



International Organization for Migration (IOM)
The UN Migration Agency

OFFICE OF THE INSPECTOR GENERAL

Management Response and Actions IOM Country Office Port Moresby Audit File No. PG201801

The IOM Office of the Inspector General (OIG) conducted an internal audit of the IOM Port Moresby (the “Country Office”) from 7 to 11 May 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 March 2016 to February 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 28 audit findings and recommendations, out of which 13 are high priority.

As of October 2020, there remain 3 open recommendations, 1 is high while the 2 remaining are Medium.

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

Management Response and Actions to the Internal Audit Report of PG201801 – IOM Port Moresby

Management and Administration

Finding No. 1: Lack of Risk Assessment monitoring

Finding closed

The risk register has been updated and is 85 per cent complete. Some risk treatment plans are still to be completed.

Finding No. 2: Uncertainty of funding and budget constraints

Finding closed

As noted in our initial reply, funding for referenced proposals (CBMM/RT.1452, ICA AVRR/RT.1451, USRAP/RE.0004, GYPI/PB.0021 and HELA Earthquake Response/SN.0036) have been secured, as well as funding from Staff Security Unit to cover half of the 2018 UN Local Shared Security Service cost. There were no budgetary constraints in 2018, although constraints are expected in 2019. IOM Canberra has conducted a programme development training in the country office and continues to support programme development activities in the country office from Canberra.

¹https://www.iom.int/sites/default/files/about-iom/audit/pg201801-iom_port_moresby.pdf



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Personnel

Finding No. 7: Weak Attendance Management

Finding closed

In addition to the automated attendance mechanism, staff are also required to manually log their official work hours outside of the office. For example, external meetings, visits to bank and visits to vendors.

The provision of guidance and highlighting of the importance of timekeeping has and continues to be provided by the Resource Management Officer, and the challenges continue to be with Human Resource staff's willingness and ability to step up to the tasks. Please note work ethic/work culture is a common challenge across the UN as well as other sectors. We are currently training a new Human Resource staff member (replacing the staff member who was in place at time of the audit visit) to monitor and follow through attendance records in a prompt, consistent and timely manner, as well as regularly communicate timekeeping results and issues to respective managers. The Human Resource staff are also being groomed to promptly bring issues, or situations out of the ordinary, to the attention of the Resource Management Officer.

The national officer who did not disclose the AWOL of his staff until after more than a month, has recently been terminated for other reasons.

Finding No. 8: Unreliable Annual Leave Balances in PRISM

Finding closed

Actions to set-up correct annual leave balances of national staff have yet to be performed.

Finding No. 9: Delayed Processing of Terminal Emolument

Finding closed

Notwithstanding the initial response provided, which is still valid and true today, please note that Human Resources has already processed a total of 18 terminal emoluments in 2018 April.

Finance and Accounting

Finding No. 15: Untimely submission of Goods and Service Tax claims

Finding closed

All the 2016 claims have been filed and the same consultant was re-hired for the 2017 and 2018 claims. The claims are now for review and for filing in mid-May 2019.

Finding No. 16: Old outstanding vendor balances

Finding closed

Following the submission of the final financial reports of old projects, most of the old purchase orders were already closed and outstanding advances has been cleared. Few are left where Project Manager



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has not provided an update regarding the activities and where vendors decline request for refunds, or in the case of old vendors, they are no longer responsive. The country office intends to close the small vendor balances against the country office's funds.

Procurement and Logistics

Finding No. 19: Controls over fleet management needs enhancement

Finding closed

We are continuously working on the fleet management process. There continues to be a challenge in securing regular and timely submission of logbook in the field offices due to connectivity and the locations of the offices, as well as high turnover of local staff in the field. Nevertheless, we will continue to coordinate with the program staff on the workflow for the purpose of getting timely responses from field offices.

Finding No. 20: Inadequate controls on asset management

Finding closed

Assets are already accounted, and respective Asset Assignment Forms are served and signed. The asset master record was updated in SAP. Only few were disposed, with the departure of the Procurement Officer and the maternity leave of the national staff in charge of assets. We will continue with the disposal as soon as staffs are on board again.

Finding No. 21: Old outstanding Purchase Orders

Finding closed

Most of the old outstanding purchase orders are now cleared in the system. To date, the country office has cleared a total of USD 795,300 long outstanding purchase orders with the arrival of the Procurement Officer.

The Procurement Unit is now working on clearing the purchase order transactions created during the HELA emergency response last year. In parallel, corrective measures and regular monitoring are in place for the current procurement's conducted late part of 2018 and to date.

Contracting

Finding No. 24: Lack of formalized agreement on the free office space provided by the National Disaster Centre

Implementation On-going

Mission's Response: The Office of Legal Affairs' coordination for the Memorandum of Understanding is done, however, the country office is still working on the Annex part and proper meetings with National Disaster Centre has been set aside due to the continuous changes in National Disaster Centre leadership and/or management. There is a need to explain with National Disaster Centre why the amendment is needed, and hopefully, the amendment will be finally completed by 1st quarter of 2020.



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Information Technology

Finding No. 25: Inadequate controls on Information Technology processes

Finding closed

The country office currently has funds available for an IT staff, but not an IT officer, and we are already in the process of recruiting. In the meantime, we have been availing the services of ICT Helpdesk in Manila and the IT staff in Canberra.

Programme and Operations

Finding No. 26: Delay in the submission of donor reports

Finding closed

- CS.0516, the final financial report is done and awaiting the endorsement of the final narrative report, before submission to USAID.
- CS.0820, all reports have been completed and submitted to IOM Development Fund last year.
- FM.0445, all reports have also been completed and submitted to DIBP last year. The remaining receivable of more than AUD 1.1 million has also been billed and already paid for by DIBP.

OIG/Internal Audit Comment:

OIG Internal Audit takes note of the effort of the Office to close all recommendations and strongly encourages the Office to implement the remaining high recommendation.