



WORKING WITH UNFPA

MANUAL for IMPLEMENTING PARTNERS

UNFPA is the United Nations sexual and reproductive health agency. Our mission is to deliver a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled.

Table of Contents

1. Introduction.....	1
2. Overview.....	2
3. Select, Register and Assess the Implementing Partner	2
3.1 Select the Implementing Partner	2
3.1.1 Competitive Selection: Invitation for Proposals (IFP).....	2
3.1.2 Non-competitive Selection.....	2
3.2 Registration.....	3
3.3 Assessment.....	3
4. Sign Implementing Partner Agreement.....	3
4.1 Authorized Officers	3
4.2 Amendments	4
4.3 Suspension and Termination.....	4
5. Design and Sign Workplan	4
5.1 Workplan Design	5
5.1.1 Activities	5
5.1.2 Baselines, Targets and Indicators.....	5
5.1.3 Workplan budgeting.....	6
5.1.3.1 Eligible Direct Programme Costs.....	7
5.1.3.2 Support Costs	8
5.1.4 Programme Supplies and other non-cash resources.....	8
5.1.5 Inclusion of Non-Financial Activities in the Workplan	9
5.1.6 Contractees.....	9
5.2 Workplan Signatures.....	9
5.3 Workplan Management Arrangements	9
5.4 Workplan Implementation	9
5.4.1 Cash Transfers	10
5.4.2 Workplan Programmatic and Financial Monitoring and Reporting.....	10
5.4.2.1 Programmatic Monitoring.....	10
5.4.2.2 Financial Monitoring.....	11
5.4.2.3 Programmatic Reporting	11
5.4.2.4 Financial Reporting.....	11
5.5 Workplan Revisions.....	11

5.6	Workplan Suspension and Termination	12
6.	Introduction to the Global Programming System (GPS)	13
6.1	Accessing GPS	13
6.1.1	Atlas User Account for IP	13
6.1.2	GPS Home Screen.....	15
6.1.3	The eFACE Management Page.....	16
6.1.4	The Implementing Partner Setup Page.....	17
7.	Workplan Progress Report (WPR) Page	18
7.1	WPR Data Entry	19
7.1.1	Indicators.....	19
7.1.2	Activities	21
7.1.3	The ‘No Progress to Report’ button.....	22
7.1.4	Attachments to the WPR.....	22
7.2	WPR Submission	23
7.3	WPR Approval/Rejection by UNFPA	24
8.	Cash Transfers to Implementing Partners	25
8.1	Direct Cash Transfer (advances) transactions.....	26
8.1.1	Advances.....	26
8.1.1.1	Cash Advance Request Data Entry and IP Submission in GPS	27
8.2	Expenses	32
8.2.1	Expense Report Data Entry and IP Submission in GPS	34
8.3	Reimbursement	36
8.4	Direct Payment.....	37
8.4.1	DPR Data Entry	37
8.5	Refund.....	40
8.5.1	Refund Data Entry and IP Submission.....	40
9.	Fraud	41
10.	Preventing Sexual Exploitation and Abuse (PSEA)	41
10.1	Defining Sexual Exploitation and Abuse.....	42
10.2	IP obligations concerning SEA	42
11.	Assurance and Risk Management	43
11.1	Assurance Activities	43
11.1.1	Spot Checks	43

11.1.2 Audits.....	44
11.1.3 Assurance Planning.....	45
11.2 Spot Checks	45
11.2.1 Scope and frequency	45
11.2.2 Scheduling and preparing for spot checks	45
11.2.3 Spot check visit.....	47
11.2.4 Spot check follow up.....	47
11.3 Audits.....	47
11.3.1 Planning and Preparing for audit	47
11.3.2 Engaging during the audit.....	48
11.3.3 Understanding the audit report.....	49
11.3.4 The audit opinion	49
11.3.5 Emphasis of Matter paragraphs in auditor’s report.....	50
11.3.6 Classification of Findings	51
11.3.7 Follow up on Audit findings	52
11.3.8 Application of materiality in the context of a HACT financial audit.....	52
Annex I. Nature of Transactions	53

1. Introduction

The United Nations Population Fund (UNFPA) is the United Nations sexual and reproductive health agency. Our mission is to deliver a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled. UNFPA, in partnership with other organizations and governments, aims to achieve three transformative results: ending the unmet need for family planning; ending preventable maternal death; and ending gender-based violence and harmful practices, including child marriage.

UNFPA cooperates with and assists governments with respect to the formulation, adoption and implementation of their population policies and development strategies. The organization has programmes at the country, regional and global level. All programmes are aligned to the UNFPA Strategic Plan¹.

At the country level, they are also aligned with the United Nations Sustainable Development Cooperation Framework (UNSDCF)², or its equivalent, and is articulated in a Country Programme Document. Although overall ownership of the country programme rests with the government, it is implemented jointly by national partners and the UNFPA.

UNFPA operationalizes its programmes and sets out to achieve its intended results with implementing partners (IPs). IPs work with UNFPA to achieve a set of results through agreed upon programme activities specified in a signed workplan. IPs can be governments, academic institutions, non-governmental organizations or other United Nations agencies.

An IP is both responsible and accountable for the effective use of UNFPA resources and the delivery of agreed upon outputs as set forth in such programme documentation. Likewise, UNFPA is accountable to the governments it works with to ensure its support is in line with national priorities, and to its donor for the effective use of its resources.

This manual provides the necessary information, tools and links to effectively design, implement and monitor a UNFPA programme. At the center of a successful relationship between the UNFPA and the IP is to maintain continuous and open communication.

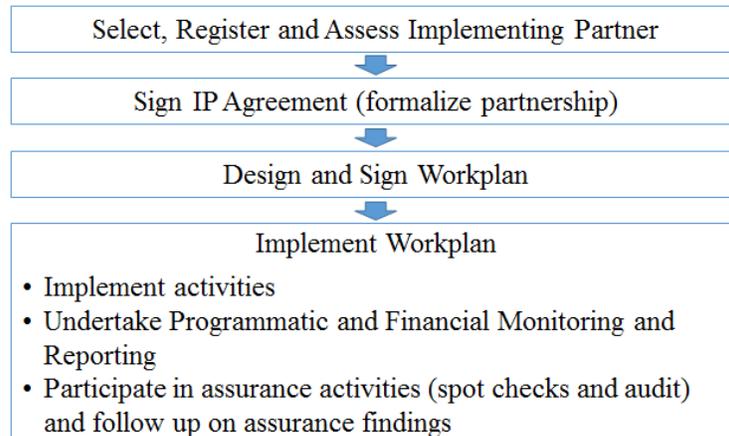
The content of this manual is subject to review and changes as the UNFPA policies and procedures it draws upon are updated. Any relevant changes will be communicated to you, our implementing partners accordingly. UNFPA policies and procedures are available for review [here](#). The UNFPA office can advise on any questions not addressed in this manual.

¹ The [UNFPA Strategic Plan](#) contributes towards the achievement of gender equality, the empowerment of women and girls, improving adolescent and maternal health and eradicating poverty

² The **UNSDCF** is a common strategic framework for the operational activities of the United Nations systems at the country level. It is developed and agreed upon by governments and the United Nations agencies present in each country. It is aligned with national priorities and development goals.

2. Overview

The diagram below summarizes the basic steps involved. Subsequent sections of this document outline the steps in detail.



3. Select, Register and Assess the Implementing Partner

3.1 Select the Implementing Partner

UNFPA prioritizes working with government IPs in its country offices and as such, governments are selected based on need and expertise. No documentation or competitive process is required for their selection.

When selecting a non-government IP, at the country, global and regional level, UNFPA will typically use a competitive selection via an invitation for proposals. Under exceptional circumstances, UNFPA may select its partners using a non-competitive selection process.

3.1.1 Competitive Selection: Invitation for Proposals (IFP)

The competitive selection process is used to ensure partners implement workplans with the highest quality and cost-effective delivery. The UNFPA unit (defined as the UNFPA country office, regional office or headquarters division) distributes an IFP. The unit advertises the IFP, when deemed appropriate, in the local media to alert organizations of a potential partnership with UNFPA *or* UNFPA can send the IFP to entities UNFPA has previously worked with or has otherwise identified as potential partners.

3.1.2 Non-competitive Selection

UNFPA uses a non-competitive selection process in exceptional circumstances. Partners selected in a non-competitive manner may be the sole organization available with the capacity to reach a particular audience, to implement the proposed interventions, and/or to facilitate a rapid response to a humanitarian situation.

For more information on how UNFPA selects its implementing partners, please see the [Policy and Procedures for Selection, Registration and Assessment of Partners](#).

3.2 Registration

Once the UNFPA selects a partner, the UNFPA office will undertake basic due diligence and register the selected partner in our internal system. Non-governmental organizations may be asked to provide information such as their most recent annual report, by-laws or constitution, proof of legal status, audit report, etc.

3.3 Assessment

Regardless of whether the UNFPA office selected a partner via a non-competitive or competitive process, the partner must be assessed using the micro assessment [questionnaire](#) and [terms of reference](#) if it is expected to receive more than USD 100,000 cumulative during the programme cycle. This is part of the Harmonised Approach to Cash Transfers (HACT) that UNFPA implements with other United Nations agencies. The micro-assessment provides an overall assessment of the Implementing Partner's programme, financial and operations management policies, procedures, systems and internal controls and identifies gaps, if any. It results in a risk rating (low, moderate, significant or high), which UNFPA uses, along with other available information (e.g., materiality, previous assurance results), to determine the type and frequency of assurance activities and the cash transfer modality to be used. Assurance activities include spot checks and audits. As part of the spot checks and audits, UNFPA will follow up on the implementation of any recommendations made and will test the functioning of the controls reviewed in the assessment. More information on assurance activities can be found in section 11. This assessment is done jointly with other United Nations agencies if they are working with the same IP and is typically valid for 5 years. In case an assessment cannot be conducted prior to implementation of activities, UNFPA will rate the partner as high risk. The risk rating will be adjusted once the assessment is finalized.

4. Sign Implementing Partner Agreement

Once an IP is selected, UNFPA and the IP formalize the partnership by signing an IP Agreement. The IP Agreement, which is a legal agreement signed by both UNFPA and the IP, consists of two documents: the [model form](#) and the [General Terms and Conditions](#). It sets the terms and conditions of the partnership and includes important information such as the responsibilities of both parties, cash transfer modalities, recordkeeping and reporting requirements, identification of the authorized officers, protection from sexual exploitation and abuse and resolution of disputes. It is not, however, a commitment for funding, nor is it a guarantee of a partnership. UNFPA may sign an IP Agreement with a *potential* implementing partner as part of its contingency planning. An IP Agreement is valid for the duration of the programme cycle and only needs to be signed once a cycle.

Both the IP and the UNFPA must keep a copy of the signed IP Agreement for their own records. Terms and conditions are subject to change by UNFPA.

4.1 Authorized Officers

In article 5 of the IP Agreement, the IP identifies its "authorized officers". Authorized officers are the only people with the authority to sign a workplan, requests for fund transfers and expense reports on behalf of the IP. Workplans and Funding Authorization and Certificate of Expenditures (FACE) forms are not valid unless they are signed by an authorized officer. It is

at the discretion of the IP to determine who can be authorized officers. Whomever is chosen, should have sufficient authority to commit the organization to undertake activities, spend funds and submit reports on behalf of the organization.

4.2 Amendments

After an IP Agreement has been signed by both parties, changes can be made to the text via an amendment. Common changes include updating bank information and/or authorized officer(s). Once approved, both parties must sign and date the amendment. One copy is kept by UNFPA and another one is kept by the IP. UNFPA can provide the IP with a standard form of amendment, if needed.

4.3 Suspension and Termination

UNFPA has the right to terminate an IP Agreement with an IP by giving thirty (30) calendar days written notice to the IP if (a) it concludes the IP has breached its obligations under the IP Agreement or any workplan and has not remedied that breach after having been given no less than fourteen (14) calendar days written notice to do so with effect from a date specified in such notice; or (b) if it concludes that the IP cannot meet its obligations under the IP Agreement.

UNFPA may also suspend or terminate the IP Agreement for any of the following reasons:

- (a) if implementation of any workplan has not begun within a reasonable amount of time;
- (b) if it decides the IP or any of its personnel has engaged in corrupt, collusive, coercive, obstructive or unethical practice;
- (c) should UNFPA's funding be decreased or terminated;
- (d) should the IP be determined to be bankrupt, liquidated or make an assignment for the benefit of its creditors (in which case the IP must immediately inform UNFPA of such events); or
- (e) if the IP or its employees, agents or any other persons engaged by the IP to perform any services under the IP Agreement, engage or have engaged in sexual exploitation or abuse, if the IP fails to take preventive measures against sexual exploitation and abuse, if the IP fails to investigate allegations of sexual exploitation or abuse, or if the IP fails to take corrective action if sexual exploitation or abuse has occurred (please see section 12 on preventing sexual exploitation and abuse)

The [General Terms and Conditions](#) of the IP Agreement have a significant amount of important information, including, but not limited to, subjects such as resolution of disputes, copyright, assurance, etc.

5. Design and Sign Workplan

The workplan³ is a planning tool used to outline activities and reflect the budget necessary to achieve a certain result. It includes *indicators*, *baselines*, and *targets* to help measure progress towards achieving its intended goals. Throughout the duration of a workplan, regular monitoring is undertaken to ensure progress is being made and resources are being used appropriately.

³ A sample workplan cover page and table can be found [here](#).

A workplan can cover a multi-year period. However, funds allocated for any subsequent year are subject to the availability of resources.

All conditions established in the IP Agreement apply. In no circumstances can an IP commit or spend any funds before a) a workplan has been signed by both an authorized officer identified in the IP Agreement and UNFPA and b) UNFPA approves the required funding authorization request submitted by the IP.

5.1 Workplan Design

The implementing partner and a designated UNFPA programme manager work together to identify specific activities the partner will undertake in order to achieve the desired programme outputs⁴. A workplan can have one or multiple outputs. An output is a change in a skill or ability, or the availability of new products or services that result from the completion of one or more activities within a development intervention. Each output has indicators, with corresponding baselines and annual targets that are used to measure progress towards its achievement.

UNFPA and the IP work together to identify an agreed set of activities and a detailed budget. UNFPA generates a system-based workplan in the UNFPA Global Programming System (GPS)⁵ for final review and signature by the authorized officers of both the IP and the UNFPA. The agreed upon and signed workplan, along with the approved funding authorization, constitutes the basis for committing and disbursing funds for planned activities⁶.

5.1.1 Activities

UNFPA and the IP work together to create a list of activities to be included in the workplan. Activities are programmatic actions that are planned and undertaken to achieve progress towards the output(s). Goods, services or inputs (e.g., travel, consultant, equipment rental) are not programmatic in nature and should not be included as activities in a workplan. Rather, the activities must be programmatic in nature and contain detailed descriptions of the activity (e.g., provide support for annual research conference on population and development, conduct follow-up assessment of midwifery tutors trained in a given year). Workplan activities can be broken down into sub-activities to further describe their purposes. Ideally, sub-activities should be programmatic in nature, but it is acceptable to use them however best meets the needs of the business unit and the IP (i.e, sub-activities can be inputs, services or goods).

5.1.2 Baselines, Targets and Indicators

In order to measure progress, workplan activities have indicators with corresponding baselines and annual targets. Indicators are quantitative or qualitative variables used to measure progress towards the expected output(s). Baselines are a qualitative or quantitative description of the situation, prior to an intervention, and act as a reference point against

⁴ Those outputs contribute to the achievement of outcome results and ultimately the impact UNFPA aims to contribute towards.

⁵ Section 6 goes into detail on the GPS system.

⁶ Please see section 8 for more information on cash transfers.

which progress can be assessed or comparisons made. Whereas targets represent the desired goal. Baselines and targets can be (i) numeric or (ii) alphanumeric.

The following table shows the criteria for writing good indicators.

Indicators should be SMART

- Specific to the workplan
- Measurable
- Achievable
- Relevant to the workplan activities and outputs
- Follow a specific Timeframe

Below are some examples of workplan indicators:

- Number of midwives trained. Baseline: 50 Target: 125
- Percentage of shelters reached to implement a Gender Based Violence (GBV) prevention strategy. Baseline: 25% Target: 75%
- A national policy to address gender-based inequality in the workforce is developed. Baseline: No Target: Yes.

IMPORTANT: Baselines and targets should not have identical values (i.e., Baseline 2,000, target 2,000) unless the intent is to maintain the value (i.e., maintain availability of 5 midwives in village). If, as part of a multi-year workplan, an IP is trying to reach the same goal met in the previous year, the baseline should reflect the previous year's value and the target should be a cumulative goal. See the following:

- Number of adolescent girls provided with Life Skills Education in priority districts. Baseline: 2,000 Target: 4,000.

In this example, 2,000 young girls were educated in the previous year. The target of 4,000 reflects the IP's desire to reach another 2,000 young girls in the current year, but does not disregard the 2,000 young girls reached the previous year.

In other cases, it may be more appropriate for the IP to set the baseline at "0." See the following:

- Number of meetings held with community stakeholders to advocate against child marriage. Baseline: 0 Target: 4.

While meetings may have been held in the previous year, the IP is not building onto that number. Rather, the IP is starting a new series of meetings related to a particular topic.

5.1.3 Workplan budgeting

The workplan budget is the sum of the estimated resources needed to implement the agreed activities. In order to accurately estimate the resources needed, all activity amounts must be based on detailed cost estimates of inputs (e.g., personnel salaries, local training costs,

travel, supplies, etc.) broken down according to the Nature of Transaction (see table in Annex I).

The workplan budget can be expressed in local currency or US dollars (USD). Only those costs that can be unequivocally attributed to a specific activity in the workplan are considered eligible direct programme costs and can be budgeted in the workplan. For non-governmental implementing partners, support costs, as defined below, can also be included in the workplan.

5.1.3.1 Eligible Direct Programme Costs

Only those costs incurred as a result of undertaking a specific activity in a workplan are considered direct programme costs. They can include costs for:

- (a) the actual time devoted by the IP's personnel to the activities themselves - either as a technical expert or a programme manager
- (b) actual time of IP personnel who have an operational role in implementing the activities in the workplan (e.g., operations personnel who processes travel and daily subsistence allowance for workshop participants)
- (c) equipment or personnel required as part of the workplan (e.g., tablets for census)
- (d) premise costs that are directly related to a specific activity in the workplan (e.g., in GBV related workplan - rental of space to be used for counseling)
- (e) training costs included in the workplan.

The following points address special considerations for specific types of direct programme costs:

- (a) UNFPA *does not* provide salary supplements to government IPs except in special circumstances. If provided, such supplements must be in line with established government rates.
- (b) salaries for *locally* recruited personnel and consultants of the IP shall not exceed established United Nations rates.
- (c) the IP *cannot* charge for Value Added Tax (VAT) unless it can demonstrate to UNFPA that it is unable to recover VAT.
- (d) travel rules and travel costs of IP personnel are, in principle, determined by official government rates; however, these rates are not to exceed the common country rates established by the United Nations Sustainable Development Group or by other United Nations agencies in the country of implementation.

All direct costs must be supported by verifiable by records (e.g., contracts, receipts, payment vouchers, bank statements, etc.) and, at the request of UNFPA or when audited, the IP must provide supporting documentation for all direct programme costs.

Eligible direct programme costs do not include any costs related to the design or development of the workplan itself. Nor does it include costs related to salary of those financial or programmatic personnel who are completing the workplan monitoring reports.

IPs are encouraged to thoroughly read the UNFPA IP Agreement General Terms and Conditions for a complete list of all ineligible costs and other important information.

5.1.3.2 Support Costs

For non-governmental IPs, UNFPA pays a support cost which is a mutually agreed upon contribution to the IPs operating expenses considered fair by both parties. Support costs are used to cover implementing partner ineligible direct programme costs such as a portion of IP premises rent, utilities (electricity), training, administrative and accounting services, general management and other supplementary staff costs that are not directly linked to the activities agreed upon in the workplan. The agreed support cost percentage is listed on the workplan cover page and is included as a separate activity on the workplan. Support costs are paid based on actual approved quarterly expenses. Therefore, support costs can never be requested as part of an advance; they will be reimbursed in the quarter in which expenses were reported and recorded. Per UNFPA Financial Regulations and Rules, no support cost shall be reimbursable to a Government.

No separate documentation related to the support cost is required.

5.1.4 Programme Supplies and other non-cash resources

Reproductive health commodities and programme supplies can only be transferred to IPs who have a valid IP Agreement with UNFPA at the time the goods are ordered, and who have the capacity to manage the goods being supplied.

All programme supplies, such as UNFPA-procured reproductive health commodities, or other non-cash resources UNFPA transfers to an IP must be included in a workplan. The workplan must include, at a minimum, the following:

- the types and estimated volumes of the programme supplies to be provided by UNFPA;
- their estimated value;
- the responsibilities of, and costs to be assumed by for the custom clearance and transport of the programme supplies from their point of arrival;
- a description of the intended use of the supplies provided, including, when appropriate, the service delivery points and target populations to which they should be provided;
- any foreseen collaboration with other development or humanitarian partners, if any, in distributing the programme supplies; and
- the activities to be undertaken to ensure the programme supplies are used for the intended purpose.

If the IP charges cost-recovery or any other fees to the users of the programme supplies provided, the workplan or other relevant programme documents must specify: (i) the agreed use of the proceeds, and (ii) the means to be implemented to ensure the proceeds are collected and used accordingly.

5.1.5 Inclusion of Non-Financial Activities in the Workplan

For activities that do not have a monetary cost attached to them, UNFPA and the IP can agree to include them in the workplan (although it is not mandatory). Examples of such activities include monitoring (or spot checks) and non-cash contributions by either party. It is recommended that any non-cash contributions by UNFPA or the IP, such as technical assistance, be reflected in the workplan to enable better monitoring and to act as a formal agreement on what the non-cash contribution is to be used for.

5.1.6 Contractees

If an IP plans on entering into a contract with another entity to undertake any activity, or portion of an activity, it must be clearly articulated in the workplan. Including, identifying the name of the contractee, if known. If a contractee is identified after the workplan is signed, the IP must get clearance from the designated UNFPA programme manager *prior* to engaging the contractee. In addition, the IP must sign written agreements with the contractee, according to its own rules and procedures. It is the responsibility of the IP to ensure the contractee has the capacity to deliver activities and meet reporting deadlines agreed to in the IP Agreement. The IP remains accountable for any activities assigned to a contractee. The contractee cannot further sub-contract activities.

5.2 Workplan Signatures

The IP determines who within its organization signs the workplan. Signatures should normally be at the chief executive or director level and *must be one of the authorized officers* identified in the IP Agreement. Once the IP signs, it is countersigned by the UNFPA head of unit and a signed copy is then shared with the IP. Both UNFPA and the IP keep the workplan as an instrument to be used for workplan management.

UNFPA will not disburse any funds before the workplan has been signed by the authorized officer of the IP and UNFPA. Similarly, the IP cannot implement activities or commit or spend any funds until the workplan is signed by both parties and UNFPA has approved a funding authorization submitted by the IP. This applies even if the activities will be implemented on a reimbursement basis.

5.3 Workplan Management Arrangements

The IP will administer the funds received from UNFPA according to its own financial regulations, rules and procedures and in line with the IP Agreement.

Both UNFPA and the IP will each designate a programme manager to oversee the day-to-day management of the workplan. Both will maintain a continuous dialogue on the progress of the activities and address any issues that arise.

5.4 Workplan Implementation

Once the workplan is signed by both UNFPA and the IP and the required funding authorization approved, the IP is authorized to begin implementation. Implementation includes cash transfers, undertaking the actual activities, monitoring, reporting and assurance activities⁷.

⁷ See section 13 for more information on assurance activities

Throughout the lifecycle of the workplan, the IP will be required to submit programmatic and financial monitoring reports on a quarterly basis, or as otherwise agreed upon in writing. Programmatic progress reports are called Workplan Progress Reports, and financial reports are called FACE forms. Because both types of reports are completed in the GPS, they will be discussed in more detail in the next section.

5.4.1 Cash Transfers

After both UNFPA and the IP authorized officers sign the workplan, UNFPA can transfer funds to an implementing partner by using one (or a mix of) three distinct cash transfer modalities:

- Direct cash transfers – UNFPA advances funds to the IPs ahead of the implementation of the activities, prior to the IPs incurring any related obligations and expenses;
- Direct payments – UNFPA disburses funds directly to the suppliers of goods and services procured by the IPs;
- Reimbursements – UNFPA reimburses the IPs for expenses incurred to implement the activities.

UNFPA transfers funds to the IP using FACE forms, which will be discussed in detail in section 8.

5.4.2 Workplan Programmatic and Financial Monitoring and Reporting

Successful implementation of the programme requires continuous programmatic and financial monitoring by both UNFPA and the IP. Regular monitoring includes an assessment of how the implementation of activities is progressing compared to what was planned, and how progress is made towards the intended workplan targets. Monitoring observations inform and influence decision-making regarding the workplan, i.e., if revisions need to be introduced to the design of the workplan or the overall programme design.

5.4.2.1 Programmatic Monitoring

Programmatic monitoring of activities can include meetings⁸ or discussions between the IP and their UNFPA counterpart. The purpose of such meetings or discussions is to get an accurate assessment of activity implementation⁹. This includes the periodic assessment of programmatic progress “on the ground,” and of the actual financial spending compared to what was initially budgeted in the workplan. Programmatic monitoring is also used to assess the progress towards annual targets specified in the workplan, to identify and resolve potential implementation shortfalls or obstacles, and, if necessary, to adapt to changes in the external environment. Monitoring may result in revisions to workplan activities (see Section 5.5).

⁸ Virtual meetings with the IP are encouraged if technologically possible.

⁹ This includes activities implemented by contractees.

As part of continuous monitoring, UNFPA may visit the IP office or activity implementation site(s). When UNFPA personnel undertakes site visits, they will document and share their observations and monitoring reports for feedback and reactions.

5.4.2.2 Financial Monitoring

The IP and UNFPA both undertake continuous financial monitoring to confirm expenses are consistent with progress and within the agreed budget. Financial monitoring is also used to identify any potential revisions needed. Remedial actions such as the acceleration of implementation, rescheduling of workplan activities, or other workplan revisions may be appropriate in certain situations.

UNFPA can also request IPs to refund outstanding direct cash transfer balances, if it determined the IP will not be able to implement workplan activities as planned (see Section 8.5 for more information on refunds).

5.4.2.3 Programmatic Reporting

The IP submits a Workplan Progress Report (WPR) on a quarterly basis, unless otherwise agreed upon in writing, to report on progress towards achieving its workplan targets. The IP includes a narrative on its activities and the activities of its contractees. The WPR serves as a mechanism for monitoring the implementation of activities, the value of its indicators, and its budget utilization rates. It does not serve as a replacement for direct communication between the UNFPA office and the IP. The IP should be in constant contact with their UNFPA counterpart on the progress of each activity. WPRs are submitted using the UNFPA GPS and will be discussed in further detail in section 7.

5.4.2.4 Financial Reporting

IPs of the UNFPA, and other United Nations organizations, use FACE form for financial reporting. At least one FACE forms is submitted per period (i.e., quarter), unless otherwise agreed upon in writing, along with the WPR. FACE forms are submitted using the UNFPA GPS and will be discussed in further detail in section 8.

5.5 Workplan Revisions

At some point during the lifecycle of an existing workplan, either the implementing partner or UNFPA may propose changes to the workplan. Proposed revisions may result in changes to the workplan only, *or* may also create the need for changes to the corresponding budget. Both parties must agree to any revision prior to UNFPA reflecting the changes in the GPS. Formal approval of the revisions can be documented directly on the workplan with renewed signatures by UNFPA head of unit and authorized officer of the IP, *or* through the preparation of documentation as outlined in Table 1 below. The IP should update any accompanying budget breakdown document to ensure the budget is aligned with the workplan amounts.

Table 1: Required Documentation When Revising Workplans and Budgets

Change required	Documentation needed
-----------------	----------------------

Changes in activity amount	<p><u>Exchange of Letters</u>¹⁰ (between the authorized officers of the IP and UNFPA) attaching the revised workplan snapshot, and revised budget breakdown;</p> <p><i>OR</i></p> <p>A newly signed workplan and revised budget breakdown</p>
Switching funds between activities (with or without change in the total WP amount)	
Removal, or addition of activities	
Extension of workplan into next calendar year (multi-year workplan setup is advisable)	
Revision of activity wording, without change in budget	
Revisions to sub-activities, including adding or deleting them without changing the activity amount	
Extension of workplan within the <i>same</i> calendar year	
Removal, addition or changes to the indicators, baselines or targets	
Switching type and amount of inputs/nature of transaction, (e.g., moving funds from travel to printing) <u>with no change in the total activity amount</u>	Revised budget breakdown
Changes in contractee column	The implementing partner shall inform <u>in writing</u> the designated UNFPA programme personnel <i>prior</i> to engaging the contractee

5.6 Workplan Suspension and Termination

If, for any reason, implementation is not proceeding satisfactorily or, if any conditions set out in the IP agreement have not been complied with, UNFPA has the right to suspend its support. In this instance, UNFPA will inform the IP in writing. Written notice will include the conditions under which UNFPA is prepared to resume its assistance. The suspension shall continue until the conditions are accepted by the IP, and UNFPA gives written notice that it is prepared to resume its assistance.

In the event UNFPA suspends a workplan, the IP must immediately take all necessary steps to suspend or terminate (as the case may be) its activities in an orderly manner so that continued

¹⁰ An exchange of email between the authorized officers of the IP and UNFPA is considered an Exchange of Letters.

expenses are kept to a minimum. UNFPA will immediately, upon sending or receiving a notice of termination or suspension, cease disbursement of any funds or supplies/equipment. The IP will not make any forward commitments, financial or otherwise. Expenses incurred to the date of written notice will be honoured by making outstanding direct payments, reimbursements, or acceptance of reported expenses of advances.

If action to remedy the situation is not taken by the IP within a reasonable time, usually between fourteen (14) days and one month after receipt of such notice, UNFPA may, by written notice, terminate assistance to the workplan effective on the date specified in the notice. In such cases, the IP will be asked to return unspent funds from advances and to submit final financial reports. UNFPA may also request the return of any fixed assets or programme supplies provided by UNFPA to the IP or procured by the IP with funding provided by UNFPA.

6. Introduction to the Global Programming System (GPS)

The GPS is UNFPA's electronic programme management system. UNFPA personnel generate workplans in GPS and GPS uses the information from the workplan to:

- 1) Prepare and submit FACE forms
- 2) Prepare and submit Direct Payment Requests (DPR)
- 3) Prepare and submit Workplan Progress Reports (WPR)

Because GPS is a web-based system, no special software is required to use it. The only requirement is a computer with an internet connection and an internet browser. Any of the major internet browsers will work well with GPS (e.g. Google Chrome, Mozilla Firefox, Internet Explorer, Opera, Safari).

Although GPS can be used on most devices, the use of a desktop or laptop computer is recommended for a better visualization of the GPS pages, which are usually too big for screens such as those of tablets and mobile phones.

6.1 Accessing GPS

GPS is an integral part of Atlas, UNFPA's ERP (Enterprise Resource Planning) system. Therefore, UNFPA provides our implementing partners with an Atlas user account to be used to access GPS.

6.1.1 Atlas User Account for IP

Only one user account is required for each IP. The user account can be shared with as many other IP personnel as necessary. GPS does not implement electronic approvals / electronic signatures, therefore each IP is free to decide who uses the account to enter information in GPS. The same user account can be kept active for many years, there is no need to obtain a different user account every time a workplan is signed.

A) Requesting the account

The IP requests the user account for your organization by reaching out to the UNFPA counterpart verbally or in writing. When requesting the account, the person requesting will need to designate one colleague as the **focal point** for the account. The designated focal

point doesn't have to be one of the signatories of the IP agreement, rather, it is recommended that the focal point is the person who will use the GPS more often and has good access to email service. Passwords and other information related to the management of the user account will be sent to the email of the focal point. Most requests for accounts will be processed by UNFPA in two-three business days.

B) Activating the account

As soon as UNFPA has created the account, an email from a no-reply UNFPA email address will be sent to the focal point. If the email is not received, please check the email 'spam' folder as some service providers may classify the GPS notification message as such.

The email will contain the Username and Password required to access GPS:

- ❖ **User name:** This is the user name assigned to the IP account to be used every time the IP logs into GPS. An example of a username is 'PN1234.1' Please note that 'PN1234', and '1' are separated using a period (.)
- ❖ **Password:** This is the password for the IP's user name.

The message will also include a hyperlink to the login page for GPS. Click on the hyperlink to be taken to the eSupplier system, which is the subcomponent of Atlas used to access GPS. Upon activation, the system will require the IP to change the password.

As mentioned above, all IP personnel will use the same user name and password.

C) Changing the password of the account

The following bullet points outline the steps for changing the password:



The screenshot shows a login form with the following elements: a 'User name:' label above a text input field, a 'Password:' label above another text input field, a 'Login' button, and two hyperlinks at the bottom: 'Change Password' (highlighted with a red box and a red arrow) and 'Forgotten Password'.

- 1) In the login page, click on the '**Change Password**' hyperlink.
- 2) The Password Change Request page will open. Enter the **username** provided in the email.
- 3) Enter the **password** provided in the email.
- 4) Enter a **new password** for the account. The new password has the following rules: It must be 8-16 characters in length, must contain at least 2 letters (1 uppercase and 1 lowercase), and at least 1 digit.
- 5) Type the **new password** once again.
- 6) Click on the '**Change Password**' button to complete the process.

Password Change Request

Please enter name and current password then propose new password and confirm before continuing.

Password should be 8 - 16 characters in length, must contain at least 2 letters, 1 upper case and 1 lower case, and at least 1 digit.

Your new password must be different from any of the last 3 passwords that you have used.

UserName*

Old Password*

New Password*

Confirm New Password*

Atlas will notify the user if there was any error in the information entered. Otherwise, it will confirm the password change was successful.

Password Change Information

your new password has been set.

Use this new password the next time you log into your account.

Once the user clicks **Continue**, the GPS will take the user to the entry screen for GPS.

Periodical change of password

For security reasons, Atlas passwords expire every 90 days. When the password is about to expire the system will automatically take the user to the Password Change page. Passwords cannot be reused (i.e., a different password for each 90-day period is required).

D) Incorrect or forgotten password

If an incorrect Atlas password is entered three times consecutively, Atlas will automatically block the account. Unblocking an account is a time consuming process. For that reason, extreme caution should be observed when login fails due to incorrect password.¹¹

If the password is forgotten, it ceases to work, or the email of the focal point for the account needs to be changed, please ask your UNFPA counterpart to provide a new password for the account. The new password will be provided through email. For security reasons, the 'Forgotten Password' link in the Atlas login page does not work for IPs. Only UNFPA can reset the password for the account.

6.1.2 GPS Home Screen

After entering the username and password in the login page, Atlas will take the user to the GPS home screen. Continue with the following steps:

- 1) Click on the **UNFPA - eFACE** link on the left hand side of the menu.

¹¹ If, despite exercising extreme caution the account is blocked, please notify your UNFPA counterpart. Please note, however, it will take time for UNFPA to resolve the issue. It is faster to request new password after the second failed attempt.



- 2) A new menu will appear with a link to the **eFACE Management** page, which is the main page in the system.



6.1.3 The eFACE Management Page

The *eFACE Management* page will provide the IP with information regarding WPRs (for programmatic reporting and FACE forms/DPRs (for financial reporting¹²). The following are the contents of the eFACE Management page:

1. **Dept Name** is the name of the UNFPA department working with the IP. This is pre-populated and, in those cases the IP has workplans with multiple UNFPA departments, the dropdown will contain a list of the respective departments. The IP should select the one department for which they want to enter information.
2. The **WP ID** selector: If the IP is implementing more than one workplan (abbreviated as WP in the system) in the year in context, the WP ID dropdown will allow the selection of the corresponding workplan.
3. The **WP Amount** and **WP Currency** fields will display the corresponding information from the workplan. This information is automatically entered by GPS. The IP should inform their UNFPA counterpart if the WP amount or WP currency do not match what has been agreed to in the most recent version of the workplan.
4. The **Display Mode** and **Status** drop downs are useful to filter (for visualization purposes) the information that will populate the screen after FACE Forms and DPRs are processed.
5. The **year selector** allows the IP to quickly change the year on the screen.
6. The **Start New FACE** and **Request Direct Payment** buttons are used to start the creation of FACE forms and DPRs.
7. The **Implementing Partner Setup** button is used to access the GPS page where attributes for the IP were entered by UNFPA.
8. The **Workplan Progress Report** button is used to access the GPS page used for preparing and submitting WPRs.

¹² Financial reporting will be further discussed in section 8.

Once FACE forms and DPRs have been processed, the *eFACE Management* page will start displaying the financial information for each request and the summaries for those transactions. The pages accessed from clicking on **Start New FACE**, **Request Direct Payment** or **Workplan Progress Report** will be explained in greater detail in the corresponding sections of this user guide.

6.1.4 The Implementing Partner Setup Page

The IP setup page is used by UNFPA staff to enter key information about the IP into GPS. The IP user can see the information in the IP Setup Page but cannot edit it. The information is used by GPS to facilitate the IP's interaction with the system. Some of the information in the IP setup page is relevant only to UNFPA personnel, but the following sections are important for the IP user to know:

IP officials authorized to sign DPRs and FACE forms

Relevant to UNFPA only

Vendors for disbursing money to IPs

Vendors for direct payments on behalf of IP

Relevant to UNFPA only

→ The **IP Authorized Official** presents a list with the **names** and **titles** of the IP staff who have been designated as authorized officers in the IP Agreement and its amendments. The authorized officials in the IP setup page will be those available

for use in the preparation of FACE and DPR requests as well as the signature of workplans and workplan revisions.

- The **Vendor Information for Direct Cash Transfer/Reimbursements** contains the list of Vendor IDs, with their corresponding details which will be used to populate the available vendors for the preparation of FACE requests.
- The **Vendor Information for Direct Payments** contains the list of Vendor IDs, with their corresponding details, which will be used to populate the available vendors for the preparation of DPRs in GPS.

It is good practice to review the information in the IP setup page from time to time. The IP should inform their UNFPA counterpart if the **Authorized Officials** or **Vendors** in the IP setup page are inaccurate or outdated. Those fields are necessary for the preparation of FACE forms and DPRs.

7. Workplan Progress Report (WPR) Page

The Workplan Progress Report page is used by IP personnel to prepare and submit its WPRs. The IP is accountable for the completeness and accuracy of the information provided and must be able to provide supporting documentation, if requested by UNFPA. WPRs are due no later than 15 calendar days after the end of every quarter, unless otherwise agreed upon in the IP Agreement. Under certain circumstances, UNFPA may request more than one WPR per quarter, for example when an IP needs to submit additional FACE form for the reporting of expenses and/or the requesting of additional advances in the middle of a quarter.

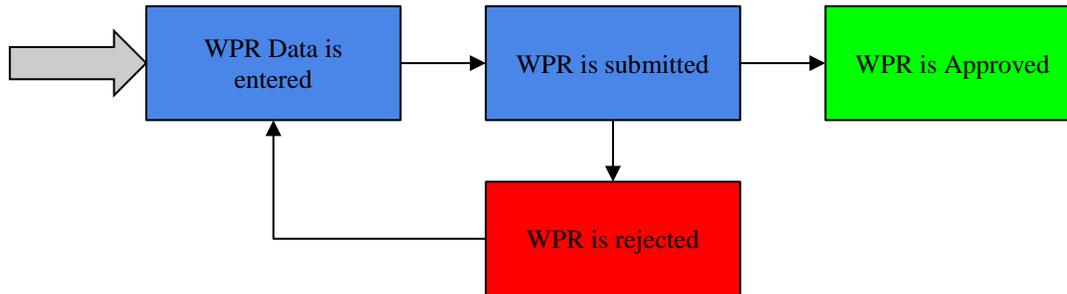
The WPRs follow the global calendar for FACE forms, thus, WPRs are prepared at the end of each calendar year quarter. A typical one year workplan will have four WPRs: Q1 (January - March), Q2 (April-June), Q3 (July-September) and Q4 (October-December). The due dates for WPRs are 15 calendar days after the end of each quarter: Q1 is due on April 15th, Q2 is due on July 15th, Q3 is due on October 15th and Q4 WPRs are due on January 15th of the following year. However, the definitive number of WPRs depends on the start and end dates of the workplan, for example:

- A workplan starting on May 1st and ending on December 31st will have three reports only: Q2, Q3 and Q4
- A workplan starting on June 1st and ending on September 30th will have two reports only: Q2 and Q3
- A workplan starting on July 1st and ending on August 30th will have only one report: Q3

After the due date of the WPR, new FACE or DPR requests cannot be processed until the WPR for the previous period is approved.

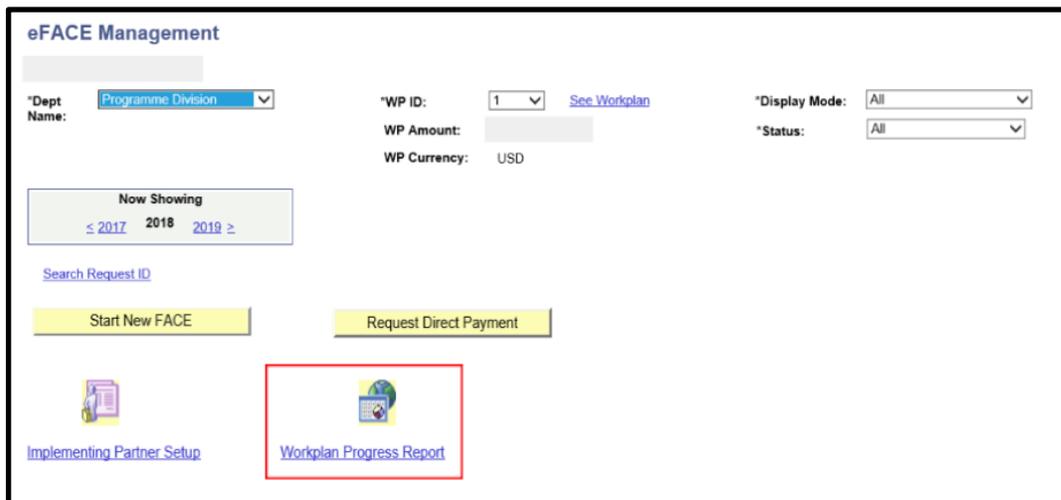
The WPR page will only become accessible to the IP after a workplan has been created and agreed upon between UNFPA and the IP. Because the WPR is linked to the workplan, the outputs, indicators and activities in the WPR page are directly sourced from the GPS generated workplan and are automatically pre-populated; thus saving the IP from having to manually enter the data into the system. GPS will automatically reflect revisions to the workplan as soon as they are entered into GPS by the IP's UNFPA counterpart. In cases when multiple IDs have been created for the same IP, each workplan ID has its own separate WPR page.

The following diagram illustrates the workflow of the WPR.



7.1 WPR Data Entry

To access the WPR page, click on the **Workplan Progress Report** icon available in the *eFACE Management* page.



The WPR page will be pre-populated by GPS with the outputs, indicators and activities agreed to in the workplan. For each of the outputs, the IP will need to report on the *indicators* and the *activities*.

7.1.1 Indicators

Indicators in the WPR can be (i) numeric or (ii) alphanumeric. GPS will validate the entered data against the indicator type. See below an example for each type of indicator.

Workplan Indicators for the Output	
Indicator: Proportion of Service Delivery Points with at least two medical doctors trained on available FP methods	Baseline: 25% Target: 75% Indicator Type: Percent
Report No. 3	
Value of the Indicator as of the report date:	<input type="text" value="0.00 %"/>
Comments (Optional)	
<hr/>	
Indicator: Diagnostic study identifying barriers for access to FP available	Baseline: The latest study was conducted in 1993 Target: Study available with 2018 results Indicator Type: Alphanumeric
Report No. 3	
Value of the Indicator as of the report date:	<input type="text"/>
Comments (Optional)	
<hr/>	
Indicator: Number researchers sent to districts to speak on radio/TV in support of FP programs.	Baseline: 0 Target: 12 Indicator Type: Number
Report No. 3	
Value of the Indicator as of the report date:	<input type="text" value="0.00"/>
Comments (Optional)	

The WPR will require the IP to enter the **value of the indicator as of the report date**, which means indicator reporting is of cumulative nature. The following examples help to illustrate:

Indicator: ‘Number of midwives trained’. Should be reported as follows:
 50 midwives were trained during Q1, *then* the value to report in WPR for Q1 = 50
 75 midwives were trained during Q2, *then* the value to report in WPR for Q2 = 125 (50+75)
 No midwives were trained during Q3, *then* the value to report in WPR for Q3 = 125 (125+0)

Indicator: ‘Percentage of shelters reached to implement the GBV prevention strategy’. Should be reported as follows:
 5 out of 20 shelters reached during Q1, *then* the value to report in WPR for Q1 = 25%.
 10 additional shelters reached during Q2, bringing the total to 15 out of 20, *then* the value to report in WPR for Q2 = 75%
 0 additional shelters reached in Q3, *then* the value to report for Q3 = 75%

The WPR indicators should allow UNFPA to assess the progress in the achievement of the goals set for the workplan (reaching the target value for the indicators). Consequently, changes in the values of the indicators should always be closely linked with the implementation of the workplan activities.

7.1.2 Activities

The activities in the WPR page are automatically pre-populated by GPS. GPS includes the activities based on the following criteria:

- All activities in the current version of the workplan; excluding activities implemented directly by UNFPA.
- Activities for which entries exist in the WPR tables. For example, activities that were included in the report for Q1, but have since been removed from the workplan will continue to be included in all subsequent reports.
- All activities for which advances or expenses have been recorded in FACE forms or DPRs.

Please note GPS will automatically exclude the Support Cost activity. The reason for the exclusion is that Support Cost activities are not programmatic in nature; hence, programmatic reporting for them is not required.

For each of the activities, the WPR requests two fields: **Progress Implementing Activity** and **Programmatic Completion (%)**.

- **Progress implementing the activity:** This is a text field for the IP to write a narrative summary of progress achieved in the quarter being reported (i.e., not cumulative). The information entered in this field should be clear, concise and provide a description of the actions implemented for the activity. The last report of the workplan, usually submitted at the end of the year (Q4) should report on cumulative progress for the activity to facilitate UNFPA corporate reporting and to serve as the final report for the workplan. Due to the subjective nature of quality assurance for the reported information, the IP's UNFPA counterpart will work with the IP to set adequate standards for the narratives.
- **Programmatic completion (%):** This is a percent field the IP uses to indicate the *estimated* programmatic completion of the activity as of the date of the report. The value to be reported should be of cumulative nature (i.e., build upon progress made in prior quarters in the same calendar year). This field is not to be confused with the financial completion of the activity, which is reported using the FACE form, and discussed in the next section.

The screenshot displays the 'Activities' section of the WPR form. It includes fields for Project, Activity (RESEARCH), Activity Title (Research on FP access), and Quarters for the Activity (Q1, Q2, Q3, Q4). The Activity Description is 'Research on FP access: Conduct research on the access to Family Planning commodities in the country'. The WP Amount is 10,000.00 USD. Budget (KK) is 0.00 USD, Budget Utilization is 0.00, and Budget Utilization Rate is 0.00 %.

Under 'Report No. 2', the 'Progress Implementing Activity' field contains the text: 'The research team has made great advances. Six of the nine indicators have been fully calculated. Three meetings with the Expert Supervisory Committee were held in the last weeks. However, during the last meeting the experts raised concerns about the accuracy of some of the findings. We expect the issue to be addressed through the Desk review agreed with the UNFPA officer in the latest project committee meeting.' The 'Programmatic Completion' field is set to 50 %.

The information reported in the WPR should contain sufficient information to allow the UNFPA office to assess the level of success in the implementation of the workplan and provide support for decision-making regarding workplan revisions and overall reporting.

7.1.3 The ‘No Progress to Report’ button

The WPR page includes a button at the bottom of the page called **No Progress to Report**. This button allows the IP to complete its quarterly WPR in those cases when, for whatever reason, there is no progress to report in any of the activities of the workplan (e.g., the implementation of the workplan has been delayed and no action took place during the period covered by the report). When the **No Progress to Report** button is clicked, GPS will provide the user with a box to type in a reason why no progress was made. The text entered by the user will then populate the **progress implementing activity** for all activities in the WPR, and the value for all indicators will be set to 0, as well as the % of programmatic completion.

7.1.4 Attachments to the WPR

The WPR page also offers the capacity to upload files as attachments for a WPR. In principle, the use of the attachment functionality is not mandatory, but UNFPA offices can request their IPs to provide supporting or complementing files to be attached to the WPRs. For example, the IP may be asked to provide photographic evidence of an event, or the minutes from an important meeting.

Before uploading the file, make sure to remove any special characters in the file name (e.g., å ã è ç © Ç ß ö ä ü ë Á Í á é í ó ú É û ç à ô € Ñ Á É Í Ó Ú Ü ñ á é í ó ú ü ÿ j). This is important to avoid problems when trying to retrieve the file.

The following are the steps to use the “upload” functionality:

- a. In the WPR page, click the **Add Attachment** hyperlink:

Workplan Progress

INTERNATIONAL RESCUE COMMITTEE

IA Code: PN0220 Dept ID: B1100 Humanitarian Office Workplan ID: 1 Workplan Title: GBV MS Task Team Co-Chair

Report No.	Due Date	WPR Status	Remarks	
1	April 15, 2018	Approved	Submitted Late, Approved: May 25, 2018	Add Attachments
2	July 15, 2018	Approved	Submitted Late, Approved: August 1, 2018	Add Attachments
3	October 15, 2018	Approved	Submitted Late, Approved: December 4, 2018	View Attachments
4	January 15, 2019	Open	41d 2h 11m	Add Attachments

Now Showing: ≤ 2017 **2018** 2019 >

[Search Activities](#) [Expand All](#) [Collapse All](#)

*Template Language: English ▼

Display Reports: No. 4 only ▼

b. Click **upload****INTERNATIONAL RESCUE COMMITTEE**

IA Code: PN0220 Department: B1100 Humanitarian Office Year: 2018 Report No.: 4

Attached File	Upload	Attachment Description		
	b Upload		+	-

VERY IMPORTANT! READ THIS BEFORE USING THE UPLOAD FUNCTION:

- Do not include special characters such as &, ñ, @, or tildes (á, é, etc) in the name of your file.
- No incluya caracteres especiales como ñ, @, o tildes (á, é, etc) en el nombre del archivo.
- Ne pas inclure de caractères spéciaux comme ñ, @, ou des accents (á, é, etc) dans le nom du fichier

- Be sure to View your attachment after Upload to ensure the file was uploaded successfully.
- Click 'OK', then 'Save', to complete the transaction.

c. **Select** the file to be uploaded and click **upload**d. Enter a **description** for the file being uploaded**INTERNATIONAL RESCUE COMMITTEE**

IA Code: PN0220 Department: B1100 Humanitarian Office Year: 2018 Report No.: 4

Attached File	View	Attachment Description	Added By	Added Date/Time		
Source.png	View	d Report of the meeting	oscar.sandino	05/12/2018 3:51PM	+	-

VERY IMPORTANT! READ THIS BEFORE USING THE UPLOAD FUNCTION:

- Do not include special characters such as &, ñ, @, or tildes (á, é, etc) in the name of your file.
- No incluya caracteres especiales como ñ, @, o tildes (á, é, etc) en el nombre del archivo.
- Ne pas inclure de caractères spéciaux comme ñ, @, ou des accents (á, é, etc) dans le nom du fichier

- Be sure to View your attachment after Upload to ensure the file was uploaded successfully.
- Click 'OK', then 'Save', to complete the transaction.

ee. Click **OK**

After clicking OK, GPS will take the user to the WPR page, where 'save' should be clicked to complete the process.

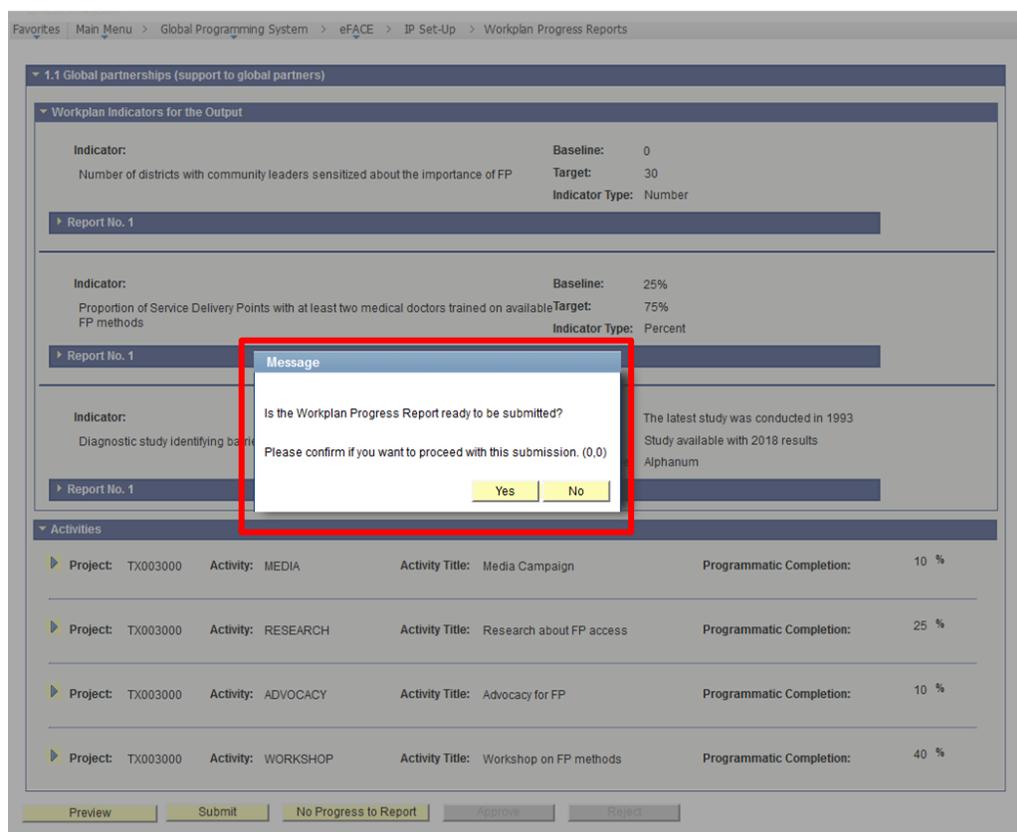
7.2 WPR Submission

Once all data has been entered, the IP user clicks on the **submit** button at the bottom of the page. The submit button will trigger the following validations:

- **Alphanumeric indicators** cannot be left blank. Empty alphanumeric indicators will be in red, indicating an entry is required before the report is submitted.
- **Numeric and percentage indicators** that have been left as 0 (zero) will be highlighted in yellow, to alert the user. System will allow 0% if the user confirms that 0 is indeed the correct value to be reported.
- **Progress implementing activity** cannot be left blank. Empty fields will be highlighted in red, indicating an entry is required before the report is submitted. If no progress has been achieved, the activity has not been implemented yet, or the activity is no longer in the workplan, indicate it in the field.

→ **Programmatic completion (%)** that have been left as 0 (zero) will be highlighted in yellow, to alert the user. System will allow 0% if the user confirms that 0 is indeed the correct value to be reported.

A confirmation message will pop-up to confirm that the user intends to submit the report.



If the user clicks **Yes**, the status of the report will be changed to ‘**Submitted/Pending Approval**’ and the entry fields for the report will be grayed out. Once submitted, an IP can only edit a WPR and its attachment if the WPR is rejected by UNFPA.

7.3 WPR Approval/Rejection by UNFPA

The approval/rejection step takes place after the IP submits the WPR. UNFPA will undertake an internal review and will either approve or reject the WPR. To inform their UNFPA counterpart the report has been submitted, the IP can either a) use the *GPS notify function*, which will ask the user to enter the email address and message that they want to send the notification to, or b) use any other communication channel of their preference. The IP should agree with their UNFPA counterpart on the preferred method.

It is important to note that approval of the WPR is a prerequisite for processing expense reports, the issuance of new advances or processing direct payments after the period covered by the WPR has ended.

IMPORTANT: WPR must be submitted along with the expense report and/or reimbursement request. The FACE form review provides valuable information for the WPR review, and vice versa. If the WPR is rejected by UNFPA, it is returned to the IP for revision and re-submission. Processing of the FACE form will not take place until the revised WPR is resubmitted by the IP. When the cash transfer modality is direct payment, the submission of WPR does not require a FACE form, neither depends on the submission of specific DPRs.

8. Cash Transfers to Implementing Partners

This section provides detailed information on the cash transfer modalities UNFPA uses to transfer funds to implementing partners. The IP must process all requests for cash transfers, whether via FACE or DPRs, in UNFPA's GPS.

UNFPA can transfer funds to an IP using one, or a combination of, the following three cash transfer modalities:

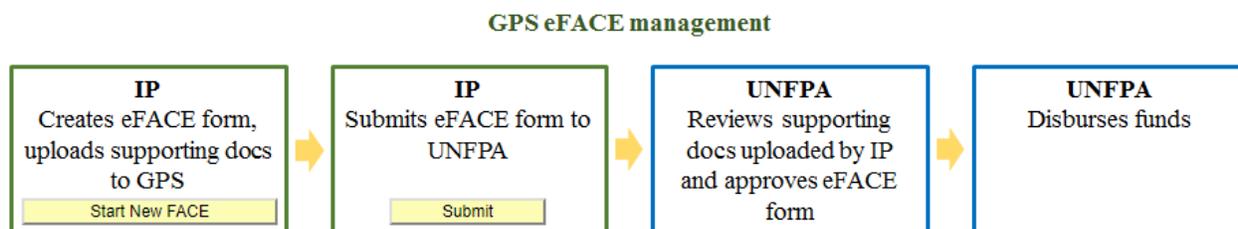
- **Direct cash transfers (advances):** UNFPA advances funds to the IP ahead of implementation of agreed activities in a signed workplan, prior to the IP incurring any related obligations and expenses;
- **Reimbursements:** UNFPA reimburses the IP for expenses incurred to implement the agreed activities in a signed workplan; and
- **Direct payments:** UNFPA disburses funds directly to the suppliers of goods and services procured by the IP in line with a signed workplan.

UNFPA selects the cash transfer modality most suitable for the workplan and for the partnership. Please note, IPs can use more than one cash transfer modality simultaneously. For example, an IP can request a direct cash transfer and still opt to pay some vendors using the direct payment modality. The FACE forms must be prepared and submitted using GPS in accordance with the [Policy and Procedures for Management of Cash Transfers to Implementing Partners](#).

Funds are disbursed and expenses recorded - for activities in the agreed upon workplan - based on FACE forms submitted by the IP. No cash can be transferred until the workplan has been signed by both the IP and UNFPA. The first FACE form can be submitted immediately upon signature of the workplan so cash can be disbursed and implementation can begin.

For subsequent requests, a FACE form must be prepared and submitted by the IP— together with the WPR — for each period (i.e., quarter) in which approved expenses were incurred and, if needed, to request advances for the next period. An IP can use the same FACE form to request an advance for an upcoming period and report on expenses for a previous period. In addition, an IP can submit more than one FACE form per period. However, the system will not allow more than one FACE form to be processed at a time.

The FACE form must be signed by an IP authorized officer as identified in the IP Agreement Model Form and submitted electronically using the GPS. Below is the workflow for management of cash transfers through GPS.



The next section provides detailed instructions on how to use the GPS to prepare and submit the forms

8.1 Direct Cash Transfer (advances) transactions

Under this cash transfer modality, the IP uses the electronic FACE form (eFACE) in GPS to *request* cash advances for costs associated with agreed upon activities in the workplan for the upcoming period (i.e., quarter) and to *report on* expenses for the previous period. UNFPA reviews the eFACE form, authorizes requests and makes payments accordingly. While the eFACE form is submitted electronically, please note, UNFPA requires the IP authorized officer to certify (via signature) a hard copy of the system generated FACE form and upload it to GPS, along with any other supporting documents, as outlined below.

8.1.1 Advances

For advances, in addition to the scanned copy of the duly signed FACE form, UNFPA requires an IP to upload an [itemized cost estimate](#) into GPS¹³. The itemized cost estimate, derived from the workplan budget, provides an estimate of the funds required to implement each workplan activity in the period for which the advance is required.

While no specific template is mandated for their preparation, itemized cost estimates must provide, at a minimum, the following information broken down by workplan activity and input type (also referred to as expense categories or “nature of transactions” in the GPS) :

- a) Detailed description of the budget items;
- b) Quantities required;
- c) Unit cost;
- d) Total cost by budget item;
- e) Total cost by input type;
- f) Total cost per activity.

The amounts of total costs per activity and input type must be equal to the amounts reflected in the FACE forms.

Itemized cost estimates must be certified by the IP authorized officers to confirm their accuracy and alignment to the approved workplan budget. One of the IP authorized officers must certify printed copies of the FACE forms, and scan and upload them into the GPS.

Support costs cannot ever be included in advance requests because must be based on actual expenses reported and approved by the UNFPA.

¹³ An itemized cost estimate is not required when the workplan budget provides a similar level of breakdown of inputs, by quarter.

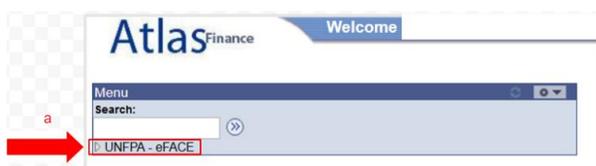
8.1.1.1 Cash Advance Request Data Entry and IP Submission in GPS

All requests for cash advances are created and processed in GPS with the combined involvement of both the IP and UNFPA. Based on the information the IP (or UNFPA on behalf of the IP) enters, the system will generate the eFACE form.

In cases when the IP has no access to GPS, the UNFPA office can provide the IP with a GPS generated excel file and the IP will enter the data in the excel file and return it to UNFPA. UNFPA will then enter the information into GPS on behalf of the IP.

After entering the username and password in the login page, Atlas will take the user to the GPS home screen. Continue with the following steps:

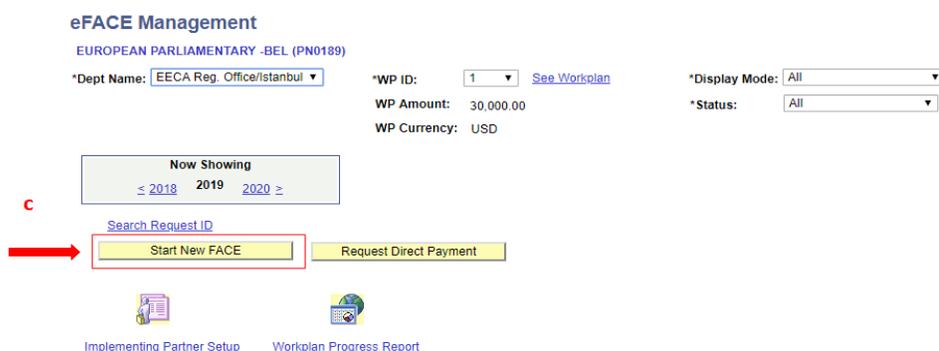
- a) Click on the **UNFPA - eFACE** link on the left hand side of the menu.



- b) A new menu will appear with a link to the **eFACE Management** page.



- c) At the bottom of the eFace Management page, click on the **Start New FACE** link.



This will bring the IP to the *Activities* tab of a new eFACE request. Each request contains three tabs: *Activities*, *FACE Form* and *Approval*. The majority of the data input will be done in the *Activities* tab. The request ID will display “New” until it is saved. After it is saved, it will be given a specific ID.

Activities > FACE Form > Approval

EUROPEAN PARLIAMENTARY -BEL (PN0189) - WP between UNFPA and EPF

Dept ID: B1900 Request ID: NEW
 Dept Name: EECA Reg. Office/Istanbul Request Status: IP Pending
 WP ID: 1 Correction Mode:

Expense Period From: [] To: [] d New Advance Period From: [] To: []
 e FACE Currency: USD f Upload Attachment Clone Request Clear All

g Vendor Information
 Request ID Summary
 Refund Entry

h Import Activity Collapse All Expand All

Comments by IP (if Any):
 Comments by UNFPA (if Any):

eFACE Management
 Save Notify

- d) Enter the advance period “**from**” and “**to**”. The calendar option can be used to enter the dates. The dates are displayed in a DD/MM/YYYY format.
- e) Verify the eFACE currency is correct. In most cases, the eFACE currency is the same as the workplan currency, however it may be different so it is important to confirm.
- f) Use the “**Upload Attachment**” button to upload the required [itemized cost estimate](#) and any other relevant documents. The button will open the upload page, which allows the IP to upload documents and give them appropriate descriptions.
- g) Expand the vendor information section to verify the vendor specifications are correct. If any changes to vendor information is needed, the IP must contact UNFPA to request changes be made.

EUROPEAN PARLIAMENTARY -BEL (PN0189) - WP between UNFPA and EPF

Dept ID: B1900 Request ID: NEW
 Dept Name: EECA Reg. Office/Istanbul Request Status: IP Pending
 WP ID: 1 Correction Mode:

Expense Period From: [] To: [] New Advance Period From: [] To: []
 FACE Currency: USD Upload Attachment Clone Request Clear All

g Vendor Information

Select Vendor: EUROPEAN PARLIAMENTARY FORUM C Or Add New Value
 Vendor ID: 0000000512
 Vendor Address: RUE MONTROYER 23 BRUSSELS
 Payment Location: 001
 Bank Account: 1
 Bank Name: ING
 Bank Account Nbr: 1802264

Request ID Summary
 Refund Entry

Import Activity Collapse All Expand All

Comments by IP (if Any):
 Comments by UNFPA (if Any):

eFACE Management
 Save Notify

- h) Import activities into the request by clicking on the “**Import Activity**” button. The *Import Activities* page will open and allow the IP to select activities from the workplan. The IP selects the appropriate workplan activity(s) for which funds are being requested this advance period and clicks “**Import to FACE**”.

Import Activities

EUROPEAN PARLIAMENTARY -BEL

IP Code: PN0189 WP ID: 1
 Dept ID: B1900 Dept Name: EECA Reg. Office/Istanbul
 Year: 2019 FACE Currency: USD

The following activities have been approved in the Workplan. Please select Activities to report expenses or request advance.
 All activities which have outstanding authorized amounts (Column G) from the previous FACE Form have been automatically selected.
 For selection of non work plan activities, please contact your UNFPA focal point.

Select	Activity Id	Activity Title	Project Id	WP Amount	WP Currency	Prior Expenditure Accepted	Outstanding Authorized Amount (Column G)	Currency
<input type="checkbox"/>	ACT16CLEFF	TA to APPGs	RECA8PRI	11,000.00	USD			
<input checked="" type="checkbox"/>	ACT16EPF01	Countering anti-human rights	RECA8PRI	3,000.00	USD			
<input checked="" type="checkbox"/>	ACT16EPF02	Legislative work ICPD Agenda	RECA8PRI	4,500.00	USD			
<input type="checkbox"/>	ACT16EPF03	Partnerships	RECA8PRI	5,000.00	USD			
<input type="checkbox"/>	ACT16EPF04	Newsletter	RECA8PRI	1,286.00	USD			
<input type="checkbox"/>	ACT16EPF05	Monitoring of the WP	RECA8PRI	2,000.00	USD			
<input type="checkbox"/>	SC_PN0189	Support cost	RECA8PRI	3,214.00	USD			

Select All Deselect All

Import to FACE Search Non-Workplan Activity

[Return to Previous Page](#)

Save Notify

- i) Each activity imported will be displayed in collapsed mode and is sorted by output. Use the arrow to expand an activity or use the link to expand all activities. Enter the request advance amount in the field **IP:New Advance Amount: (E)**. This amount will populate for this activity/projectID in column E on the FACE form. Repeat for each activity [Note: the *Certificate of Expenditure* section will not be used until the reporting of expenses].

Enter any comment to be included on the FACE form in the **Comments by IP** box.

Once all relevant information has been completed for the imported activities click ‘**Save**’.

Please note it is important to click on “Save” periodically otherwise work will be lost because the system ‘times out’ periodically.

Activities > FACE Form > Approval

EUROPEAN PARLIAMENTARY -BEL - WP between UNFPA and EPF (PN0189)

Dept ID: B1900 **Request ID: B1900-PN0189-2018-01-02** *Request ID*
Dept Name: EECA Reg. Office/Istanbul Request Status: IP Pending
WP ID: 1 Correction Mode:
Expense Period From: 01/01/2018 To: 31/03/2018 New Advance Period From: To:
FACE Currency: USD Upload Attachment Clone Request Clear All

Vendor Information
Request ID Summary
Refund Entry

Import Activity Collapse All Expand All

1.1: Accountability for Sexual and reproductive health policies

i Activity: ACT16CLEPF Activity Title: TA to APPGs Project: RECA8PRI

Unreported Advance:	(A)	0.00	Balance:	(D=A-C)	0.00
IP: Reported Expenses:	(B)	0.00	UNFPA: Accepted Expenses:	(C)	0.00
IP: New Advance Requested:	(E)		UNFPA: Authorized Amount:	(F)	0.00
			Outstanding OFA:	(G=D+F)	0.00

Certificate of Expenditure

Nature of Transaction	Account	Fund Code	IP Reported Amount	UNFPA Accepted Amount

Funding Authorization

Fund Code	UNFPA Authorized Amount

Activity: ACT16EPF01 Activity Title: Countering anti-human rights Project: RECA8PRI

Comments by IP (if Any):

Comments by UNFPA (if Any):

Last Saved: 05/09/2019 7:55PM Last Saved By: rakesh.agarwal

eFACE Management

Save Notify

Click on *Face Form* tab to be taken to the eFACE form screen

Activities > FACE Form > Approval

Dept ID: [] Vendor ID: [] Request ID: []
 Dept Name: Legal Unit Vendor Name: [] Request Status: IP Pending
 IP Authorized Official: Dr. Jones IP Auth Official's Title: Director Request Currency: USD

Type: Direct Cash Transfer
 Reimbursement
 Direct Payment

General Workplan Information				Reporting From To				Request From May To May 2017				
Activity Title	Activity ID	Project ID	Workplan Amount	Prior Expenditures Approved	Notes of Transaction	Authorized Amount	Actual Project Expenditures	Expenditures Approved by UNFPA	Balance	New Request Period Amount	Authorized Amount	Outstanding Authorized Amount
			USD	USD		A	B	C	D=A-C	E	F	G=H+E
Research	RESEARCH	FPRHCLEG										
Sub-Total by Activity	RESEARCH	FPRHCLEG	1,000,000.00							90,000.00		
Grand Total			1,000,000.00							90,000.00		

* Workplan Currency

Certification by IP:
 The undersigned authorized officer of the above-mentioned implementing institution hereby certifies that:
 The funding request shown above represents estimated expenditures as per W/P and itemized cost estimates attached.

Submitted By: [] Submitted Date: []
 Comment by IP: []

Approval by UNFPA:
 Approved By: [] Approval Date: []
 Comment by UNFPA: []

Submit → l
 Print FACE → m

eFACE Management

- j) Select **IP Authorized Official** from the dropdown box provided. The system will list them in alphabetical order if there is more than one. This list is sourced from the IP Set-up page and only includes those individuals identified in the IP Agreement Model Form. If there are any changes to the authorized officers, the IP must alert UNFPA immediately and do an amendment to the IP Agreement.
- k) The box marked **Type** indicates the type of modality being used. The system will default to Direct Cash Transfer.
- l) Once the eFACE form is complete, click **Submit**. A certification message will appear and ask the user to confirm the certification by clicking “Yes” or “No”. If the IP clicks “No”, the request will stay in “IP Pending” status and will be available for editing. If clicked “Yes” the request will change to “IP Submitted” and changes will no longer be available for editing by the IP or UNFPA. If an IP needs to make changes to a submitted eFACE form, the IP must ask UNFPA to reject the eFACE form so it can make the necessary changes. The IP either uses the notify option on the FACE form or, contacts UNFPA via email, phone, etc. to notify UNFPA the FACE is ready for review. UNFPA receives the FACE form and undertakes its internal review.
- m) Print FACE form by clicking on the **Print FACE** button at the bottom of the screen. This will generate a .pdf document. The FACE form printout will reflect exactly what was entered in the *FACE form* tab. This pdf document must be signed by an authorized officer identified in the IP Agreement.

Please note, although the Print FACE button can be utilized prior to submission, it will read with a draft watermark and the date of submission will be left blank. UNFPA cannot accept a signed FACE form in draft mode. Therefore, the IP must print and sign the PDF *only after* it has been submitted.

Activities > FACE Form > **Approval**

Dept ID: [] Request ID: []
 Dept Name: Commodity Security Branch Request Status: IP Submitted
 WP ID: 1 Year: 2017

Request Version ID	Submitted By	Submitted Date	Signed FACE	Returned By	Return Date	Reviewed by	Review Date
40957	Juanpablo Juarez	07/08/2017	Upload				

eFACE Management

Save Notify

- n) Once the FACE form has been signed by the authorized officer, Click on the *Approval* tab to upload the signed FACE pdf. Itemized cost estimate and any other relevant documents will also be uploaded here.

Once IP submits and uploads all required documents, UNFPA will review and process the request for advance. UNFPA follows an internal review process as described in the [Policy and Procedures on Management of Cash Transfers to Implementing Partners](#). UNFPA may reject the eFACE form or require changes be made to the eFACE form by sending it back to the IP. Once the changes have been completed, the IP can resubmit the eFACE form and notify UNFPA for review and processing.

The process is completed when the advance request is finalized and the payment is authorized and issued.

Once the advance request is finalized, the IP user can go to the *FACE form* tab for the submitted request to see the amounts accepted by UNFPA.

8.2 Expenses

Under the Direct cash transfer (advances) modality, the IP also uses the FACE form to report expenses from the previous period. With the exception of the first FACE form, an IP typically reports expenses for the previous period on the same FACE form the IP uses to request an advance for the coming period. Alternatively, the IP can submit a separate FACE form for expense reporting prior to submitting a new advance request. However, please note, although an IP can submit multiple FACE forms in a period, only one FACE form can be submitted and processed at a time.

The IP can submit an advance request or expense report at any time during a quarter, but must submit at least one FACE, along with the WPR, quarterly, unless no expenses have occurred and no further cash advances are requested. No new advances will be processed if the quarterly WPR has not been submitted and approved by UNFPA.

Unless otherwise agreed between UNFPA and the IP in the IP Agreement, the IP must submit the FACE form reporting expenses no later than 15 calendar days after the end of every quarter.

The IP must only report justifiable expenses incurred, at reasonable market prices, for the implementation of activities included in the workplan in the period covered by the expense report. The IP reports expenses based on the nature of transaction (i.e., expense category).

Direct programme costs reported in the FACE form must be in line with the requirements outlined in section 5.1.3.1 of this document (eligible direct programme costs). Equally important, expenses reported in the FACE form must be supported by documents such as invoices, contracts, payroll records, and travel reports, as well as by evidence of the receipt of the goods and services procured and of completion of payment. The IP does not need to submit the supporting documentation to UNFPA with the FACE form. However, the IP must retain such documentation for 7 years and must make it available to UNFPA, upon request (additional details on appropriate supporting documents are provided in Section 11.2 - Spotchecks).

Advances to IP personnel, vendors and contractees, contractual commitments, value-added tax or any other taxes paid which are refundable to the IP, as well as taxes levied on personnel and consultants engaged by the IP, must not be reported as expenses.

The expenses reported in the FACE form must be consistent with the status of implementation and progress reported in the workplan progress report. Similarly, expenses reported must be in line with the concepts and amounts reflected in the itemized cost estimate provided at the time the funds advance was requested. In those cases where there are inconsistencies between programmatic progress and financial execution and/or variances between actual expenses and the itemized cost estimate, the IP must submit an explanation for those differences along with the certified FACE forms.

The cumulative amount of the expenses reported by the IP in a FACE form plus the expenses accepted by UNFPA in previous periods can not exceed the approved workplan amount, **both at total and activity levels**.

For non-government IPs, support costs reflected in the expense reports must:

- be calculated based on actual expenses incurred;
- apply the rate established in the workplan; and
- be included in the same period the expenses are reported.

The IP *must* submit detailed transaction lists for *all* workplan activities along with the certified FACE forms if:

- a) an IP has been assessed as high risk by UNFPA for assurance purposes;
- b) an IP has received a negative opinion in the last audit performed;
- c) spot-checks or audit completed within in the last 12 months have identified unsupported expenses of \$10,000 or more;
- d) the IP is implementing projects funded by the European Union or World Bank.

The IP *must* submit detailed transaction lists for *those* workplan activities and expense categories when:

- a) actual expenses reported exceed the itemized cost estimate by more than \$10,000;
- b) actual expenses reported are not consistent with the level of implementation per the workplan progress report; or
- c) upon request from UNFPA.

UNFPA may deem the following expenses as ineligible and thus not accepted by UNFPA when:

- any reported expense that does not meet the above mentioned eligibility and documentary support requirements;
- any inadequately justified variances to amounts reported in the FACE form that are not consistent with the programmatic implementation reflected in the workplan progress report and/or the approved itemized cost estimates;
- when amounts reported in the FACE form by workplan activity and nature of transaction exceed the totals reflected in the detailed transaction list provided by the IP; and
- when the nature of individual transactions reflected in a detailed transaction lists is not consistent with the nature of transaction under which they were reported.

8.2.1 Expense Report Data Entry and IP Submission in GPS

The following are the steps for entering data for expense reporting (please see screenshots from advance section, if needed):

- a. At the bottom of the *eFACE Management* page, click on "**Start New FACE**". This will bring the user to the *Activities* tab of a new eFACE request. If the user is reporting expenses at the same time the advances are being reported, the user will already be logged into the eFACE and will complete the following steps, as well as the steps to request an advance.
- b. Enter the expenses period "**from**" and "**to**."
- c. Verify that the FACE currency is correct.
- d. Use the "**Upload Attachment**" button to upload the detail transaction list, when required, and any other relevant documents. The button will open the upload page, which allows the IP to upload documents and give them appropriate descriptions.
- e. Import activities into the request by clicking on the "**Import Activity**" button. The Import Activities page will open and allow the IP to select activities from the workplan. The IP selects the appropriate workplan activity(s) for which funds were expended during this reporting period and clicks "**Import to FACE**."

Any workplan activities for which an advance was previously requested and expenses have not yet been recorded against it, resulting in an outstanding Operating Fund Advance (OFA) balance, will be automatically preselected by the system and cannot be deselected. This ensures all activities with OFA balances are imported into the request to allow for an accurate OFA balance presentation.

- f. The system will display each imported activity in the collapsed mode and sorted by output.
- g. Use the arrow to expand an activity or use the link to expand all activities. Enter the reported expense amounts in the **Certificate of Expenditure** section for each activity. Each amount needs to correspond to a **Nature of Transaction** (See Annex I for table).

Activity: ACT4205	Activity Title: Collaboration with PD inst	Project: RECA8PD2	
Activity: ACT4207	Activity Title: Community of practice on PD	Project: RECA8PD2	
Unreported Advance: (A)	102,913.23	Balance: (D=A-C)	102,913.23
IP: Reported Expenses: (B)	0.00	UNFPA: Accepted Expenses: (C)	0.00
IP: New Advance Requested: (E)	<input type="text"/>	UNFPA: Authorized Amount: (F)	0.00
		Outstanding OFA: (G=D+F)	102,913.23

Certificate of Expenditure					
Nature of Transaction	Account	Fund Code	IP Reported Amount	UNFPA Accepted Amount	
Training and capacity	75710	FPA80	97132		

Funding Authorization	
Fund Code	UNFPA Authorized Amount

g

- h. Enter any comment to be included on the FACE form in the **Comments by IP** box.
- i. Once the activities have been imported and filled out click **'Save'**.
- j. Click on *FACE Form* to view the FACE form.
- k. The *FACE Form* tab displays the FACE header and calculates the data inputted on the *Activities* tab into the FACE table.
- l. Select **IP Authorized Official** from the dropdown box provided. If there is more than one authorized official, the system will place them in alphabetical order. This list is sourced from the IP set-up page and only includes those individuals identified in the IP Agreement Model Form. If there are any changes to the authorized officers, the IP must alert UNFPA immediately and do an amendment to the IP Agreement.
- m. The box marked **Type** indicates the type of cash transfer modality being used. The system will default to Direct Cash Transfer.
- n. Once the FACE form is complete, **"Submit"**. A certification message will appear and ask the user to confirm the certification by clicking "Yes" or "No". If the IP clicks "No", the request will stay in "IP Pending" status and will be available for editing. If clicked "Yes" the request will change to "IP Submitted" and changes will no longer be available for editing by the IP or UNFPA. The IP either uses the notify option on the FACE form or, contacts UNFPA via email, phone, etc. to notify UNFPA the FACE is ready for review. UNFPA receives the FACE form and undertakes its internal review. If the IP needs to make any changes after the request has been submitted, the IP can request UNFPA to reject the FACE form so changes can be made by the IP.
- o. Print FACE form by clicking on the **Print FACE** button at the bottom of the screen. This will generate a .pdf document. The FACE form printout will reflect exactly what is on the eFACE form tab. This pdf document must be signed by an authorized officer identified in the IP Agreement.

Please note, although the Print FACE button can be utilized prior to submission, it will read with a draft watermark and the date of submission will be left blank. UNFPA cannot accept a signed FACE form in draft mode. Therefore, the IP must print and sign the PDF *only after* it has been submitted.

Once submitted, UNFPA will review and process the expense report. UNFPA follows an internal review process as described in the [Policy and Procedures on Management of Cash Transfers to Implementing Partners](#). During the process, UNFPA may reject the FACE form, or require changes be made to the FACE form and send it back to the IP. In these instances, it will reject the FACE form and request the IP to make changes. Once the changes have been completed, the IP will resubmit the FACE form and notify UNFPA it is ready for review and processing.

The process is completed when the expense report (and the request for advance, if submitted in the same FACE form) is finalized and a payment, if applicable, is authorized and issued

8.3 Reimbursement

Under this cash transfer modality, the IP uses the FACE form to request reimbursement for approved expenses, incurred and paid for using its own funds, on activities agreed upon in the workplan during the implementation period (usually quarterly).

When the annual reimbursement of programme expenses is expected to exceed \$100,000, IPs must submit reimbursement authorization requests, and obtain written authorization from UNFPA, *prior* to incurring any programme implementation expenses. Submission of reimbursement authorization requests is recommended in all other instances, unless the amount of the reimbursement is expected to be immaterial or it relates to the reimbursement of support costs.

[Reimbursement authorization requests](#) are submitted by IPs manually, outside of the GPS eFACE workflow (which does not currently support this functionality). The requests must be prepared by the IPs based on the signed workplans and workplan budgets, and submitted together with itemized cost estimates. Reimbursement authorization requests, and the accompanying itemized cost estimates, must be certified by an IP authorized officer to confirm their accuracy and alignment to the approved workplan budget.

The IP subsequently reports on the expenses incurred, in line with the written authorization previously provided by UNFPA and requests reimbursement from UNFPA.

All reimbursement requests must be processed utilizing GPS. For those IPs operating on a reimbursement modality, expenses can be requested via FACE form at any point but must, at a minimum, be reported quarterly on or before the scheduled due date.

To request reimbursement by eFACE, the IP follows the same steps for **expense reporting**. However, the IP must check the **Type** box and select “Reimbursement”, if it has not automatically defaulted to reimbursement.

Activities > FACE Form > Approval

Universite de Geneva (PN5590)

Dept ID: B1142 Vendor ID: 000254367 Request ID: B1142-PN5590-2019-01-01 Type: Direct Cash Transfer
 Reimbursement
 Direct Payment

Dept Name: Sexual and RH Branch Vendor Name: UNIVERSITE DE GENEVE FACULTE DE MEDICINE Request Status: UNFPA Approved
 IP Authorized Official: Nicolas Ray IP Authorized Official's Title: Senior Lecturer and AccessMod Co-Director Request Currency: USD

General Workplan Information Reporting From 01-JAN-2019 To 30-MAR-2019 Request From To

Activity Title	Activity ID	Project ID	Workplan Amount	Prior Expenditure Accepted	OFA	Fund	Account Code	Authorized Amount	Actual Project Expenditure	Expenditures Accepted by UNFPA	Balance	New Request Period & Amount	Authorized Amount	Outstanding Authorized Amount
			USD*	USD*				A	B	C	D=A-C	E	F	G=D+E
Methodology and Indicators	METH_INDICATORS	ZZT06TEC				ZZT06	71450		1,923.24	1,923.24				
						ZZT06 Total			1,923.24	1,923.24	-1,923.24		1,923.24	
Sub-Total by Activity	METH_INDICATORS	ZZT06TEC	8,760.00		0.00				1,923.24	1,923.24	-1,923.24		1,923.24	
Support Cost	SC_PN5590	ZZT06TEC				ZZT06	75105		1,632.81	1,632.81				
						ZZT06 Total			1,632.81	1,632.81	-1,632.81		1,632.81	
Sub-Total by Activity	SC_PN5590	ZZT06TEC	9,811.00		0.00				1,632.81	1,632.81	-1,632.81		1,632.81	
Training and Advocacy	TRAIN_ADVOCACY	ZZT06TEC				ZZT06	71450		16,219.10	16,219.10				
						ZZT06 Total			16,219.10	16,219.10	16,219.10		16,219.10	
Sub-Total by Activity	TRAIN_ADVOCACY	ZZT06TEC	90,650.00		0.00				16,219.10	16,219.10	16,219.10		16,219.10	
Grand Total			109,221.00						19,775.15	19,775.15	19,775.15		19,775.15	

*= Workplan Currency

8.4 Direct Payment

Under this cash transfer modality the IP uses the [DPR form](#) to request UNFPA to make payments directly to the vendor(s) for goods/services procured by the IP to implement activities in the signed workplan.

DPRs must clearly identify the workplan activities and inputs to which the requested payments correspond, and must be submitted together with copies of invoices and other appropriate supporting documents evidencing the receipt of the goods and services procured. DPRs and the supporting documents submitted must be certified, to confirm the validity and authorization of the expenses for which payment is required, and their correspondence to approved workplan activities, by an IP authorized officer as specified in the corresponding IP agreements. The IP authorized officers must certify printed copies of the DPRs, and scan and upload them into the GPS.

NGOs funded solely through the direct payment modality must, on a quarterly basis, submit a separate FACE form in order to request its support costs. The NGO must include a list of all direct payments processed during the reporting period along with that FACE form.

8.4.1 DPR Data Entry

All DPRs must be processed utilizing the GPS. The DPR data request can be made by the IP Users or by UNFPA users, at the request of the IP. To enter data for a DPR, the IP follows these steps:

- At the bottom of the *eFACE Management* page, click on the “**Request Direct Payment**” page. This will bring the user to the *Activities* tab of a new DPR. The request contains three tabs: *Activites*, *FACE Form* and *Approval*. The majority of the data entry will be done on the *Activities* tab, which is why it is defaulted as the first page. The requestID will display “New” until saved, where it will then be given a specific ID.
- Clone request can be used to copy existing data into a new DPR request. This is useful when multiple payments are made throughout the year to the same vendor.
- The FACE currency is defaulted to that of the workplan, however it can be changed to reflect whatever currency the DPR will be made in.

- d. Use the “**Upload Invoice**” button to upload the required invoice and any other relevant documents. The upload page allows the IP to provide descriptions for each uploaded document.
- e. Verify the vendor specifications are correct in the vendor information tab. This section will be expanded by default. If the vendor information is missing or not correct the IP must contact UNFPA to request the vendor be added to the dropdown menu or to correct the information.
- f. Payment Information - the IP must complete all fields in this section as they are mandatory.
- g. Import activities into the request by clicking on the “**Import Activity**” button. The Import Activities page will open and allow the IP to select activities to import into the requestID. Select the appropriate workplan activity(s) for which funds are being used and click “**Import to FACE.**”

Activities > FACE Form > Approval

Ministère de la Population et (PGMG01)

Dept ID: B4240 **Request ID:** B4240-PGMG01-2017-01-14
Dept Name: Madagascar - Antananarivo **Request Status:** UNFPA Approved
WP ID: 1
FACE Currency: MGA

View Invoice Clone Request Clear All

Vendor Information

Select Vendor BOA MADAGASCAR Or Add New Value
Vendor ID: 0000247750 For one-time Vendor
Vendor Address: 1
 PO BOX 183
 2 PLACE DE L'INDEPENDANCE
Payment Location: 001
Bank Account: 1
Bank Name: BOA MADAGASCAR
Bank Account Nbr: 13311100600

Payment Information

Payment Description: Paiement Pernoctem - Atelier Projet de lois **Payment Mode Request:** Bank Transfer
Invoice Number: MAD -BOA Analakely **Payment Due Date:** 09/11/2017
Invoice Date: 02/11/2017

Request ID Summary

Import Activity [Collapse All](#) [Expand All](#)

Increased national capacity to prevent/respond to GBV

Activity: P4S1A90A05 **Activity Title:** Plaidoyer adoption loi VBG **Project:** MDG07POP

Certificate of Expenditure					
Nature of Transaction	Account	Fund Code	IP Reported Amount	UNFPA Accepted Amount	
Travel: accomodation, perdiem & incidentals (not related to capacity building / counterpart participation)	71620	FPA90	608,000.00	608,000.00	

Only activities included in the most recent approved workplan are eligible for import.

- h. Each activity imported will be displayed as collapsed and sorted by output. Use the arrow to expand an activity or use the link to expand all activities. Enter the reported expense amount in the **Certificate of Expenditure** section. The IP must indicate the corresponding **Nature of Transaction** for each expense reported.
- i. Enter any comment to be included on the FACE form in the **Comments by IP** box.
- j. Once the activities have been imported and filled out click **'Save.'**
- k. Click on *Face Form* tab to view the eFACE form.
- l. The FACE Form tab displays the FACE header and calculates the data entered in the *Activities* tab into the FACE table.
- m. Select **IP Authorized Official** from the dropdown box provided. If there is more than one the system will place them in alphabetical order. This list is sourced from the IP set-up page and only includes those individuals identified in the IP Agreement Model Form. If there are any changes to the authorized officers, the IP must alert UNFPA immediately and amend the IP Agreement.
- n. Type of modality will default to "Direct Payment" and will not be available for editing.
- o. Once all information is completed, click **"Submit"** to change the status of the request to "IP Submitted." A certification message will appear and ask the user to confirm to the certification by clicking "Yes" or "No". If the IP clicks "No", the request will stay in "IP Pending" status mode and will be available for editing. If the IP clicks "Yes", its status will change to "IP Submitted" and changes will no longer be available for editing by the IP or UNFPA.
- p. To finalize the DPR, the IP must print the FACE form by clicking on the **Print FACE** button at the bottom of the screen. This will generate a .pdf document. The FACE form printout will be an exact reflection of the DPR information reflected on the FACE Form tab. This pdf document must be signed by an authorized official identified in the IP Agreement and uploaded to the GPS along with other required supporting documentation (i.e., invoice, travel authorization, time sheets, etc.), as requested by UNFPA.
- q. The IP either uses the notify option on the FACE form or, contacts UNFPA via email, phone, etc. to notify UNFPA the FACE is ready for review.

The Print FACE button can be utilized prior to submission. In this case it will read with a draft watermark, the certification will not be automatically checked and the date of submission will be left blank.

Once submitted, UNFPA will review and process the DPR. UNFPA follows an internal review process as described in the [Policy and Procedures on Management of Cash Transfers to Implementing Partners](#). During the process, UNFPA may reject the DPR, or require changes be made to the DPR and send it back to the IP. In these instances, it will reject the DPR and request the IP to make changes. Once the changes have been completed, the IP will resubmit the DPR and notify UNFPA it is ready for review and processing.

The process is complete when the DPR is finalized and the payment is authorized and issued.

8.5 Refund

The IP must refund any unspent OFA balances to UNFPA as soon as possible upon completion or cancellation of the activities agreed to in the workplan. The IP must refund any unspent year-end OFA balance (4th quarter OFA balance) to UNFPA before 31 January of the next year unless otherwise agreed with UNFPA.

The following process should be followed in case the IP has to refund OFA balances to UNFPA:

- UNFPA and IPs should agree on the exact amount to be refunded (normally equal to the balance reported in Column D of the last quarter FACE forms);
- UNFPA should provide the IPs with bank account details to deposit the monies. If possible, IPs should clearly indicate in the deposit reference information that the funds are for UNFPA along with any other information that would help to determine the origin and purpose of the deposit once it is credited in the bank account.

8.5.1 Refund Data Entry and IP Submission

When submitting the FACE, the IP must indicate the amount which has been refunded to UNFPA. During the IP Pending stage, the IP can indicate how much OFA balance has been refunded utilizing the **Refund Section** on the *Activities* tab. There is no need for the IP to reflect the refund amount on the FACE form against each activity.

The screenshot displays the 'Activities' tab in the UNFPA system. The 'Refund Entry' section is highlighted with a red box, showing the following data:

Field	Value
Refund Reported by IP:	3,350,000.00
WP Currency Equivalent:	3,350,000.00

Below the refund entry, a list of activities is shown for the project 'FFRHCFCI':

Activity	Activity Title	Project
RESEARCH	Research on FP access	FFRHCFCI
WORKSHOP	Workshop on FP methods	FFRHCFCI
MEDIA	MEDIA CAMPAIGN	FFRHCFCI
MONITORING	MONITORING	FFRHCFCI

A red arrow points from the text 'IP indicates amounts be refunded' to the 'Refund Reported by IP' field.

9. Fraud

UNFPA has a zero tolerance policy for wrongdoing, including fraudulent and other proscribed practices. All partners of UNFPA are expected to exercise the highest standards of care when handling and administering the cash, supplies and equipment provided by UNFPA.

The roles and responsibilities of IPs with regard to prevention, detection and responding to Fraud and Corruption are clearly outlined in the [UNFPA Policy against Fraudulent and other Proscribed Practices](#) and in the [General Terms and Conditions of the IP agreement](#). To reinforce these principles, UNFPA and other United Nations agencies have developed an online course on Fraud available in [English/French](#) and [Spanish](#). All IP personnel handling UNFPA funding and activities are strongly encouraged to take this course. Supplemental learning and training material are available at your UNFPA office.

10. Preventing Sexual Exploitation and Abuse (PSEA)

UNFPA has zero tolerance for sexual exploitation and abuse (SEA). SEA is any form of inappropriate sexual conduct perpetrated by IP employees or other persons performing services under the IP agreement against recipients of assistance and other members of vulnerable communities.

“Sexual exploitation” is further defined in the IP Agreement and means any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another.

“Sexual abuse” means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions.”

The IP’s duties in the area of PSEA are detailed in the General Terms and conditions of the IP Agreement, which provides for a range of obligations, relating to prevention, training, reporting and investigation. In summary:

- SEA is strictly prohibited for IP employees and other persons performing services under the IP agreement.
- All IP personnel have to undertake mandatory training on PSEA concepts and obligations. The IP has to screen candidates for employment - to the extent legally possible - to prevent hiring of known offenders.
- All IP personnel are obligated to report incidents or suspicions of SEA immediately to the UNFPA Office of Audit and Investigation Services through any of the confidential reporting mechanisms available [here](#).
- The IP is further obligated to conduct its own investigation of the incident; assist victims through medical, psychosocial, legal and material support as needed; and take corrective action when SEA has occurred. The IP has to keep UNFPA informed at all stages during the process, provide an unreacted report of the investigation and, if requested, available evidence.
- If the IP fails to comply with any of these PSEA related obligations, UNFPA may suspend or terminate the IP Agreement.

10.1 Defining Sexual Exploitation and Abuse

For the avoidance of doubt, sexual exploitation and abuse are defined as follows:

Sexual exploitation: Any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to profiting monetarily, socially, or politically from the sexual exploitation of another.

Sexual abuse: Means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions'

Under these definitions, the following constitutes sexual exploitation and abuse (SEA):

- **Any sexual activity with a child.** A child is **any person less than eighteen years of age**, regardless of any laws relating to the age of majority or to consent. Mistaken belief in the age of a child shall not constitute a defense.
- **The exchange or promise of exchange of any money, employment, goods, services, or other thing of value, for sex, including sexual favors or sexual activities.**

In addition to the above, **sexual relationships between IP's staff, associated or related personnel and beneficiaries of assistance**, can be considered SEA since they are based on inherently unequal power dynamics. Therefore, they **are strongly discouraged**.

10.2 IP obligations concerning SEA

- UNFPA requires the IP to undertake PSEA training for its staff, associated or related personnel and confirm completion of the training to UNFPA.
- The IP must share a description of its monitoring and reporting mechanism for SEA allegations, if requested
- Confirm the IP has screened and vetted all staff, associated or related personnel
- Disclose any past allegations of SEA and their outcomes
- Ensure all its contractees who have any interaction with beneficiaries, has mechanisms in place to prevent and respond to allegations and incidents of SEA.

UNFPA reserves the right to terminate the IP Agreement and cease all work with the IP on the grounds of SEA.



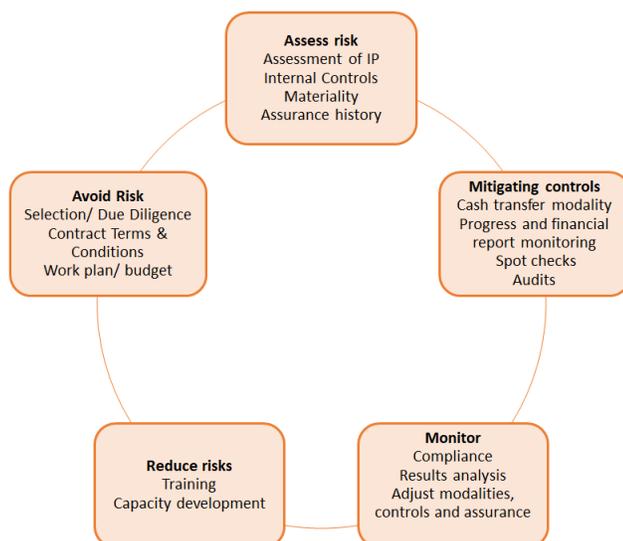
11. Assurance and Risk Management

UNFPA conducts assurance activities (namely financial spot checks and audits) to determine whether funds transferred to IPs were used in accordance with the signed workplan and the General Terms and Conditions of the IP Agreement. UNFPA applies a risk based approach to such assurance within the Harmonised Approach to Cash Transfer to Implementing Partners (HACT) Framework which is jointly implemented with other United Nations agencies, especially UNICEF and UNDP.

The main elements of HACT include:

1. assessment of the IP internal controls and management capacity (micro assessment);
2. financial and programmatic monitoring and reporting (FACE and WPRs),
3. spot checks and audits; and
4. follow up to findings and recommendations from assessments, spot checks and audits.

UNFPA risk management of partner implementation within HACT:



11.1 Assurance Activities

11.1.1 Spot Checks

A Spot check is a pro-active financial monitoring activity. It is defined as a “Periodic on-site review performed to assess the accuracy of the financial records for cash transfers to the IP and the status of programme implementation (through a review of financial information), and to determine whether there have been any significant changes to internal controls. The spot check is not an audit.”¹⁴. Spot checks also allow UNFPA the ability to identify and address any gaps the IP may encounter throughout implementation.

A spot check typically consists of UNFPA personnel or external service providers (or a combination of both) undertaking an on-site visit to the IP. In exceptional circumstances,

¹⁴ UNDG HACT Framework 2014

where an on-site visit is not possible or practical, a spot check can be done remotely. A spot check involves the following:

- Checking IP internal control framework to assess any of the IPs controls necessary to effectively implement activities included in the workplan. The spot checker will also follow-up on internal control gaps and recommendations identified during the micro assessment and previous assurance activities; and
- Reviewing a sample of expenses to a) confirm documentation supports the expenses; b) confirm expenses are in accordance with the workplan; and c) confirm type and amounts of expenses do not violate the general terms and conditions of the IP agreement.

The exact controls to be reviewed will depend on the scope of activities being implemented. For example, for a workplan with a large number of personnel included, UNFPA will focus more on human resource controls. Similarly, a spot check with a partner whose workplan contains a large procurement component will focus on the IP's procurement controls.

11.1.2 Audits

Audits are another assurance activity UNFPA undertakes to ensure accountability for the funds transferred to partners. UNFPA commissions independent, external audits of expenses implemented by partners to provide UNFPA with a reasonable assurance the partner is using the funds in accordance with the UNFPA reporting requirements, IP agreement, and workplan(s).

The Auditor expresses an independent opinion on:

- Whether statement of expense is presented fairly, in all material respects and eligible expenses incurred to implement activities in conformity with the terms of the IP agreement, workplan or other relevant programme document.
- Whether advances reported by the IP on FACE forms match advances paid by UNFPA through the OFA and whether closing balance reported by the IP on the FACE form agrees to the OFA balance and IP records.
- In addition, the auditor also assesses key internal controls and provides weaknesses/observations with associated risks and recommendations which IP management is expected to address.

In case of negative audit results, UNFPA will have to request refunds of ineligible amounts and adjust the implementation modality or cash transfer modality with the IP.

The audit is conducted in accordance with International Auditing Standards (ISA) 800 Special Considerations – Audit of Financial Statements Prepared in Accordance with Special Purpose Frameworks and ISA 805 Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement.

UNFPA chooses and contracts the auditors and commissions the work. Exceptions to this rule are approved at UNFPA headquarters and can include national regulations that require a country's Supreme Audit Institution to conduct or commission the audit, or inability of the UNFPA-contracted auditors to provide service in a given area due to security or other constraints.

All audits for UNFPA partners can start after the first week of February and have to be completed by 30 April to allow the United Nations Board of Audit to conduct their annual audit of UNFPA's financial statements.

11.1.3 Assurance Planning

Based on certain risk factors, UNFPA conducts monitoring and plans for the necessary spot checks and audits on an annual basis. To select partners for spot check and/ or audit UNFPA uses a combination of the following risk elements:

1. Results of the micro assessment
2. Amount of the workplan/ expenses for the year
3. Past spot check and audit results
4. Any other factors that influence risk, such as the operating context, general health of the partnership, the fact that the partnership may be new, or that the partners is entrusted with larger amounts or more complex operations.

The UNFPA office informs partner a) if and how many spot checks will be undertaken; b) timing of any spot check(s); and c) whether or not an audit is necessary. UNFPA reviews the assurance plan regularly during the year and may add audit or spot checks based on risks factors arisen during the implementation of activities or the result of programme monitoring or spot checks and informs the IP accordingly .

11.2 Spot Checks

11.2.1 Scope and frequency

UNFPA will spot check selected IPs *at least* once a year. However, UNFPA may schedule additional spot checks based on the outcomes of its assessment, the operating context and any other factor UNFPA deems relevant. The scope of the spot check will be determined by UNFPA and communicated to the partner.

When spot checks are performed by third party service providers, the provider must prepare a report in accordance with International Standard on Related Services (ISRS) 4400, Engagements to Perform Agreed-Upon Procedures Regarding Financial Information. These engagements are not usually subject to an audit opinion but rather only include findings on procedures undertaken.

Spot check reports are shared with the independent auditor in case UNFPA also schedules an audit for the partner.

11.2.2 Scheduling and preparing for spot checks

The UNFPA office will agree with the partner upon a mutually acceptable month and day in which the spot check will take place. As a rule, UNFPA will provide at least one-week lead-time prior to the agreed spot check date in order for the IP to prepare all required documentation.

Prior to the spot check, UNFPA will request the IP to provide a list of all UNFPA related transactions, duly reconciled with the expenses claimed through FACE form(s), unless already uploaded in the GPS as part of the eFACE reporting. UNFPA will select a sample of these transactions.

The IP is requested to undertake the following preparations:

- Review previous micro assessment, audit and spot check recommendations, if any, and ensure agreed actions have taken place.
- Avail current policies and procedures in use.
- Ensure any variance between FACE forms and detailed transaction list is documented and available to the spot checker, if not already uploaded into the GPS.
- Ensure supporting documentation for the transaction list is readily available.
- Complete and make available bank reconciliations for the account used for UNFPA funds.
- Ensure inventory and asset lists for UNFPA funded items are available.
- Compile supporting documents for relevant transactions sampled by UNFPA

Examples for the type of supporting documentation are shown below:

Examples of Key Supporting Documents	
Personnel	Terms of references (TORs) including fee and payment conditions; competitive selection matrix of at least 3 candidates; 3 corresponding Curricula Vitae; contract signed by staff/consultant and IP, proof of deliverable (e.g. report, certified timesheets etc.); performance evaluation, salary/fee payment receipts, payroll and payments are within contract period.
Travel	Travel authorization by authorized IP official as per IP agreement; ticket stubs or receipts; receipts for gasoline consumption and toll; vehicle log; mission report.
Workshops/meetings/ events	Agenda/programme; participants' attendance list (including contact details and signatures); venue selection competitive bid analysis if applicable; receipts of payments made to suppliers; narrative and financial report.
Procurement of goods and services	3 vendor quotations; evaluation of quotations by relevant project staff; signed receiving and inspection report; evaluation of 3rd party service provider/supplier at end of contract; Delivery Note confirming receipt of goods/Completion certificate for services.
Fixed Assets and Inventory	Dated asset list, periodic physical check signed by IP custodian & manager, inventory distribution records

Note that supporting documents for payments e.g., invoices and payment receipts from suppliers should be clearly indicated as paid using UNFPA funds to prevent duplicate payments. This is normally done by having the documents stamped paid with funds from UNFPA.

11.2.3 Spot check visit

The spot check team will visit the IP office on agreed date(s) to review transactional documents, test internal controls and follow up on implementation of recommendations from previous assurance activities.

With proper coordination and preparation, the visit should take a maximum of two days. An entrance meeting will be held to confirm the agreed scope and timelines. The field work normally starts with inquiry on internal controls and whether any significant changes have been made. A review of bank reconciliations is done by comparison of bank statements to the accounting records.

UNFPA will test a selected sample of expense primarily to confirm:

- IP policies and procedures are observed;
- Adequate segregation of duties is observed;
- Transactions are adequately supported, authorized, are workplan related and recorded in the correct period;
- Justifiable cost incurred;
- Payment made to the correct goods/services provider;
- Ineligible indirect tax is not charged as part of the workplan expenses;
- Goods and services are actually used for the workplan activities.

After completion of the tests at the IP office, an exit meeting is held to discuss the findings and identify an action plan to address the issues. The IP should ensure any findings it does not agree with are discussed at the meeting and should provide any additional information/documentation necessary to clarify any issues. After the exit meeting, UNFPA issues the spot check report for IP management response.

11.2.4 Spot check follow up

Spot check reports may have follow up actions by both the IP and respective UNFPA office. Where financial findings have been raised, follow up will normally require a refund by the IP of the amounts found ineligible or unsupported. In these instances, the IP should issue the refund as soon as possible.

For internal control findings, follow up will normally require confirmation of actions taken to address issues raised and evidence can be shared with the UNFPA office based on the agreed timeline, e.g., if new procedures were agreed, these can be provided on follow up. The findings will be subject to review in subsequent spot checks to ensure there is no recurrence.

11.3 Audits

11.3.1 Planning and Preparing for audit

Often, modified audit opinions are issued because the auditee is not sufficiently prepared for the audit. Documentation may exist, but not in the right place at the right time, and errors that

could have been corrected were not identified before the audit. To avoid this, UNFPA supports the IP in the pre-audit preparation and will work with the IP to ensure all steps for pre-audits are completed as per the [Pre-Audit Checklist](#). The IP ensures issues raised during the pre-audit exercise are adequately addressed before the audit.

These are some of the key steps IPs can take to ensure a smooth audit:

- Once the UNFPA office informs the IP of the audit, review in detail the [Terms of Reference for Audit of Implementing Partners](#) (ToR).
- Once the auditor contacts the IP, as early as December, to plan logistics and request a list of documents ([Checklist of Documents for the Auditor](#)). The IP agrees to the dates and locations for the audit and provides all requested documentation to the auditors.
- Go through the [Pre-Audit Checklist](#) with the UNFPA office
- Where it is decided an auditor other than the UNFPA-contracted firm can undertake the audit, sign a formal engagement letter with the auditor ([Sample Letter of Engagement](#)).
- Have an action plan to follow up on key recommendations from the micro assessment report, if any, and ensure relevant and priority actions are taken or an explanation is given on how the recommendation was considered.
- Submit to the Auditor a [Letter of Representation](#) for each year the IP is being audited. According to ISAs, written representations are statements provided by management or those charged with governance to the auditor confirming certain matters or to support other audit evidence. Management provide representations that they have fulfilled their responsibilities for the preparation of the statements of expenditure and have provided all relevant information and access required in the terms of engagement and that all transactions are recorded and reflected in the statements.

11.3.2 Engaging during the audit

The audit normally starts with an entrance meeting, followed by execution of audit procedures at the IP's offices and an exit meeting to discuss findings. An audit report is subsequently issued to formally communicate findings and get management responses.

Entrance Meeting

The auditors hold this meeting to initiate the audit. It is important to make every effort to ensure it is attended by all relevant parties. The expectations of the auditor and the auditee can be discussed to come to an understanding of expectations particularly with regard to the ToR and timelines.

Execution of Audit procedures

The IP is expected to remain engaged throughout the entire audit cycle by providing all necessary documentation and unrestricted access to records and information. Any findings arising in the process should be resolved before the audit field work is finalized.

Exit Meeting and Draft Findings

The auditor is required to hold an exit meeting to discuss their draft findings. The formal written submission of draft findings by the auditor to the IP is a requirement and may take place just before or just after the exit meeting. The IP must review the draft findings, ensure

factual accuracy and provide management responses. This is a critical juncture where the IP and respective UNFPA office should provide any further information to clarify issues.

11.3.3 Understanding the audit report

The audit report is issued to UNFPA and the IP and must include at a minimum:

- a) Audit Opinion;
- b) Period covered by the audit opinion;
- c) Total amount of expenses audited;
- d) Audit observations and recommendations;
- e) Ineligible expenses;
- f) Key internal controls weaknesses;
- g) OFA opinion);
- h) Statement of expenditure or CDR for the audit period; and
- i) FACE forms submitted for the audit period.

The auditor will clearly quantify the net financial impact in the audit opinion and clearly identify the reasons for modified opinion (if any). If financial findings are below the materiality level, the auditor is still required to report them, so that UNFPA can obtain recoverable amounts from partners. This information will also be collected as part of the reporting process.

11.3.4 The audit opinion

According to ISA the objectives of the auditor are:

- a) To form an opinion on the financial statements based on an evaluation of the conclusions drawn from the audit evidence obtained; and
- b) To clearly express that opinion through a written report.

Form of Opinion What it means

<i>Unmodified</i>	The auditor concludes the CDR(s) presents fairly, in all material aspects, the actual eligible expense incurred and that the funding provided by UNFPA had been used in conformity with the IP Agreement.
<i>Modified:</i> <i>i) Qualified</i>	<p>The auditor shall express a qualified opinion when:</p> <ol style="list-style-type: none"> i. The auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are material, but not pervasive, to the CDR(s); or ii. The auditor is unable to obtain sufficient appropriate audit evidence on which to base the opinion, but the auditor concludes that the possible effects on the CDR(s) of undetected misstatements, if any, could be material but not pervasive. <p>A qualified opinion should be expressed as being ‘except for’ the effects of the described in the Basis for Qualified Opinion.</p>

ii) Adverse

The auditor shall express an adverse opinion when the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are both material and pervasive to the CDR(s). The auditor shall state that, in the auditor's opinion, because of the significance of the matter(s) described in the Basis for Adverse Opinion the CDR(s) do not present fairly (or give a true and fair view).

iii) Disclaimer

The auditor shall disclaim an opinion when unable to obtain sufficient appropriate audit evidence on which to base the opinion, and concludes that the possible effects on the CDR(s) of undetected misstatements, if any, could be both material and pervasive.

The auditor shall disclaim an opinion when, in extremely rare circumstances involving multiple uncertainties, the auditor concludes that, notwithstanding having obtained sufficient appropriate audit evidence regarding each of the individual uncertainties, it is not possible to form an opinion on the CDR(s) due to the potential interaction of the uncertainties and their possible cumulative effect on the CDR(s).

When the auditor disclaims an opinion due to an inability to obtain sufficient appropriate audit evidence, the auditor shall:

- i. State that the auditor does not express an opinion on the CDR(s);
- ii. State that, because of the significance of the matter(s) described in the Basis for Disclaimer of Opinion, the auditor has not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the CDR(s); and
- iii. Amend the opinion section which is supposed to indicate that the CDR(s) have been audited, to state that the auditor was engaged to audit the financial statements.

11.3.5 Emphasis of Matter paragraphs in auditor's report

If the auditor considers it necessary to draw users' attention to a matter presented or disclosed in the financial statements that, in the auditor's judgment, is of such importance that it is fundamental to users' understanding of the financial statements, the auditor shall include an

Emphasis of Matter paragraph in the report provided:

- (a) The auditor would not be required to modify the opinion as a result of the matter; and
- (b) When ISA 701(Communicating Key Audit Matters in the Independent Auditor's Report) applies, the matter has not been determined to be a key audit matter to be communicated in the auditor's report.

11.3.6 Classification of Findings

Findings are classified as either:

- i) [Financial Findings](#) which have financial implications or
- ii) [Internal Control Findings](#) that highlight weaknesses in key internal controls.

Audit observations are categorized according to the priority of recommendations and the possible causes of issues. The categorized audit observation provides a basis on which the UNFPA management is to address issues as follows:

High (critical)	The control deficiency can significantly impact the ability of the IP to manage and report on its use of UNFPA funding. Prompt action is required to ensure no exposure to high risks. Failure to take action could result in major negative consequences.
Medium (important)	The control deficiency can impact the ability of the IP to manage and report on the use of UNFPA funding. Action is required to mitigate exposure to moderate risks. Failure to take action could contribute to negative consequences.
Low	No issues identified that would significantly affect the ability of the IP to manage and report on the use of UNFPA funding. Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if dealt with during the exit meeting, would not be included in the audit report.

For joint audits with other United Nations agencies, the Auditor must perform audit procedures on each statement of expenses or equivalent in order to be able to express a separate opinion on whether funds transferred to the IP from each agency were used for the appropriate purpose and in accordance with each agency's workplan and agreement. The materiality level must be determined individually for each funding agency based on the amount of expenses reported to each agency.

The Auditor must include in the audit report separately for each funding agency:

- a) Audit Opinion;
- b) Period covered by the audit opinion;
- c) Total amount of expenses audited;
- d) Audit Observations and Recommendations;
- e) Ineligible expenses;
- f) Statement of Expenditure or CDR for the audit period;
- g) FACE forms submitted for the audit period.

The assessment of key internal controls and report on key internal control weaknesses is performed at the implementing partner level and is not agency specific.

11.3.7 Follow up on Audit findings

All audit findings have to be addressed within a reasonable timeframe agreed between UNFPA and the partner. The IP's action plans will be followed up by the respective UNFPA office and auditors. Any unsupported amounts must be refunded to UNFPA or supported by acceptable documentation.

Examples of [Financial Findings and How to address them](#) and [Internal Control Findings and How to address them](#)

are available for reference purposes.

11.3.8 Application of materiality in the context of a HACT financial audit

The auditor uses the following criteria to determine whether to issue a negative audit opinion.

- If the total amount of ineligible expense is less than 2% of the amount audited, an unqualified opinion will be issued.
- If the total amount of ineligible expense is more than 5% of the amount audited, a qualified opinion will be issued.
- If the amount of ineligible expense is between 2 and 5% of the amount audited the nature and extent of all of the audit findings (financial and non-financial) will be used as the basis of a judgmental determination as to whether the opinion should be qualified. (See further details below).
- If the total amount of ineligible expense is approximately 40% or more of the amount audited, an adverse opinion will be issued.
- If a report has resulted in between 2 and 5% of ineligible expense, among the considerations to be taken into account when determining whether or not to issue a negative opinion are the following:

Nature of financial findings:

- If the basis of ineligibility is a timing error, i.e. whereby the audit team is satisfied that the expense is adequately supported by documentation and demonstrably necessary for the project but has simply been reported prior to the period in which it should have been, this is considered a less serious type of error and is therefore not likely to result in a negative opinion on its own.
- Conversely if the expense is not supported by documentation or is not for the purposes of the project, it is more likely that, even in isolation, these findings would result in a qualified opinion at or near to the 2% threshold.

Nature of other audit findings:

- Although any findings raised concerning the key internal control weaknesses would not include a monetary value, they can nonetheless provide evidence of fundamental deficiencies within the IP's financial management systems. If, for example, there was no audit trail, a significant lack of segregation of duties or substantial volumes of cash-based payments, these combined with an ineligible amount of between 2 and 5% are more likely to give rise to a qualified opinion.

Annex I. Nature of Transactions

#	Nature of transaction (drop down menu in GPS)	Description
1	Employee salaries	Salaries paid to Implementing Partner's employees
2	Individual consultants honoraria/fees	Honoraria / fees for consultancy services rendered by individuals; this category should not be used for consultants hired to serve as trainers / facilitators (nature "Training and capacity building activities" should be used in these cases) or for consultancy services rendered by companies (nature "Services contracted from companies" should be used in these cases).
3	Services contracted from companies	Contracted services provided by companies that do not fall under any of the listed categories
4	Purchase of medical equipment & supplies	Medical equipment and supplies, purchase of which should be pre-approved by UNFPA, such as hospital equipment; hospital furniture; anatomical models; diagnostic equipment; surgical instruments; medical electrical equipment; medical devices, utensils, attire and linen; anesthesia and resuscitation equipment, etc. Expenses for sampling / testing of medical equipment should also be reported here.
5	Purchase of pharmaceutical products	Expenses for various pharmaceutical products purchase of which is pre-approved by UNFPA. Associated testing and inspection costs should also be recorded here.
6	Purchase of hygiene/dignity kits	Expenses for hygiene and dignity kits
7	Purchase of transportation equipment	Purchases of any transportation means (i.e. bicycles, motorcycles, ambulances, buses, trucks, programme vehicles, etc.)
8	Purchase of ICT, Audio equipment and software	Purchases of any ICT (information and communication technology) equipment, such as computers, UPS, printers, phones, VSAT, radios, etc., & related software
9	Purchase of furniture	Purchases of any furniture items such as chairs, filing cabinets, tables, bookcases, desks, etc
10	Purchase of any other equipment	Purchases of any non-ICT (information and communication technology) equipment such as generators, air conditioners, security equipment, etc.
11	Purchases of office & IT supplies	Purchase of stationery, office and IT supplies, etc.

12	Purchase of printing and media services and publications	Expenses for creation and broadcasting of audio & video products (videos, radio shows, theater, etc.); design and printing of materials; purchase of books, publications and magazine subscriptions; creation of promotional materials and advertisements
13	Facilities rental costs	Rent and related insurance fees for office space. Rent of space for any non-training / capacity development-related events should also be recorded here. Warehouse rental costs should be recorded under 'transportation and distribution' costs category
14	Facilities maintenance, utilities and cleaning services	Facility occupancy costs, including utilities (water, electricity, heating, etc), building maintenance, cleaning and custodial services, etc.
15	Telephony services	Expenses for usage of land, mobile and satellite phone lines
16	Internet, connectivity and post and courier services costs	Expenses for internet, email and other connectivity costs such as mail and courier charges
17	Facilities construction and refurbishing costs	Materials and labour costs for any facilities construction or renovation work
18	Rental, repair & maintenance of non-transport equipment	Rental, repair & maintenance of any non-transport equipment (e.g. laptops, desktops, photocopiers, fax machines, sat phones, VSAT, generators, chairs, desks, etc)
19	Rental, repair & maintenance of transportation means	Rental, repair and maintenance of transportation means (vehicles, motorcycles, bicycles, etc.), including payments for hired vehicles such as taxis.
20	Purchase of fuel, petroleum and other oils	Expenses for fuel, petroleum, kerosene, diesel fuel and other oils
21	Transportation and distribution costs	Freight, shipping, handling and storage for supplies, commodities and materials, equipment, and other goods procured (e.g. transit insurance, loading / unloading, custom clearance, warehouse fees, etc.)
22	Bank charges	Bank charges & fees
23	Training and capacity building activities: travel costs	Travel-related expenses associated with training & capacity development of IP personnel, government officials, beneficiaries, civil society etc. e.g. air tickets, subsistence allowances, visas, etc. It should be also used to cover travel-related expenses for capacity building of enumerators during censuses or similar projects.

24	Training and capacity building activities: other costs (other than travel)	Non-travel-related expenses associated with training and capacity development of IP personnel, government officials, beneficiaries, civil society etc. e.g. trainer's fees, venue rental, catering, production of training materials, etc. It should be also used to cover non-travel-related expenses for capacity building of enumerators during censuses or similar projects.
25	Participation of programme counterparts: travel costs	Travel related expenses associated with participation of beneficiaries, civil society and other stakeholders in programme activities such as awareness / communication campaigns and events, round table discussions, policy debates, rallies, competitions, parades, fairground consultations, etc.
26	Participation of programme counterparts: other costs (other than travel)	Non-travel related expenses associated with participation of beneficiaries, civil society and other stakeholders in programme activities such as awareness / communication campaigns and events, round table discussions, policy debates, rallies, competitions, parades, fairground consultations, etc. Eligible costs to be included in this category are venue rental, catering, facilitator fee, etc.
27	Travel: tickets (not related to training and capacity building / counterpart participation)	Travel tickets to events / activities that are not related to capacity building or counterpart participation
28	Travel: accommodation, per diem & incidentals (not related to capacity building / counterpart participation)	Meals, accommodation & incidentals for travel to events / activities that are not related to capacity building or counterpart participation
29	IP support costs	Support costs as agreed in the WP
30	Reimbursable VAT	VAT paid by the IP on expenses incurred and reported to UNFPA that could be claim for reimbursement from the tax authorities
31	Interest Income Return to UNFPA	Interest earned on UNFPA cash advance unspent balances
32	Prepayment/Advance - Direct Payments Only (authorization required)	Prepayment or Advance payment under direct payment modality. Prior authorization before using this nature of transaction