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Annex 1 – Charter of the Office of Audit and Oversight Services (see separate file)

Annex 2 – Internal audit reports issued in 2017

Ref.	Report No.	Title	Rating
Country Offices			
▪ Arab States			
1	IA/2017-01	Audit of the UNFPA Country Office in Somalia (Phase I) – Operations Management Activities	Not effective
2	IA/2017-03	Audit of the UNFPA Response to the Syrian Humanitarian Crisis – Syria Country Office	Major improvement needed
3	IA/2017-05	Audit of the UNFPA Response to the Syrian Humanitarian Crisis – Jordan Country Office	Some improvement needed
4	IA/2017-06	Audit of the UNFPA Response to the Syrian Humanitarian Crisis – Syria Regional Response Hub, Amman, Jordan	Some improvement needed
5	IA/2017-08	Audit of the UNFPA Country Office in Somalia (Phase II) – Governance and Programme Management Activities ¹	Major improvement needed/ Some improvement needed
▪ Asia and Pacific			
6	IA/2017-02	Audit of the UNFPA Country Office in Myanmar	Satisfactory
▪ Eastern Europe and Central Asia			
7	IA/2017-04	Audit of the UNFPA Response to the Syrian Humanitarian Crisis – Turkey Country Office	Some improvement needed
▪ East and Southern Africa			
8	IA/2017-07	Audit of the UNFPA Country Office in Ethiopia	Some improvement needed
9	IA/2017-09	Audit of the UNFPA Country Office in Zimbabwe	Some improvement needed
Joint audits			
10	2017/1618	Consolidated Report on the Audit of the South Sudan Common Humanitarian Fund	No rating assigned
11	2017/01	Joint Internal Audit of Delivering-as-One (DaO) in Vietnam	Partially satisfactory
12	AR/17/11	Joint Internal Audit of the Management of CERF-funded Activities in Ethiopia	No rating assigned
ICT			
13	IA/2017-10	Audit of the UNFPA Website Governance ²	Some improvement needed/ Effective

¹ Separate audit rating by audit phase.

² Separate audit rating by audit phase.

Annex 3 – Good practices and improvement opportunities identified in 2017 field office audits

The table below presents the more prevalent good practices and improvement opportunities identified in field office audits, the latter categorized as either newly reported, identified only at certain locations ('some offices'); 'recurring' (similar level of occurrences identified in 2017 compared to previous years); 'increasing' (more occurrences noted in 2017); 'improving' (fewer occurrences identified in 2017); or not noted in 2017. The table is organized by standardized areas and major processes.

Area /Process	Issues Identified	Prevalence	High level recommendations
GOVERNANCE			
Good practices			
	Effective use of Strategic Information System (SIS) and timely completion of annual planning and reporting activities.	<u>New</u> (some offices)	Identify and distribute successful practices that can be replicated globally
	Regular programme and operations staff meetings for information sharing, programme implementation monitoring and better coordination	Recurring	Encourage regular joint programme and operations staff meetings as a useful mechanism to share information, enhance coordination, bring down silos and integrate operations
	Decentralized structure established for better implementation of programme activities	Recurring (some offices)	Assess whether this practice could be replicated to other offices
	Effective and timely completion of the performance appraisal process.	<u>New</u> (some offices)	Identify and distribute successful practices that can be replicated globally
Improvement opportunities			
Office management	Insufficient management oversight over programme / operational activities	<u>Improving</u>	Clarify the guidance provide in the internal control framework on management oversight controls and the tools and information available to that purpose
	Inadequate use of corporate planning and reporting tools / unsupported information reported in country office annual reports	<u>Improving</u>	Implement a more rigorous quality assurance and follow-up reviews of annual management plans and annual reports by Programme Division and regional offices Provide enhanced training to country offices and distribute good planning practices to improve the planning process effectiveness
Organizational structure and staffing	Lack of / delays in review of the organizational structure and personnel for alignment to programme delivery and operational needs.	Recurring	Review the business units' organizational structure and staffing to ensure their adequacy and alignment to programme delivery and operational needs on a periodic basis (at least at the start of a new programme cycle). Eliminate procedural bottlenecks that cause delays in the approval and implementation of alignment review decisions.
	High vacancy rates in key management and programme and operations positions	<u>Improving</u>	Implement processes to monitor recruitment status and accelerate them wherever possible
	Lack of completion of mandatory and recommended training	<u>Improving</u>	Enhance monitoring and follow-up of compliance with mandatory and recommended training
Risk management	Lack of well-defined country office processes and skill-set to identify and assess risks; as well as to define and implement risk mitigation actions	Recurring	Prepare and implement a comprehensive ERM ³ policy and continue to refine the guidelines and SIS-based ERM module functionality for the risk assessment phase Provide additional corporate & regional office support and training to enable an effective risk assessment and risk response process

³ Enterprise Risk Management

Area /Process	Issues Identified	Prevalence	High level recommendations
	Lack of regular completion / update of risk assessments	<u>Improving</u>	<i>Improvement noted related the implementation of the new ERM tool and risk response process</i> Increase oversight over and support to offices struggling to complete their assessments in a correct and timely manner
	Absence of effective process and tools on internal and external fraud awareness raising measures	<u>New</u>	Develop and implement process and tools to raise personnel and partners' awareness of fraud risk and reporting of alleged fraud and other proscribed practices
PROGRAMME MANAGEMENT			
Good practices			
	Use of mobile phone technology and banking services for payments of incentives to programme beneficiaries and participants	Recurring	Map processes and solutions implemented in these areas to identify successful practices that can be replicated globally and ensure appropriate key controls are in place
	Intense resource mobilization efforts and close engagement with and communication to donors, incl. the private sector, at all or specific steps of the resource mobilization process (e.g. preparation and submission of proposals, regular reporting, joint visits to sites)	<u>New</u> (some offices)	Continue to refine the resource mobilization toolkit, and identify and share successful resource mobilization practices and tools
Improvement opportunities			
Programme planning, implementation and monitoring	Incomplete or otherwise inadequate results frameworks	Recurring	Provide guidelines and training to country office staff and management to allow the development of more effective results frameworks Continue to enhance the SIS functionality to allow tracking and reporting of results on a cumulative programme cycle basis and enforce its effective use.
	Late finalization of key programme documents (e.g., country programme actions plans) and workplans, leading to delays in project implementation.	<u>Improving</u>	Actively monitor and support the timely completion of key programme documents and workplans, as well as actions taken by country office management to manage the impact of delays
	Inadequate system set-up of work-plans and budgets	<u>Improving</u>	Continue to enhance the Global Programming System (GPS) functionality, through improved budgeting tools and enforcement of proper budgeting practices
	Incomplete, unclear or outdated annual workplans	<u>Improving</u>	Develop additional guidelines and a strong training programme, for all staff involved in workplan preparation and management Enhance GPS functionality to enforce the Workplan policy, as appropriate, to address the recurring issues identified by the annual workplan reviews
	Insufficient monitoring of programme implementation and results due to lack of staff, processes, and tools	Recurring	Continue to enhance the monitoring guidelines and tools, with adequate emphasis on "on the ground" monitoring vis-à-vis results /desk-based reporting Increase the scope and frequency of monitoring activities Provide additional training, tools and resources to build country office monitoring capacity

Area /Process	Issues Identified	Prevalence	High level recommendations
	Weak programme financial management controls, including programme expense reviews and budget-to-actual reconciliations,	Recurring	Provide training and tools and improve supervision to ensure more detailed, accurate and better supported programme budgets, as well as the regular review and reconciliation of actual expenditures to workplan budgets, at activity and expense category level
National execution (NEX)	Insufficient assessment of implementing partner financial management capacity, including fraud risk prevention and detection controls.	Recurring	Further leverage on the roll-out of the HACT framework to perform more rigorous assessments of implementing partner capacity, to identify capacity-building needs and to determine the frequency and scope of monitoring Improve the assessment of implementing partner fraud risk prevention and detection controls, in alignment with the overall ERM framework Pro-actively track the execution of capacity-building activities
	Delays in project initiation and funding to implementing partners	<u>Improving</u>	Ensure earlier completion, approval and signing of letters of understanding and annual workplans Enhance controls regarding submission, review, approval and timely payment of funding requests
	Insufficient monitoring of implementing partner activities	Recurring	Increase the scope and frequency of implementing partner programmatic monitoring Further leverage on the roll-out of the revised HACT framework for regular comprehensive implementing partner spot-checks, including rigorous financial monitoring
	Expenditures incurred by implementing partners recorded as direct execution by UNFPA instead of NEX	<u>Improving</u>	Strengthen supervisory controls by country office management and the headquarters finance branch to ensure that funding to implementing partners is provided through the OFA process Ensure that the HACT monitoring framework covers expenditures incurred by implementing partners that received funding outside the OFA process, or where expenditures were erroneously recorded as UNFPA direct execution
Inventory management	Gaps in partner supply-chain management systems that could reduce commodity availability and originate stock-outs	Recurring	In collaboration with other programme stakeholders, assess the supply-chain management capacity of national partners and support cost-effective actions to address gaps identified
	Delays in inventory custom clearance	<u>Improving</u>	Provide training on good inventory management practices
	Delays in inventory distribution by country offices and/or implementing partners	Recurring	Clarify the roles and responsibilities of inventory focal points Enhance inventory receiving and inspection as well as handover controls and the documentation thereof
	Lack of or insufficiently documented inventory receiving and handover controls	Recurring	Regularly monitor commodity inventories held by implementing partners and their timely distribution to beneficiaries; as well as commodity availability and stock-out levels at service delivery points
	Deficiencies in warehouse facilities and warehouse management controls	Recurring	Include the value of commodities provided to implementing partners within the scope of NEX audits
	Lack of or insufficient tracking, monitoring and reporting on commodity inventory levels, distribution and availability	Recurring	Improve tracking and control of inventory through the use of general ledger control accounts

Area /Process	Issues Identified	Prevalence	High level recommendations
OPERATIONS MANAGEMENT			
Good practices			
	Development of a detailed procurement plan.	Recurring (some offices)	Map processes implemented in these areas to identify successful practices that can be replicated globally
	Comprehensive filing systems in place.	New (some offices)	Map processes implemented in these areas to identify successful practices that can be replicated globally
Improvement opportunities			
Human resources management	Deviations from policies and procedures regarding selection and award of service and individual consultancy contracts	Recurring	Strengthen the composition and role of recruitment panels and implement country and regional office supervisory controls to improve compliance with applicable consultant recruitment policies and procedures
	Weaknesses in the leave management process (e.g. no systematic use of Atlas) and inaccurate Atlas leave balances.	<u>Improving</u>	Implement supervisory controls to enforce compliance with the new leave management policy
Procurement	Deviations from procurement policies and procedures as regards bidding	<u>Improving</u>	Continue to strengthen monitoring and supervisory controls by country & regional office management, and the Procurement Services Branch to ensure compliance with procurement procedures Ensure global availability of ERP e-tendering (or similar) functionality
	Inadequate procurement planning and lack of monitoring of the execution of procurement plans	Recurring	Strengthen the procurement planning process and tools Integrate the procurement planning process into the Atlas procurement process
	Deviations from procurement policies and procedures as regards contract award (submission to contract review committees)	<u>Improving</u>	Ensure implementation of embedded ERP workflow controls to enforce compliance with the contract award thresholds
	Limited use of long-term agreements to improve procurement transaction cost effectiveness	Recurring	Increase use of long-term agreements for high volume and lower cost/risk goods and services procurement, preferably at inter-agency level
	Inadequate use of long-term agreements, i.e., – lack of secondary bidding when multiple LTAs exist or when LTAs establish “ceiling” prices	<u>Improving</u>	Modify the procurement procedures to require submission of significant contract awards from existing LTAs for approval by contract review committees
	Limited documentary evidence of receipt and inspection of goods and services before payments are made to vendors.	Recurring	Complete and formalize receipt and inspection procedures for all goods and services procured before payments to vendors are approved
Financial management	Recording of transactions in the wrong project, activity, fund or general ledger account codes	<u>Improving</u>	Continue enhancing supervisory controls, including Finance Branch expense reviews, to ensure accurate and timely recording of financial transactions; and enhance finance staff capacity building in all business units
	Inadequate management and accounting of value-added tax payments and reimbursements	Recurring	Ensure that reimbursable value-added tax is accounted for in accordance with applicable guidelines and that reimbursement claims are timely submitted and tracked, up through collection of funds

Area /Process	Issues Identified	Prevalence	High level recommendations
	Financial commitments not timely reflected and approved in Atlas before decisions to procure goods and services or reimburse expenses are communicated to vendors and implementing partners	Recurring	Continue improving supervisory controls to ensure compliance with financial policies and to achieve a more disciplined approach to budget implementation
	Lack of clear guidelines as regards controls over cash advances and payments through payment services providers	Recurring	Provide clearer guidelines on controls required to ensure that payments and advances are timely processed, made to the authorized payees, in the right amount and correctly recorded Develop guidelines for third-party money transfer service providers management
General Administration	Deviations from the travel policy, particularly as regards timely travel planning, requisitioning and security clearance process as well as timely preparation and submission of travel reports.	Recurring	Enhance supervisory controls to ensure compliance with travel policies.

Annex 4 – Recommendations unresolved for 18 months or more as at 31 December 2017

OAIS noted improvements in the implementation of recommendations unresolved for 18 months or more since issuance of the corresponding audit reports. OAIS also noted that closure of some of these recommendations depended on the ICT transformation exercise, and in particular the implementation of a new ERP solution.

Governance	
<u>Organizational structure and staffing</u>	
1	Assess and revise, as appropriate, the UNFPA Guidelines for Decentralized Offices to ensure that they cover all the acceptable arrangements for the creation and operation of field offices (<i>country office, medium, 2016</i>).
2	Clarify and formalize the arrangements for the operation of and oversight over the ‘embedded’ offices, including written terms of reference and formalized performance plans and reporting arrangements, in line with policy requirements (<i>country office, medium, 2016</i>).
Programme management	
<u>Programme planning, implementation and monitoring</u>	
3	Enhance programme financial management mechanisms, including a clearer definition of the roles, responsibilities and accountability of programme managers and budget holders as regards financial monitoring controls (<i>headquarters, high, 2011</i>).
4	Establish processes and tools, including an adequate results framework clearly outlining estimated annual resources and targets, for an effective tracking and reporting of progress towards achievement of expected results, supplementing as required, the related DaO mechanisms (<i>country office, high, 2016</i>).
5	Improve budgeting for Country Programme cycle, annual and project levels, and periodically adjust, as appropriate, results estimates or programme targets (<i>country office, medium, 2016</i>).
<u>National execution (NEX)</u>	
6	Increase NEX audit coverage for the UNFPA field Offices with insufficient financial monitoring or were impacted by significant implementing partner financial management issues identified through managerial oversight, spots-checks or other financial monitoring activities and internal, or external audits (<i>country office, high, 2015</i>).
<u>Inventory Management</u>	
7	Allocate adequate resources to allow for an effective support to and oversight over the inventory management process (<i>headquarters, high, 2015</i>).
8	Modify the Inventory Management Policies and Procedures manual to (i) formalize the ownership of the Inventory Management process, as defined by the scope of the policy; and (ii) redefine, as necessary, the roles and responsibilities of business units and managerial roles involved in the inventory management process (<i>headquarters, high, 2015</i>).
Operations management	
<u>Human resources</u>	
9	Develop a system for the monitoring and control of the recruitment and use of service contracts and special service agreements by country offices (<i>headquarters, high, 2011 partially implemented</i>).
10	Develop exception reports to identify and validate instances of rental subsidy payments in excess of the periods and reimbursement percentages established in the applicable policy framework (<i>headquarters, medium, 2015</i>).
11	Process all home leave requests through e-Services. Enforce leave certifications by staff members and the submission of appropriate supporting documents, leveraging on e-Services data and functions (<i>headquarters, medium, 2015</i>).

Procurement

- 12 Update the Procurement Strategy and its implementation plan to (i) reflect internal and external changes since its inception as well as lessons learned from implementation to-date, and (ii) formulate, in a more consistent way, and better align Strategy's outcomes and outputs, related indicators and targets, implementation milestones and high level cost estimates (*headquarters, high, 2016*).
- 13 Implement stronger governance and reporting arrangements over the Procurement Strategy implementation, including a Steering Committee with adequate stakeholder representation and regular follow-up and reporting to senior management on the status of implementation of the strategy. In addition, assess whether the programme and project management roles in place are adequate to ensure a successful implementation of the Strategy, particularly the supply-chain management transformation (*headquarters, high, 2016*).
- 14 Promptly finalize and submit for management approval (i) a comprehensive proposal (including estimated timeline, cost estimate and funding approach) for the global release of the new Atlas procurement modules, prioritizing those countries which account for the larger proportion of local procurement, and (ii) a preliminary proposal for the implementation of the remaining IT strategy components (*headquarters, high, 2016*).
- 15 Revise the structure of the Strategic Information System annual management plans to incorporate, for field offices with procurement values in excess of a reasonable threshold, outputs and indicators to appropriately measure the effectiveness and efficiency of their procurement activities (*headquarters, high, 2016*).
- 16 Promptly develop a Strategic Information System dashboard to oversee the effectiveness and efficiency of procurement activities. Until this can be implemented, generate and review a procurement reporting package on a regular basis (*headquarters, high, 2016*).
- 17 Standardize the processes and tools used to assess and report field office procurement capacity, leveraging on the best practices developed by each Operational Procurement Cluster team, and summarize the results in a consolidated field office procurement capacity matrix or other appropriate report (*headquarters, medium, 2016*).
- 18 Amend the Procurement Procedures to incorporate the requirement to periodically update and report on the implementation of procurement plans and to centrally monitor their quality and completeness (*headquarters, high, 2016*).
- 19 Update the Procurement Procedures to include the requirement to acknowledge receipt of hard-copy offers submitted by bidders (*headquarters, medium, 2016*).
- 20 Develop a centralized log to record and track received procurement complaints (*headquarters, high, 2016*).
- 21 Revise and clarify, as appropriate, the provisions of the Procurement Procedures related to award of contracts following joint procurement processes and long-term agreements; requests for award that cannot be considered by local review committees; treatment of offers that significantly exceed the quality of the lowest priced offer; and award of contracts for offers separated in multiple biddable lots (*headquarters, high, 2016*).
- 22 Develop key performance indicators for the activities of Contract Review Committee (CRC) and Local Contract Review Committee (LCRC), centrally monitor their performance, and capture, consolidate and widely disseminate lessons learned (*headquarters, high, 2016*).
- 23 Establish an effective process to monitor compliance with the requirement to submit qualifying procurement cases for CRC/LCRC review and to follow up on CRC/LCRC approval conditions and recommendations (*headquarters, high, 2016*).
- 24 Leveraging the assessment of individual purchase orders, enhance the vendor performance assessment process to measure, report and benchmark the overall performance of vendors with aggregated procurement values in excess of a predetermined threshold on an annual and multi-year basis, using an appropriate rating scale, and communicate the assessment results to the concerned suppliers (*headquarters, high, 2016*).

ICT management

- | | |
|----|---|
| 25 | Clarify and promptly issue the revised Internal Control Framework guidelines related to segregation of duties requirements and Atlas profiles and approvals. Going forward, review the guidelines at least with the same periodicity of the Atlas rights certification (<i>headquarters, high, 2014</i>). |
| 26 | Upgrade the directory server to a fully supported version (<i>headquarters, high, 2014</i>). |
| 27 | For significant business applications development and implementation projects, implement a mandatory sign-off by the appropriate management team members for compliance with Internal Control Framework requirements (<i>headquarters, high, 2016</i>). |
| 28 | Generate GPS workplans in a non-editable format. Enhance the system to incorporate the functionality requirement to customize workplan format and structure, before these are generated by the system (<i>headquarters, high, 2016</i>). |
| 29 | Modify the GPS processing workflow to prevent the submission of workplan activities budget transactions to KK without prior Head of Unit approval (<i>headquarters, high, 2016</i>). |
| 30 | Modify the GPS processing workflow to limit workplan ‘snapshot’ approval to Heads of Unit and other appropriate management positions in the concerned business unit, based on a reasonable workplan materiality thresholds. Restrict access to workplan to ‘snapshot’ edit and approval functions only to personnel of the business unit to which these workplans correspond, or to other appropriately designated individuals (<i>headquarters, high, 2016</i>). |

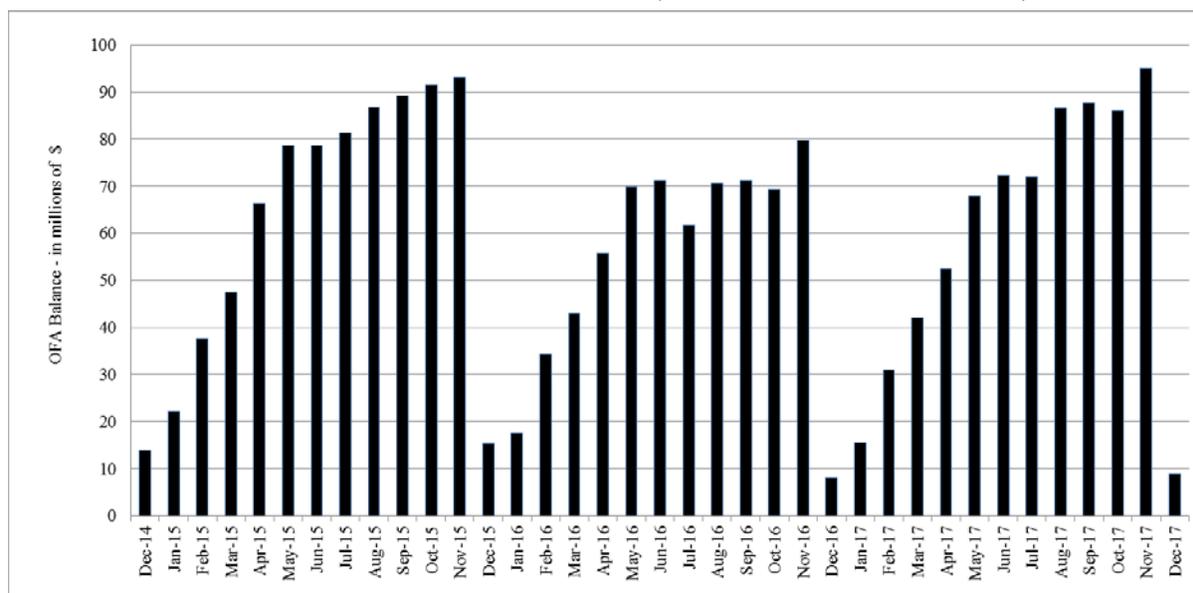
[a] *The information provided in brackets for each recommendation indicates the location for which it was issued, its priority and year of issuance (this annotation is valid for the entire annex).*

Annex 5 – Operating fund account management controls and implementing partner audit results

Operating fund account 2017

1. In 2017, UNFPA generally continued to maintain adequate controls over the operating fund account (OFA), which reflects advances provided to and expenses reported by Implementing Partners. The account reflects a higher accumulation of outstanding advances in the second half of the year when compared to 2016, while maintaining the trend for lower year-end balances, through significant liquidations in the last quarter of the year, as shown in Figure 1 below.

Figure 1
Evolution of OFA balances – 2015 / 2017 (millions of United States dollars)



Assurance provided by implementing partner audits on 2017 fund transfers

2. As indicated in Table 1 below, implementing partner audits conducted in 2017 covering funds transferred in 2016 under the new HACT⁴ assurance framework provided significant assurance to UNFPA over its national execution (NEX) expenses, with a high level of audit coverage. However, the 2016 audit terms of reference under the HACT assurance framework specify more stringent thresholds for reporting unsupported expenses and for the qualification of audit opinions compared to the previous NEX audit terms of reference. This results in a higher proportion of qualified, modified or adverse opinions (+144 per cent compared to 2015), as well as a higher level (in value and proportion) of unsupported expenditures. Spot-checks were piloted, as part of the HACT assurance framework, in 2016 and their effectiveness will be assessed when the review of fund transfers to implementing partners in 2017 is complete.

Table 1
Implementing Partner audit performance

Indicator	2014	2015	2016
Audit coverage			
▪ Expenses audited (\$ millions)	184	187	173
▪ Percentage of total NEX expenses	80.4%	75%	72%
Qualified, modified or adverse opinions			
▪ Number of reports	23	18	44
▪ Percentage of audits performed	4.2%	3.2%	10.0%
Unsupported expenses reports in NEX audits			
▪ Amount (\$ millions)	1.5	1.2	1.4
▪ Percentage of audited NEX expenses	0.8%	0.6%	1.0%
Percentage of NEX audit reports submitted late	8.1%	4.0%	11.7%

⁴ Harmonized Approach to Cash Transfer

OAIS Reference Number	Regional Office	Country	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Management actions taken as at 19 April 2018	Substantiated	Amount recovered as at 19 April 2018
2017-01	ASRO		Fraud	Procurement Fraud	External	UNFPA vendor engaged in collusive practices with staff member	No financial loss	Referred to VRC and OLA for referral to national authorities	Substantiated	n.a.
2017-02	ASRO		Fraud	Procurement Fraud	External	UNFPA vendor engaged in unethical practices with staff member	No financial loss	Referred to VRC	Substantiated	n.a.
2017-03	WCARO		Conflict of interest	Conflict of interest	Internal	UNFPA staff member engaged in conflict of interest by accepting remuneration from a national Government while employed by UNFPA	No financial loss	Separated from service	Substantiated	n.a.
			Other Misconduct	Misuse of resources	Internal	Staff member misused UNFPA resources	-		Substantiated	
2017-04	ASRO		Fraud	IP Fraud	External	UNFPA implementing partner allegedly engaged in fraudulent practices with subcontractor	n.a.	--	Unsubstantiated	n.a.
2017-05	ESARO		Other Misconduct	Security Policy Breaches	Internal	Staff member allegedly mishandled vehicle accident in violation of UNFPA security policies	n.a.	--	Unsubstantiated	n.a.
2017-06	WCARO		Conflict of interest	Conflict of interest	Internal	UNFPA staff member engaged in conflict of interest by accepting remuneration from a national Government while employed by UNFPA	No financial loss	Loss of two steps in grade	Substantiated	n.a.
2017-07	ESARO		Fraud	IP Fraud	External	UNFPA implementing partner allegedly engaged in fraudulent practices relating to renovations of health care centers	n.a.	--	Unsubstantiated	n.a.
2017-08	ASRO		Fraud	Procurement Fraud	External	UNFPA vendor allegedly engaged in collusive practices with two staff members	n.a.	--	Unsubstantiated	n.a.
2017-09	ASRO		Fraud	Procurement Fraud	External	UNFPA vendor allegedly engaged in collusive practices with staff member	n.a.	--	Unsubstantiated	n.a.
2017-10	ESARO		Fraud	Procurement Fraud	Internal	Staff member allegedly engaged in corrupt practices with UNFPA vendor	n.a.	--	Unsubstantiated	n.a.
2017-11	ASRO		Fraud	Procurement Fraud	Internal	Staff member breached UNFPA policies and procedures and procurement actions with three UNFPA vendors	No financial loss	Management action ongoing	Substantiated	n.a.
			Favoritism	Favoritism	Internal	Staff member allegedly engaged in favoritism in two recruitment exercises	n.a.		Unsubstantiated	
			Fraud	Recruitment Fraud	Internal	Staff member allegedly engaged in corrupt practices with UNFPA job candidates	n.a.		Unsubstantiated	
			Fraud	Collusive Practices	Internal	Staff member allegedly engaged in collusive practices with another staff member	n.a.		Unsubstantiated	
		Favoritism	Favoritism	Internal	Staff member allegedly engaged in favoritism towards a UNFPA vendor	n.a.	Unsubstantiated			
2017-12	WCARO		Fraud	IP Fraud	External	UNFPA IP engaged in fraudulent practices in connection with the procurement of catering services	No financial loss	Management action pending	Substantiated	n.a.
2017-13	ESARO		Fraud	Corrupt Practices	External	UNFPA vendor allegedly engaged in corrupt practices with staff member	n.a.	--	Unsubstantiated	n.a.
2017-14	APRO		Other Misconduct	Favouritism	Internal	Staff member engaged in favoritism in a recruitment exercise	-	Management action ongoing	Substantiated	n.a.
			Proscribed Practice	Obstruction	Internal	Staff member failed to disclose facts in an OAIS investigation	No financial loss		Substantiated	
		Proscribed Practice	Obstruction	Internal	Staff member allegedly misrepresents facts in an OAIS investigation	n.a.	Unsubstantiated			

OAIS Reference Number	Regional Office	Country	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Management actions taken as at 19 April 2018	Substantiated	Amount recovered as at 19 April 2018
2017-15	HQ		Fraud	Misrepresentation	Internal	Staff member allegedly engaged in conflict of interest by recruiting and, subsequently, supervising spouse	n.a.	--	Unsubstantiated	n.a.
2017-16	APRO		Fraud	Entitlement fraud	Internal	Service contract holder allegedly misrepresented travel expenses	n.a.	--	Unsubstantiated	n.a.
2017-17	HQ		Other Misconduct	Other Misconduct	Internal	Staff member allegedly failed to disclose spousal relationship to another staff member	n.a.	--	Unsubstantiated	n.a.
2017-18	LACRO		Fraud	IP Fraud	External	Subcontractor of UNFPA implementing partner allegedly engaged in fraudulent practices to the detriment of the Organization	n.a.	--	Unsubstantiated	n.a.
2017-19	LACRO		Fraud	IP Fraud	External	UNFPA Implementing partner breached contract obligations in its financial transactions with a subcontractor	No financial loss	Management action pending	Substantiated	n.a.
			Fraud	IP Fraud	External	UNFPA Implementing partner breached contract obligations by charging UNFPA for ineligible expenses	No financial loss		Substantiated	
2017-20	APRO		Harassment, Sexual Harassment, Abuse of Authority	Harassment	Internal	Staff member allegedly engaged in workplace harassment toward a coworker	n.a.	--	Unsubstantiated	n.a.
2017-21	WCARO		Fraud	IP Fraud	External	Implementing partner engaged in fraudulent practices by charging UNFPA for salary expenses it did not incur	36,745.13	Management action pending	Substantiated	0.00
			Fraud	IP Fraud	External	Implementing partner engaged in fraudulent practices by charging UNFPA for expenses for goods and services it did not incur	-		Substantiated	
			Fraud	IP Fraud	External	Implementing partner engaged in fraudulent practices by charging UNFPA for fictitious payments to beneficiaries	-		Substantiated	
2017-22	ESARO		Theft	Theft	Internal	Staff member stole four mobile phone devices	-	Separated from service	Substantiated	0.00
			Theft	Theft	Internal	Staff member allegedly misappropriated two SIM cards	n.a.	--	Unsubstantiated	
2017-23	WCARO		Fraud	Procurement Fraud	External	UNFPA vendor engaged in proscribed practices in connection with the sale of UNFPA assets	-	Management action ongoing	Substantiated	0.00
2017-24	WCARO		SEA	Rape	Internal	UNFPA staff member allegedly raped another staff member	n.a.	--	Unsubstantiated	n.a.
2017-25	ESARO		Fraud	Procurement Fraud	Internal	UNFPA staff member attempted to engage in corrupt practices with UNFPA vendor	-	Management action ongoing	Substantiated	0.00
			Other misconduct	Procurement Policy Breaches	Internal	UNFPA staff member exceeded authority in UNFPA procurement actions	-		Substantiated	
			Other misconduct	Threatening Behaviour	Internal	UNFPA staff member threatened UNFPA vendor	n.a.		Substantiated	
			Fraud	Procurement Fraud	Internal	UNFPA staff member engaged in collusive practices with UNFPA vendor	-		Substantiated	
2017-26	HQ		Retaliation	Retaliation	Internal	UNFPA staff allegedly engaged in retaliation toward subordinate	n.a.	--	Unsubstantiated	n.a.
2017-27	ESARO		Fraud	Procurement Fraud	External	UNFPA vendor engaged in collusive practices with staff member	-	Management action ongoing	Substantiated	n.a.
2017-28	APRO		Fraud	IP Fraud	External	UNFPA Implementing Partner allegedly engaged in fraudulent practices by charging salary expenses it did not incur	n.a.	--	Unsubstantiated	n.a.

OAIS Reference Number	Regional Office	Country	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Management actions taken as at 19 April 2018	Substantiated	Amount recovered as at 19 April 2018
2017-29	ESARO		Fraud	IP Fraud	External	UNFPA Implementing Partner engaged in fraudulent practices by charging UNFPA for rental expenses it did not incur	4,600.00	Management action pending	Substantiated	0.00
			Fraud	IP Fraud	External	UNFPA Implementing Partner engaged in fraudulent practices by charging UNFPA for vehicle repair costs it did not incur			Substantiated	
			Proscribed Practice	Obstruction	External	UNFPA Implementing Partner engaged in obstructive practices by misrepresenting facts to OAIS	n.a.		Substantiated	

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TOTAL	41,345.13
of which fraud/ financial irregularity:	41,345.13
Unsupported expenditures	n.a.

0.00
0.00

OAIS Reference Number	Regional Office	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Action taken as at 19 April 2018	Amount recovered as at 19 April 2018
2014 SUBSTANTIATED CASES								
0012-14	LACRO	Fraud	Fraud	External	UNFPA vendor and private sector donor engaged in collusive practices	No financial loss	Case settled by VRC	--
		Fraud	Fraud	External	UNFPA vendors engaged in collusive practices	No financial loss		
		Other wrongdoing	Other wrongdoing	External	Contravention of national law	No financial loss		
2015 SUBSTANTIATED CASES								
0011-15	LACRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor colluded with UNFPA consultant in the award of ICT service contracts	No financial loss	Pending with VRC; Referral to national authorities through OLA	--
		Fraud/ financial irregularity	Forgery	External	UNFPA vendor falsified official UNFPA documents to conceal a conflict of interest with a UNFPA consultant	No financial loss		
0012-15	LACRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor colluded with UNFPA consultant in the award of ICT service contracts	No financial loss	Pending with VRC; Referral to national authorities through OLA	--
0013-15	WCARO	Fraud/ financial irregularity	Financial irregularity	External	Implementing Partner released payment to subcontractor without verifying completion of works	USD 22,609.00	Corrective administrative action taken by management.	n.a.
		Fraud/ financial irregularity	IP fraud	External	Implementing Partner misrepresented status of project completion thereby misleading UNFPA to release undue payment.			n.a.
		Fraud/ financial irregularity	Financial irregularity	External	Implementing Partner failed to maintain accurate financial records regarding project expenditures for the renovation of health care facilities	USD 91,366.00		--
		Fraud/ financial irregularity	Financial irregularity	External	Implementing Partner failed to maintain accurate financial records regarding project expenditures for the renovation of youth centers.	unknown		--
		Other wrongdoing	Obstruction	External	Implementing Partner failed to cooperate with the OAIS investigation.	No financial loss		--
		Favoritism/ conflict of interest	Conflict of Interest	External	Implementing Partner contracted individual to perform renovation works who was related to staff of the Implementing Partner	No financial loss		--
0024-15	APRO	Retaliation	Retaliation	Internal	Staff member retaliated against subordinate	No financial loss	Fine in the amount of two months (net base salary)	--
2016 SUBSTANTIATED CASES								
0001-16	APRO	Fraud/ financial irregularity	Procurement fraud	Internal	Staff member steered with UNFPA contracts for rental facilities to relatives	No financial loss	Separation from service	--
0004-16	APRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor colluded with staff member in order to secure contracts for rental facilities	No financial loss	Closed by VRC	--
0005-16	WCARO	Fraud/ financial irregularity	Procurement fraud	Internal	Staff member requested and received USD 1,200 from UNFPA vendor	No financial loss	Separation from service	--
0006-16	ASRO	Fraud/ financial irregularity	Third Party Fraud	External	Subcontractor defrauded UNFPA vendor to the ultimate detriment of the organization	USD 20,000.00	<i>Management action ongoing</i>	
0007-16	APRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor colluded with staff member in order to secure contracts for rental facilities	No financial loss	Closed by VRC	--
0009-16	WCARO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor paid staff member USD 1,200 to facilitate business with the organization	No financial loss	Pending with VRC	

OAIS Reference Number	Regional Office	Wrongdoing category	Subcategory	Type	Description	Estimated loss to UNFPA	Action taken as at 19 April 2018	Amount recovered as at 19 April 2018
0010-16	APRO	Fraud/ financial irregularity	Financial irregularity	Internal	Staff member exceeded authority in procurement actions with a UNFPA vendor	No financial loss	Written censure, loss of one step in grade	--
		Fraud/ financial irregularity	Financial irregularity	Internal	Staff member failed to report wrongdoing by UNFPA vendors and a staff member	No financial loss		
0012-16	ASRO	Fraud/ financial irregularity	IP fraud	External	UNFPA vendor defrauded the organization by charging expenses it had not incurred	USD 5,350.00	Pending with VRC	
		Fraud/ financial irregularity	IP fraud	External	UNFPA vendor breached contractual obligations by procuring overpriced items and not ensuring best value for money	USD 5,850.00		
		Fraud/ financial irregularity	IP fraud	External	UNFPA vendor allegedly defrauded the Organization by charging expenses it did not incur	No financial loss		
0015-16	WCARO	Retaliation	Retaliation	Internal	Staff member engaged in multiple acts of retaliation towards staff member under his/her supervision	No financial loss	Fine in the amount of two months (net base salary)	--
0016-16	ASRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor engaged in corrupt practices with staff member	included in 0014-16	Pending with VRC; Referral to national authorities through OLA	
0017-16	ASRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor engaged in corrupt practices with staff member	included in 0014-16	Pending with VRC; Referral to national authorities through OLA	
0019-16	ASRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor engaged in corrupt practices with staff member	included in 0014-16	Pending with VRC; Referral to national authorities through OLA	
0020-16	WCARO	Retaliation	Retaliation	Internal	Staff member retaliated against another staff member	No financial loss	Separation from service	--
0021-16	ASRO	Fraud/ financial irregularity	Procurement fraud	External	UNFPA vendor engaged in corrupt practices with staff member	included in 0014-16	Pending with VRC; Referral to national authorities through OLA	
0023-16	WCARO	Retaliation	Retaliation	Internal	Staff member retaliated against another staff member	No financial loss	Staff member retired before investigation. Investigation report and note placed on file.	--
TOTAL (updated after Management determination)						USD 145,175.00		USD -
of which fraud:						USD 53,809.00		
Unsupported expenditures						USD 91,366.00		