource Management Divisions for discussion of topics of mutual interest and concern. These meetings focus mainly on topics relevant to the entire group, while also providing the opportunity to highlight key concerns in the regions and keeps an open dialogue on developing topics. The meetings are attended by all division heads and Sr. Regional Resource Management Officers, with the inclusion of additional colleagues as required. Individual meetings with Sr. Regional Resource Management Officers in relation to budget reviews of missions are also being undertaken and are forward looking. With regard to a standard operating procedure for the Sr. Regional Resource Management Officers' "day to day work", taking into consideration the fact that each position in the organization is supported by specific "Post Description" and duly guided and mandated by the Organizational set rules and regulations, policies and directives, developing an additional standard operating procedures to guide day to day work of the Sr. Regional Resource Management Officers is deemed unnecessary and redundant. Moreover, it is highly recommended by the Sr. Regional Resource Management Officers to avoid introducing such unnecessary layers, as this would eventually lead to the positions being audited against such standard operating procedures instead of the organization's legally established polices. In reference to the email sent 7 September 2020.

Personnel

Finding No. 6: Weak separation procedures

Finding Closed

An email that shows the identified PERN numbers have been cleared was shared with the internal auditor.



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The UN Migration Agency

Finding No. 7: Deficient PRISM HR structural set up

Finding Closed

The organogram as per the Finding No. 2 was shared with the internal auditor. The national staff that reported to Regional Director no longer reports to the Regional Director but reports to the Chief of Mission KCO.

Finance and Accounting

Finding No. 12: Old outstanding vendor balances

Finding Closed

The write-off of the laptops under PERN 56191 is settled and done by Central Accounting Support. The rest of the finding issues are closed.

Finding No. 13: High cash and bank balances

Implementation On-going

Mission's Response: Djibouti's cash journal for imprest account defeats and weakens the internal control as the person that takes operational advance does not have access to cash journals while the cash journal is the responsibility of the cash custodian who has no access to the said cash. As a follow up, we have initiated the process of setting up a Business area and eventually a cash journal in Obock, Djibouti. Correspondences with the country office was shared with the internal auditor.

Procurement and Logistics

Finding No. 15: Weak Regional Office Procurement and Logistics function

Finding Closed

1. The improved oversight of the Regional Office function to Country Offices in the East and Horn of Africa.

Deliverables: Using the information from data mining individuals from the Regional Office on the agreed checklist, perform verification, and provide support to addressing those issues raised by the monthly checklist review; ensure that this is done monthly and reported to Sr. Regional Resource Management Officer by mid of the following month, starting from May 2020; and organize monthly calls with documented minutes with each Country Offices:

- a) Discuss challenges in procurement.
- b) Sample two high value completed procurements for each Country Office, monthly, and review it from start to end by asking for supporting documents in scanned form, provide comments and observations to Sr. Regional Resource Management Officer and ensure these are used as examples to train staff, i.e., what to watch out for, what documents to include, etc.
- c) Organize monthly webinars with a Country Office using examples mentioned in a deliverable and findings from the data mining, ensure a high number of participants through requiring signed attendance.
- d) Help detect fraud and provide measures to prevent those.



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The UN Migration Agency

2. Support Country Offices to develop strategic planning to improve procurement and supply chain effectiveness, efficiencies, and compliance in line with the foundational principles of PSC at IOM.
Deliverables: Draft and coordinate with Headquarters, a strategic planning tool by the end of May 2020, this would be used by the Country Offices, follow up monthly and report on its implementation; ensure that Country Offices prepare a procurement plan for each of the new projects, make this as part of the monthly call and coordinate with the PRIMA team to ensure we are abreast of new projects and that they have a procurement plan.
3. Provide an overview of risk management on processes and procedures within the procurement and logistics unit, including support on how these risks affect project outcomes.
Deliverables: Coordinate receiving the guidelines from the risk officer; ensure all the Country Offices have updated risk register as per the latest version of the template; provide the Regional Director and Sr. Regional Resource Management Officer with a consolidated risk register and alert in the monthly report of the new risks the offices are exposed to and suggest ways to mitigate those risks.
IA notes: to probably include procurement analysis and number of country offices to review per month as measurable output. The Regional Accounting Support checklist is one component but we are missing the important ones which is the analysis of what is being procured, price paid and variance, vendors' reliability (you can do this only if PRISM is used correctly), and any other indicator that is relevant in procurement.

Finding No. 16: Inadequate segregation of controls

Finding Closed

The current organogram for the Regional Office was shared with the internal auditor.

Finding No. 17: Weak outsourcing process

Finding Closed

The current organogram for the Regional Office was shared with the internal auditor.

Programme and Operations

Finding No. 19: Low programme implementation rate

Finding Closed

RT.1354 database was shared to the internal auditor.

OIG/Internal Audit Comment:

OIG - Internal Audit takes note of the action taken by the Office to close the recommendations and strongly encourages the implementation of the one recommendation remaining pending.