

Office of Audit and Investigation Services

Annual Report on Internal Audit and Investigations for 2016

Informal Meeting with Member States

3 May 2017
New York

What will we cover today?



- Resources for 2016
- Internal audit activities
- Investigation activities
- Findings from internal audit and investigation activities
- Management action on internal audit and investigation
- Opinion on Governance, Risk Management and Controls (GRC)
- Advisory & Cooperation within the UN system
- Next steps

RESOURCES

The slight budgetary increase and improved vacancy rate in 2016 cover variations by functions

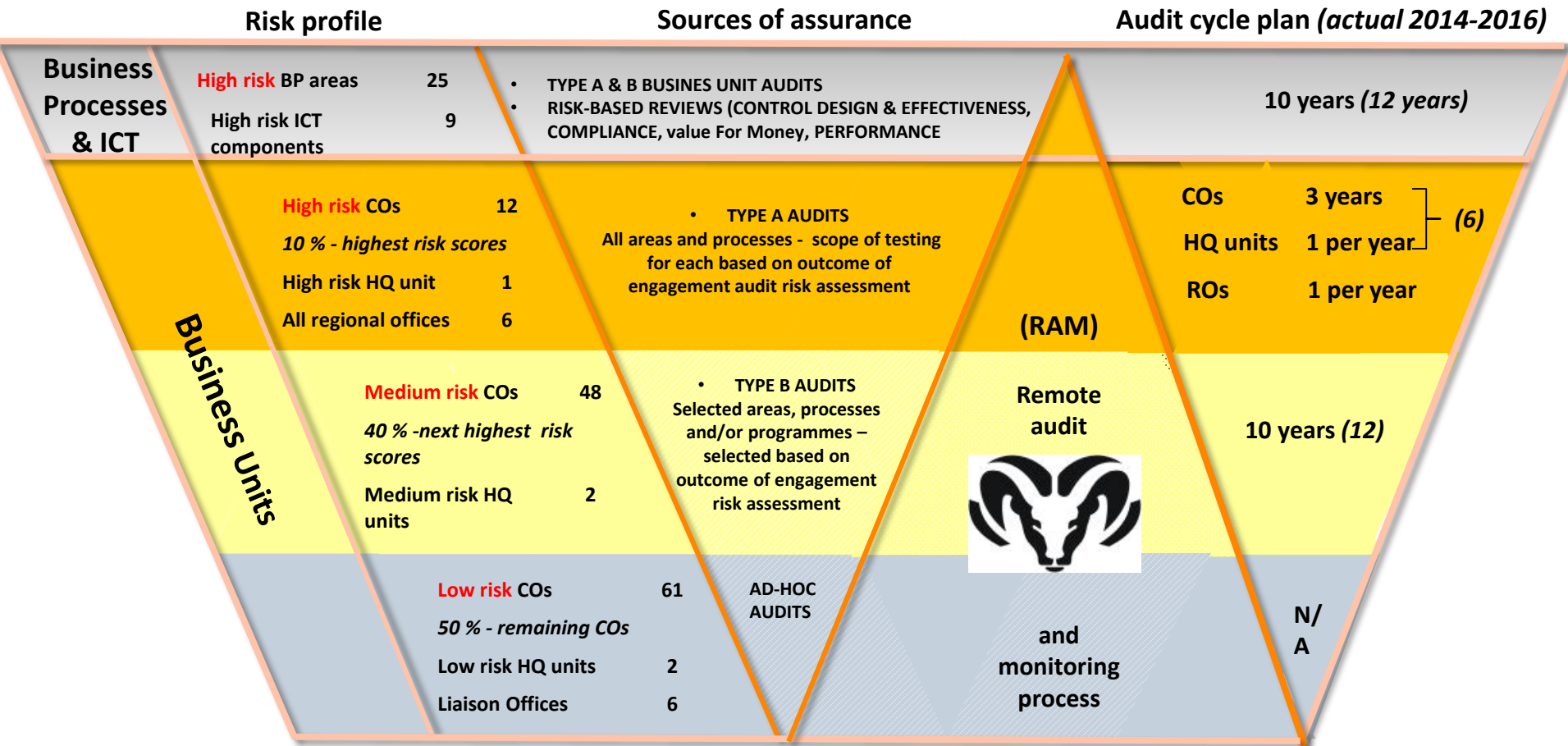


	Internal Audit		Investigation		Directorate		AAC		Total	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Professional posts – approved	10	10	5	5	2	2	-	-	17	17
Vacancy rate	13%	13%	9%	22%	50%	0%	-	-	16%	14%
Support posts - approved	1	1	1	1	2	2	-	-	4	4
Vacancy rate	0%	0%	0%	0%	6%	50%	-	-	3%	25%
Staff costs (vacancy adjusted)	2,193	2,179	949	789	483	719	-	-	3,625	3,687
Individual consultants	87	171	173	299	-	-	58	67	318	537
Procured services	736	472	29	27	-	-	-	-	765	499
Travel	238	336	184	136	15	11	73	53	510	536
Operational costs	37	32	20	45	1	-	3	10	61	87
TOTAL (USD '000)	3,290	3,190	1,354	1,296	499	730	133	130	5,279	5,346
2016 compared to 2015		(3%)		(4%)		+46%		(3%)		+1%

INTERNAL AUDIT in 2016

The internal audit strategy is based on a combination of different types of audits – including remote ones (“RAM”)

Audit Strategy
















OAIS worked on 28 engagements in 2016 (vs. 29 planned); at YE 2016, 13 final and 6 draft reports were issued; and 9 audits under way

	Business Units	Corporate processes	ICT	Joint audits	Remote audit	Total
Summary of <u>planned</u> engagements by finalization year						
Audit to be finalized in 2016	12	2	2	2	1	19
Audit started in 2016 and to be completed in 2017	8	1			1	10
Total engagements	20	3	2	2	2	29
Summary of <u>actual</u> engagements - by status at year-end						
Final report issued	8	2	1	1	1	13
Draft report issued	5			1		6
Sub-total	13	2	1	2	1	19
Draft report under preparation or OAIS management review	5		1			6
Planning or fieldwork phase	1	1			1	3
Total engagements	19	3	1	2	2	28

Challenges: similar to past years:

3 May 2017 interactions and time to get management responses; staff turnover; managerial capacity









Of the 13 reports issued, 8 were ‘partially satisfactory’; 3 ‘unsatisfactory’; one ‘satisfactory’; one ‘some improvement needed’

Engagement	Report	Rating	Issued / Date
Country Office	Zambia CO	PS 	February
	Mauritania CO	U 	March
	Lesotho CO	U 	July
	Cote d'Ivoire CO	PS 	August
	Chad CO	U 	October
	Bangladesh CO	PS 	December
	South Sudan CO	PS 	December
Regional Office	Arab States RO	PS 	October
Joint Audit	South Sudan CHF - Governance	PS 	December
Programme	UNFPA Supplies – Governance and strategic management (Phase I)	PS 	October
Cross-cutting	Global programming system	PS 	March
	Condom procurement process	S 	September
RAM	RAM of 17 Offices of EECARO	SIN 	December

Until 2016: S = satisfactory; PS = partially satisfactory; U = unsatisfactory → thereafter, 4 levels

E = effective; SIN = some improvement needed; MIN = major improvement needed; NE = not effective

All drafts issued at YE have been finalized; of the 9 audits under way, 6 drafts are out, one (each) is on hold, in fieldwork or closed

Engagement	Report	Rating	Status YE / mid-April 2017
Country Office	Somalia CO – Phase I	NE 	Draft out at YE / Final issued Feb 2017
	Somalia CO – Phase II		In field work / Draft rpt internal OAIS review
	Myanmar CO	S 	Draft out at YE / Final issued Feb 2017
	Whole of Syria – Turkey CO	SIN 	Draft out at YE / Final issued Mar 2017
	Whole of Syria – Jordan CO	SIN 	Draft out at YE / Final issued Mar 2017
	Whole of Syria – Syria CO	MIN 	Draft out at YE / Final issued Feb 2017
	Whole of Syria – Amman Hub	SIN 	Draft report in prep. / awaiting Mgmt answer
	Ethiopia CO	SIN 	Draft report in prep. / awaiting Mgmt answer
	Zimbabwe CO		In field work / Draft rpt internal OAIS review
Delivery unit	HIV & Aids Branch	n.a.	Draft report internal review / Closed w/o rpt
Regional Office	Asia Pacific		Draft report in prep. / Internal OAIS review
Joint Audit	Vietnam II DaO (UNICEF)	PS 	Draft out at YE / Final issued Apr 2017
Cross cutting	Website management		Draft report internal OAIS review
Programme	UNFPA Supplies – Phase II		Methodology testing / On hold
RAM	Latin America Caribbean		Planning / In field work

INVESTIGATION in 2016

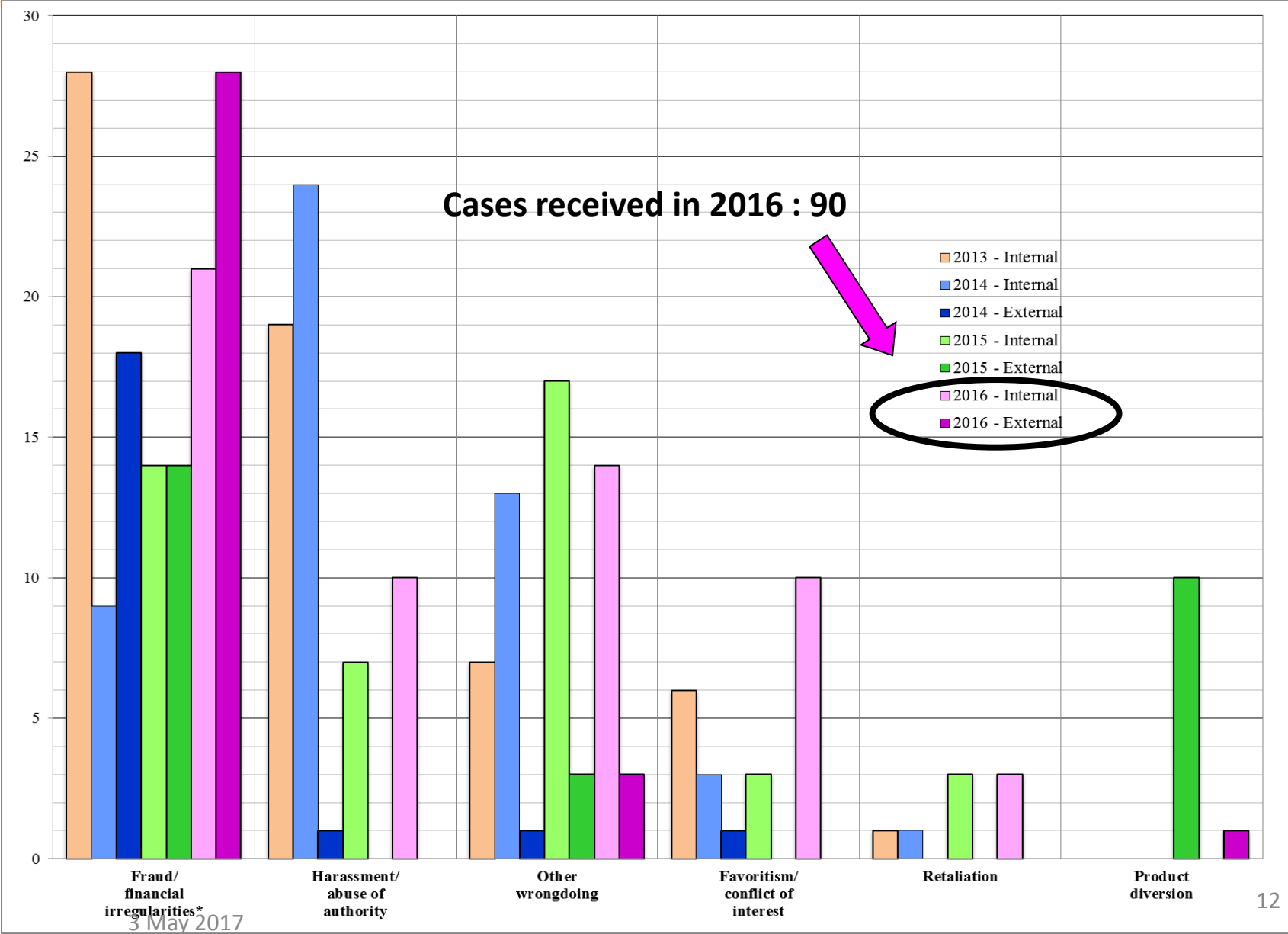
Compared to 2015, the 2016 caseload increased by 23% and cases closed by 60% – the trend upwards continues



Statistics as at 31 December 2016

	YE 31 Dec 2012	YE 31 Dec 2013	YE 31 Dec 2014	YE 31 Dec 2015	YE 31 Dec 2016	Variance YE 2016/ YE 2015	YTD 25 Apr 2017
Opening Balance	19	20	34	44	52	+18%	41
New Cases	23	61	71	71	90	+27%	36
Caseload	42	81	105	115	142	+23%	77
Cases closed after prelim. assessment	(17)	(40)	(42)	(35)	(75)	+114%	(13)
Cases closed after investigation	(5)	(7)	(19)	(28)	(26)	(7%)	(6)
Cases Closed - Total	(22)	(47)	(61)	(63)	(101)	+60%	(19)
Cases in progress	20	34	44	52	41	(21%)	58
(*) Advisory cases	0	0	10	5	12		2
Ratio closed/caseload	52%	58%	58%	55%	71%		25%

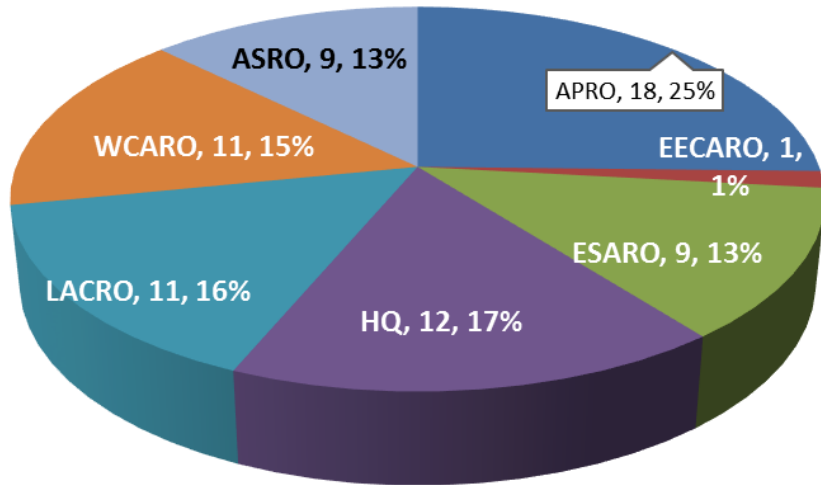
Compared to 2015, 'fraud' and 'harassment' cases received increased while 'other misconduct' and 'product diversion' cases decreased



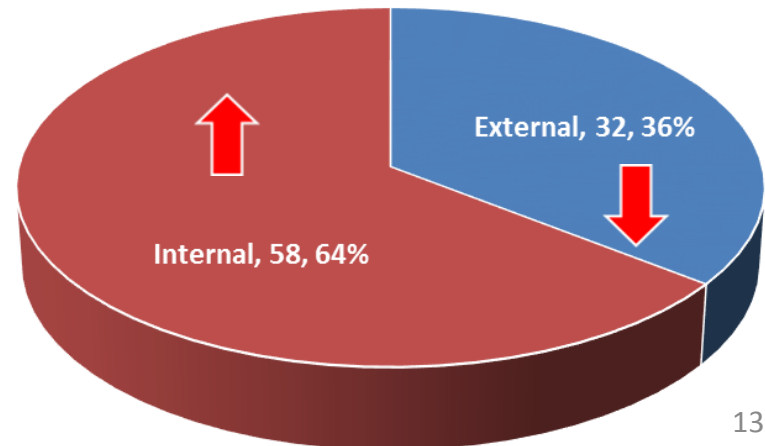
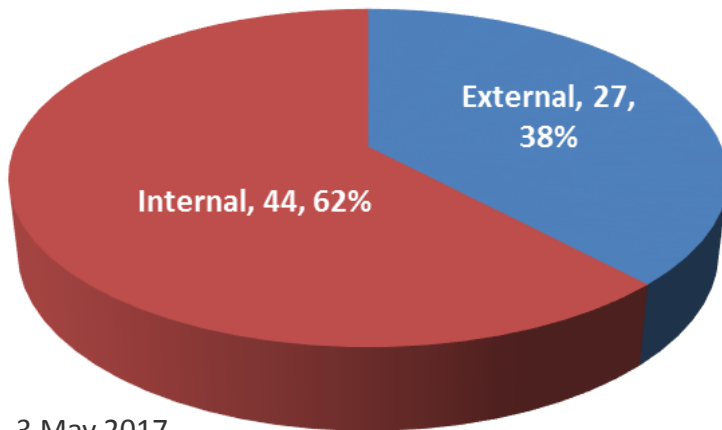
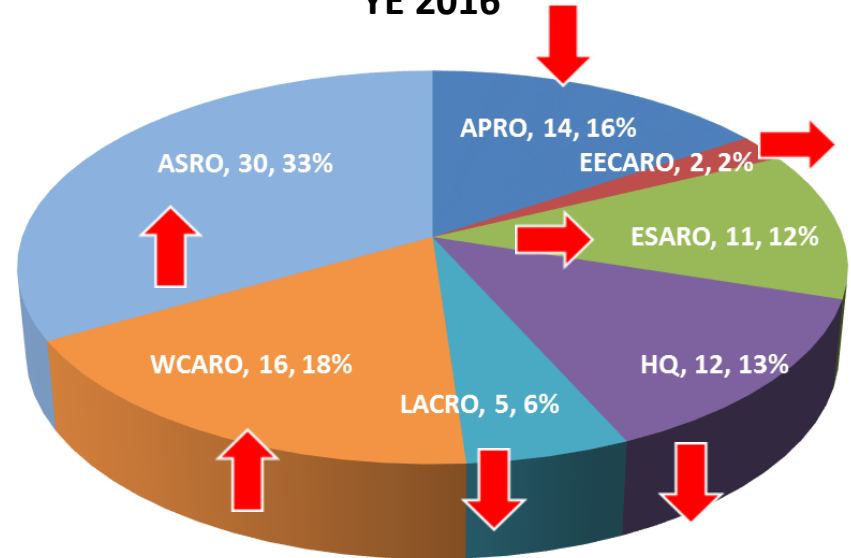
Cases received in 2016 (90) increased mainly for ASRO and WCARO – new cases remained predominantly internal



YE 2015



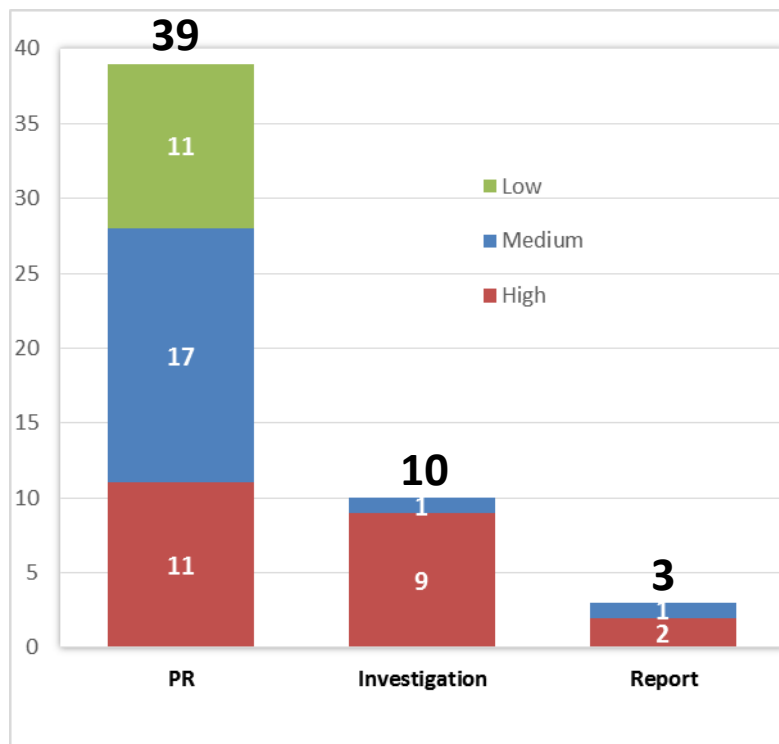
YE 2016



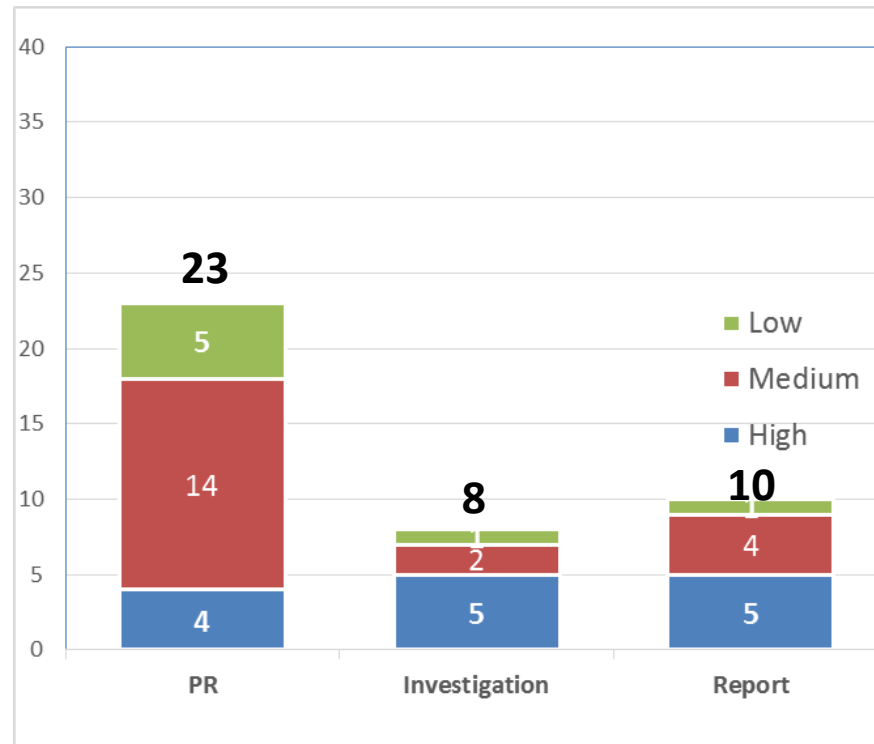
Due to team efforts , 41 cases remained open at YE 2016 – compared to 52 in 2015 – 4 of 41 cases stemmed from 2015



YE 2015



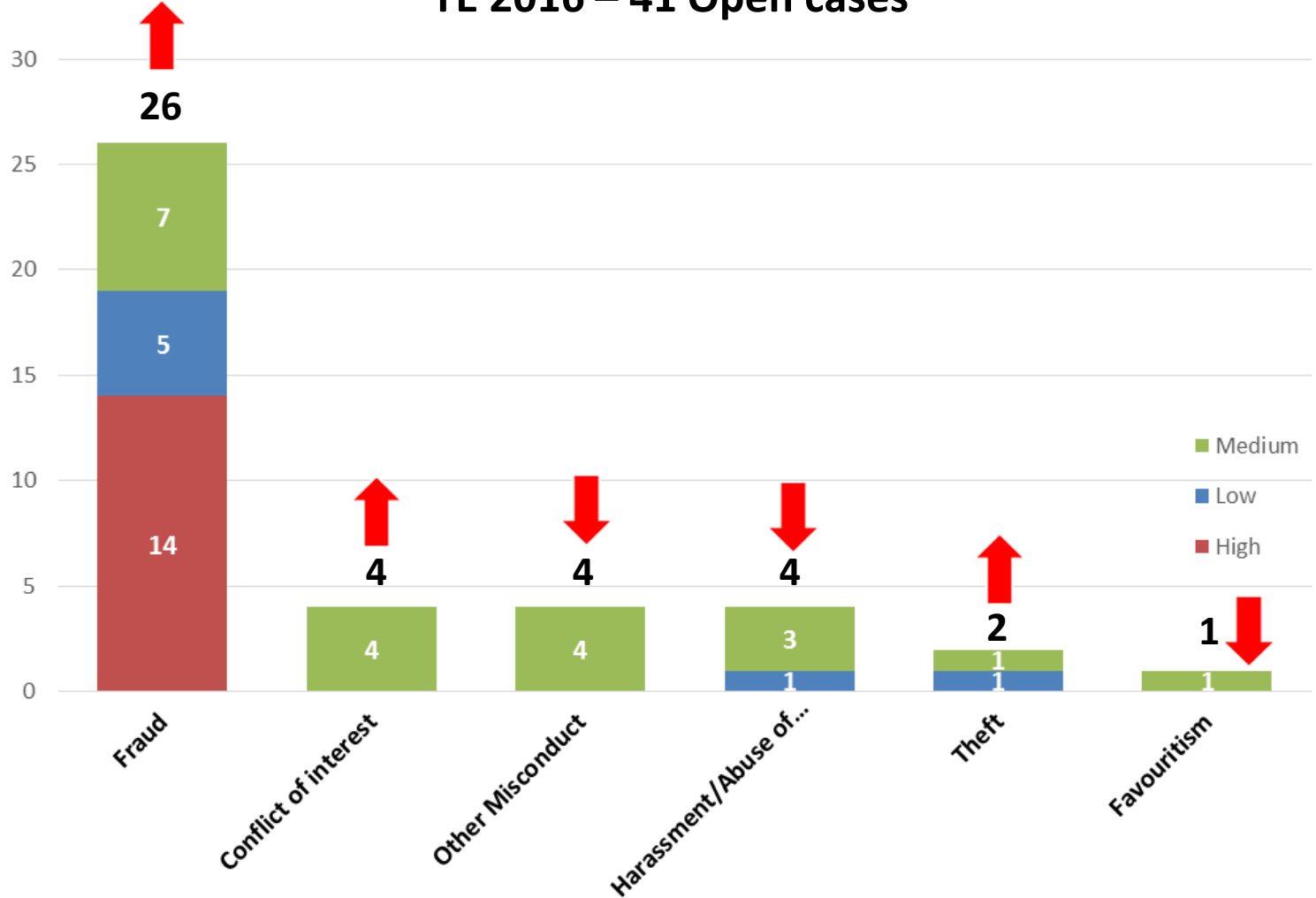
YE 2016



- **PR or Preliminary review**, i.e. recording of allegation(s), assessment thereof as to receivability, credibility, specificity, risk, leading to a decision whether to close the matter (including transfer as appropriate) and document it through a closure note; or moving into a full- fledged investigation
- **Investigation** [field work]: Review of evidence (including field mission as appropriate)
- **Report**: Preparation of a final report following investigation fieldwork or a Closure note, following a PR

26 of the 41 open cases relate to fraud (63%)

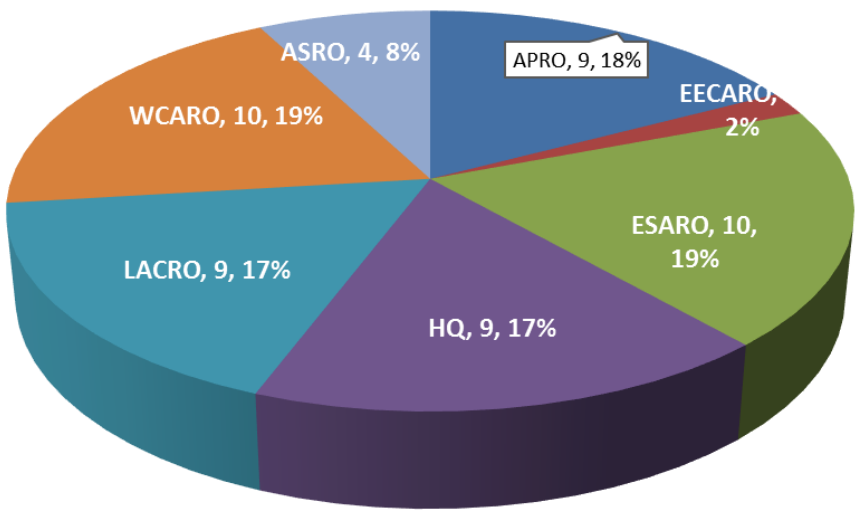
YE 2016 – 41 Open cases



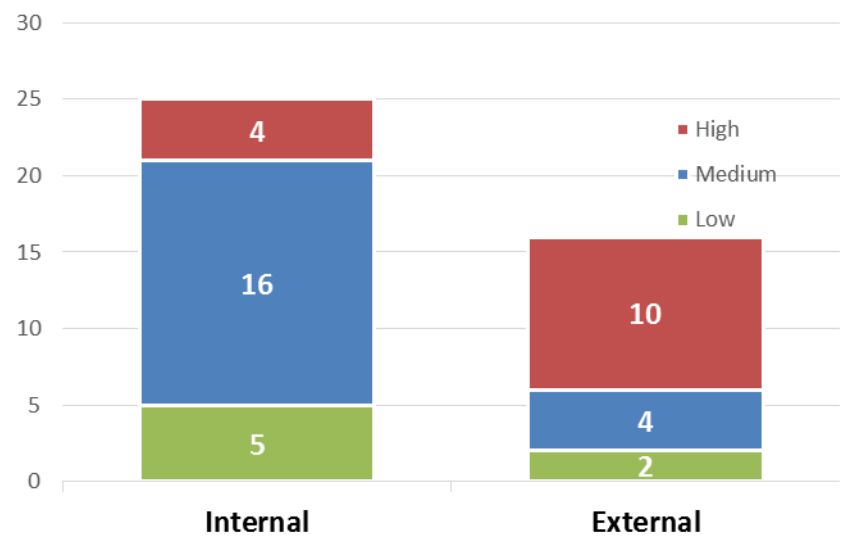
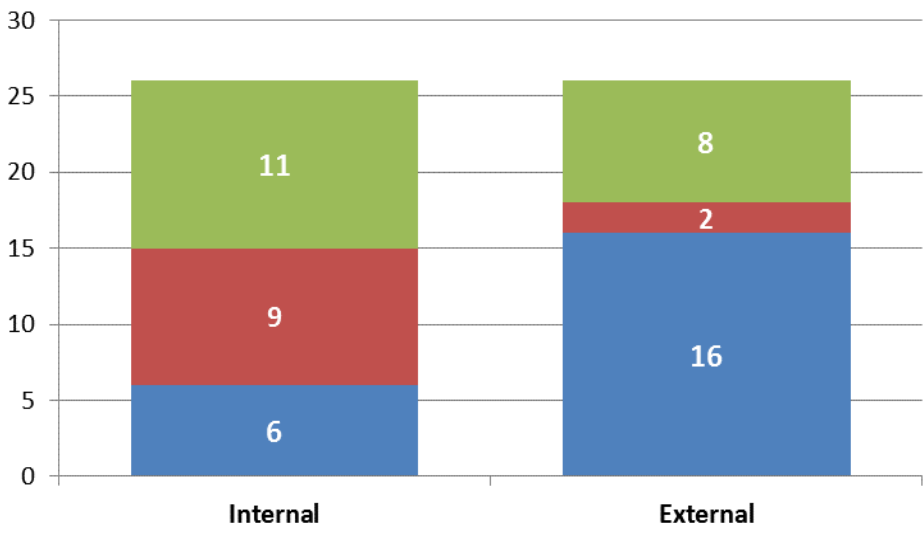
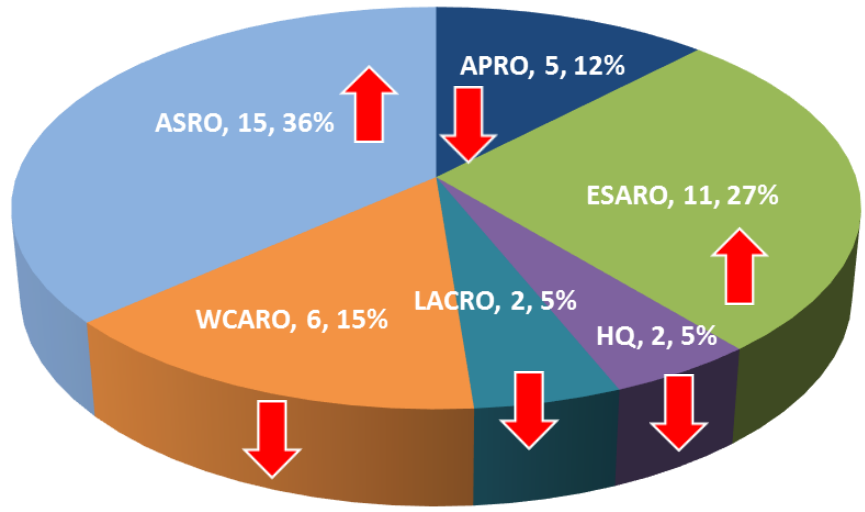
The proportion of ASRO and ESARO open cases increased significantly between 2015 and 2016; that of external cases decreased



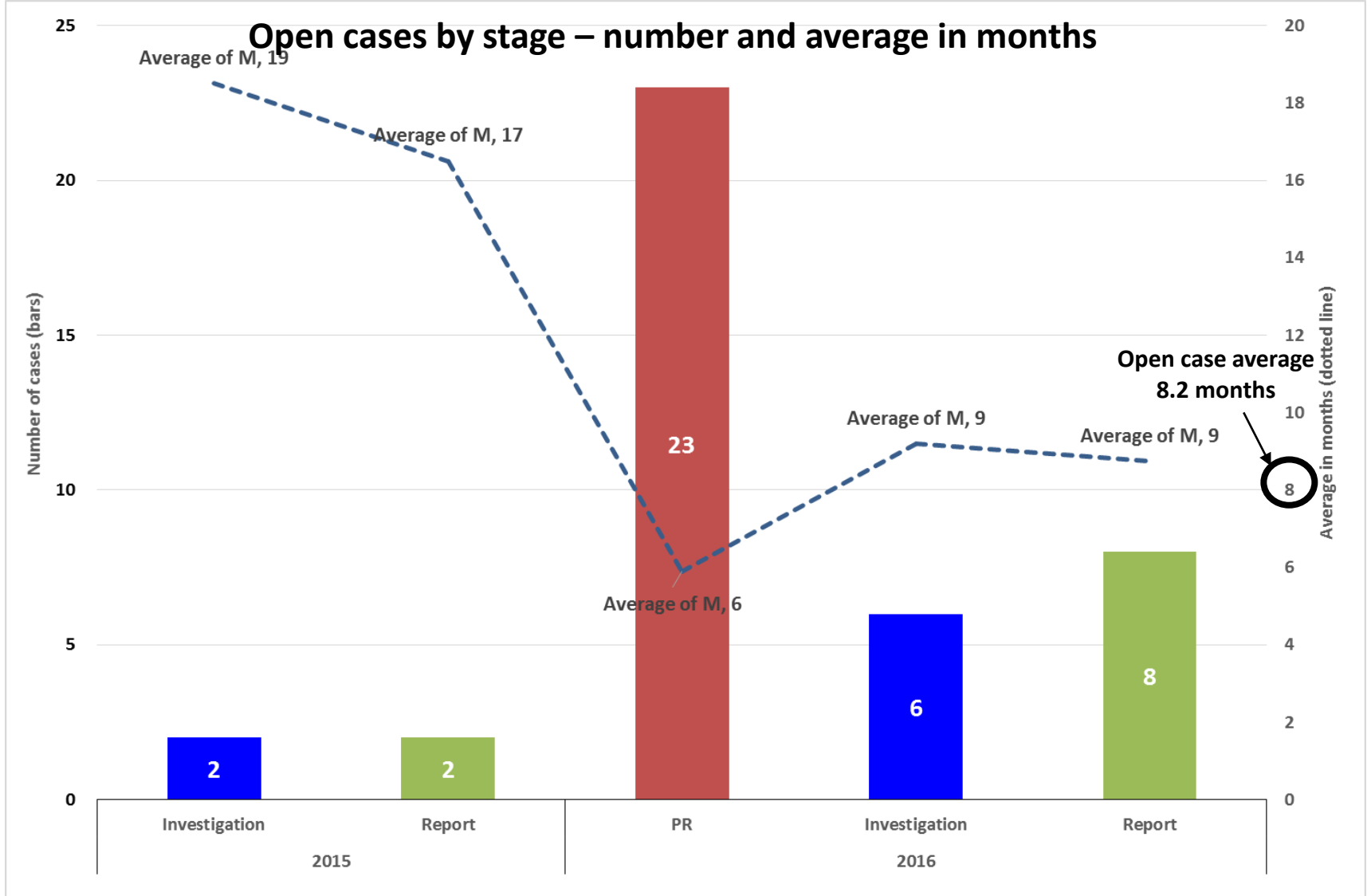
YE 2015



YE 2016



At YE 2016, the average age of open cases is 8.2 months – 24 (58%) being over the six-month target



FINDINGS FROM INTERNAL AUDIT AND INVESTIGATION

AUDIT RISK ASSESSMENT

The 2016 audit risk assessment revealed a similar picture as the one conducted in 2014 – it is used for the 2017 workplan



Entities assessed	High Risk		Medium risk		Low risk		Total	
	2014	2016	2014	2016	2014	2016	2014	2016
Country offices	12 (10%)	12 (10%)	50 (41%)	50 (41%)	59 (49%)	59 (49%)	121 (100%)	121 (100%)
Regional offices	1 (17%)	1 (17%)	5 (83%)	4 (66%)	-	1 (17%)	6 (100%)	6 (100%)
Liaison offices	-	-	-	-	6 (100%)	6 (100%)	6 (100%)	6 (100%)
Headquarters units involved in programme delivery	1 (17%)	1 (20%)	4 (67%)	2 (40%)	1 (17%)	2 (40%)	6 (100%)	5 (100%)
Total business units	14 (10%)	14 (10%)	59 (42%)	56 (40%)	66 (48%)	68 (50%)	139 (100%)	138 (100%)
Corporate processes (2014)	17 (49%)		16 (46%)		2 (6%)		35 (100%)	
Core components of processes/ ICT (2016)		33 (28%)		87 (72%)				120 (100%)

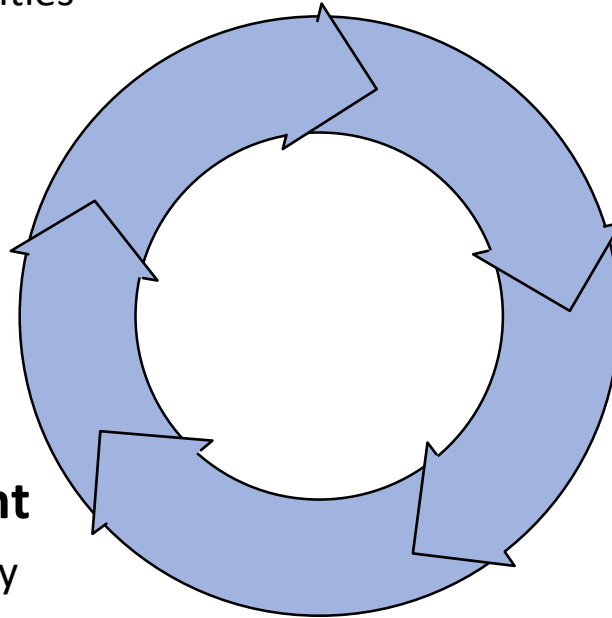
33 core process or ICT components were considered high(er) audit risk

- **Governance**

- ICF/ERM; corporate priorities
- Structure and personnel alignment
- Resource mobilization

- **Operations management**

- Human resources strategy (staff) ; service contractors
- Field office procurement
- Humanitarian procurement
- Commitment controls
- Cash advances
- VAT management



- **Programme management**

- Programme design, governance and oversight
- Workplan and financial management
- Humanitarian response
- Implementing partner mgmt
- Supply-chain mgmt
- Costing of proposals
- Trust fund management

- **ICT**

- Governance
- Business applications

Overall, the audit risk factors are consistent with those identified through the ERM process



- Complex and atomized programme
 - Implemented by a large number of Business Units (some operating in fragile settings)
 - Many implementing partners with varying capacity levels
- Significant growth in humanitarian response activities
- Large reproductive health commodity security programme
 - With multiple supply-chain management challenges
- Continued dependency on key donors
 - With exposure to currency fluctuations
- Increasing proportion of other resources
 - Less programmatic flexibility
 - High(er) management costs : negotiations; reporting

FINDINGS FROM INTERNAL AUDIT AND INVESTIGATION

MANAGEMENT ACTION – INTERNAL AUDIT RECOMMENDATIONS

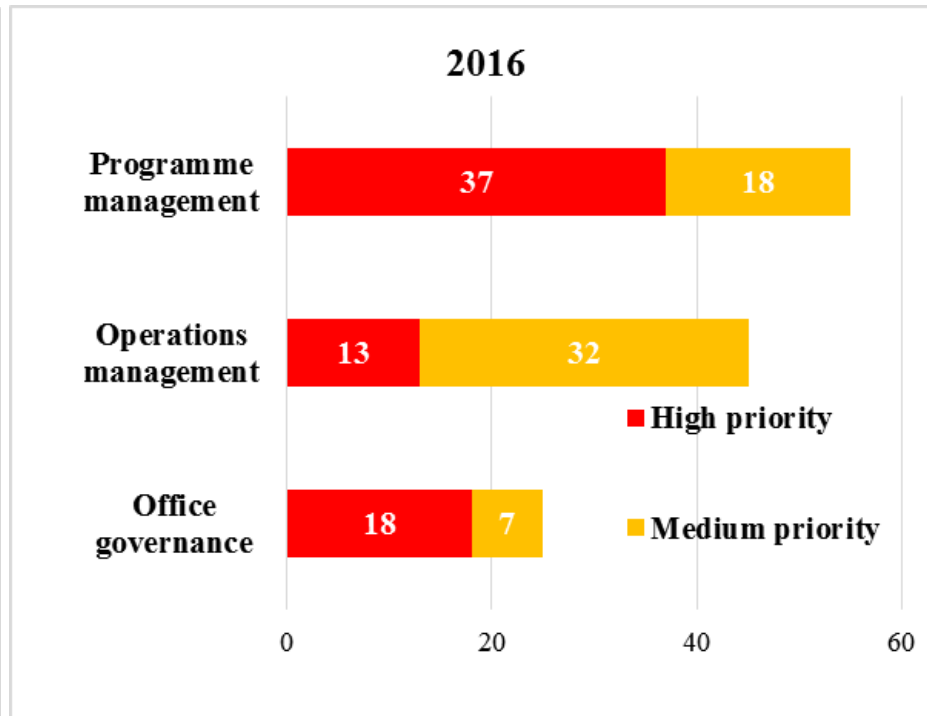
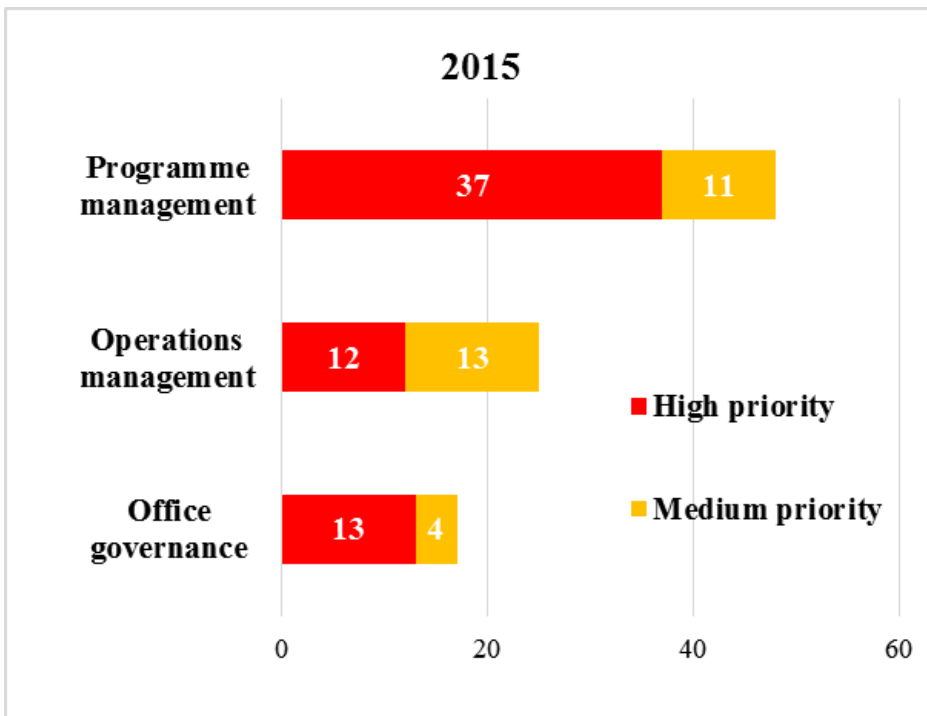
'Programme management' and 'Operations Management' continue to dominate Country Office audit recommendations



ONLY COUNTRY OFFICE AUDITS

7 Reports - 90 Recommendations

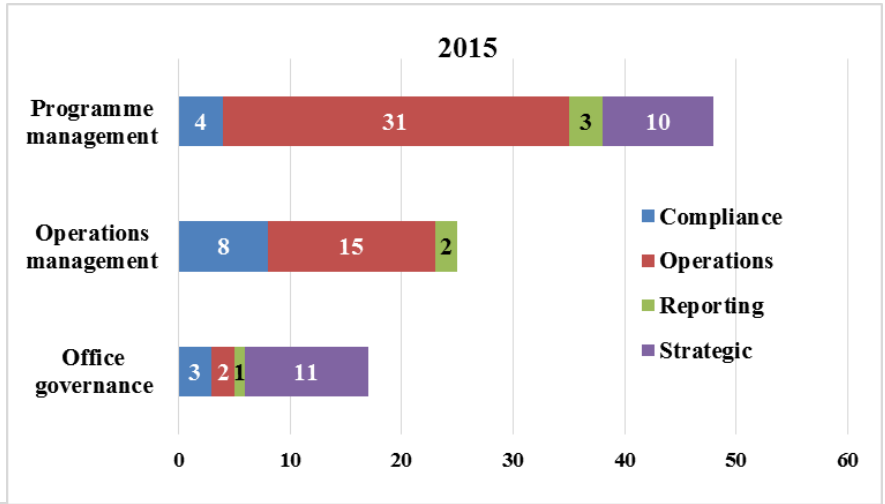
7 Reports - 125 Recommendations



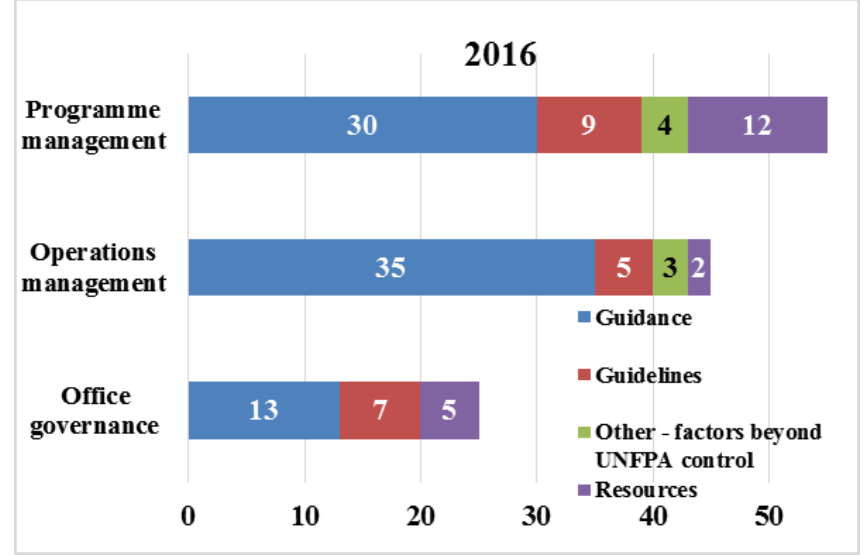
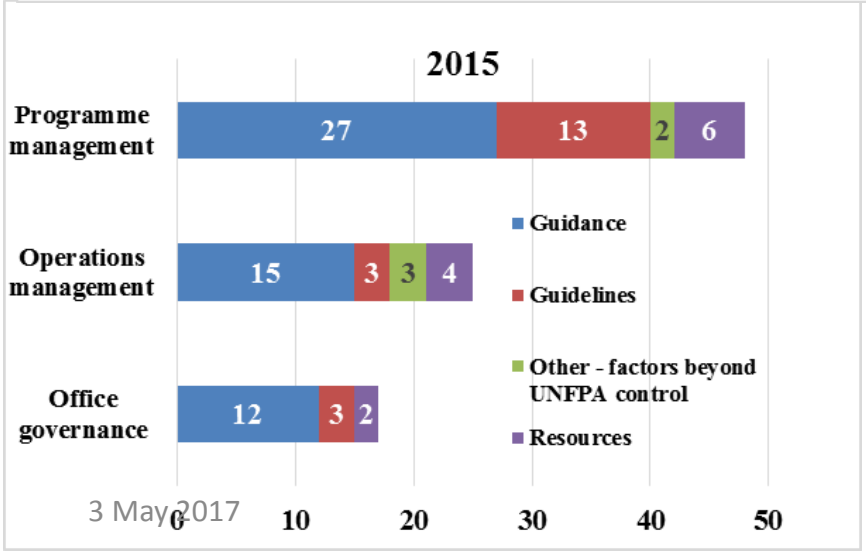
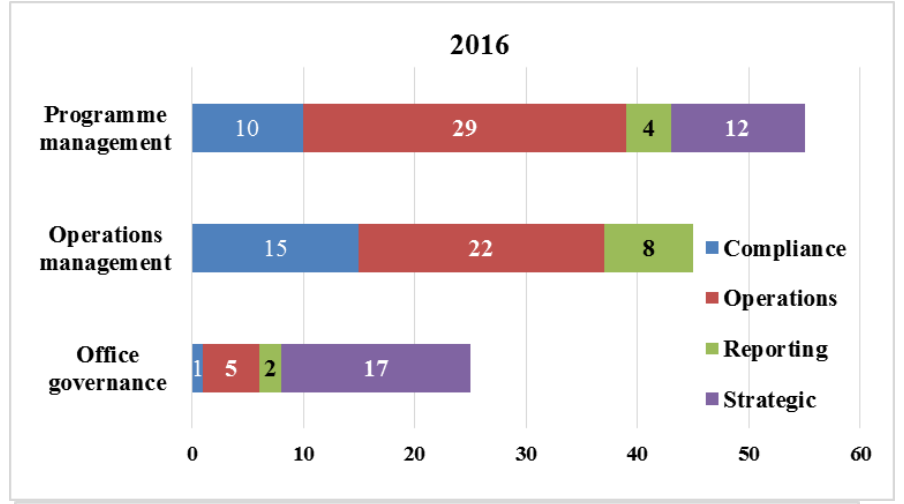
All categories of objectives have increased; the main root cause of CO audit recommendations remains, by far, 'guidance and supervision'

ONLY COUNTRY OFFICE AUDITS

7 Reports - 90 Recommendations



7 Reports - 125 Recommendations



3 May 2017

The level of open recommendations (239) at YE 2016 increased – with 44% due after 2016



OPEN RECOMMENDATIONS – ALL REPORTS (except joint audits)

Year	Number of reports issued(*)	Recommendations issued	Open recommendations			
			2016		2015	
2010(*)-2014	36	565	12	2%	36	6%
2015	11	171	69	40%	148	87%
Subtotal	47	736	81	11%	184	25%
2016(**)	12	183	158	85%	-	-
Grand Total	59	919	239	26%	-	-
Of which	Overdue for implementation by YE		134	56%	118	64%
	Due for implementation in the following year		105	44%	66	36%

(*) including only the number of reports with outstanding recommendations

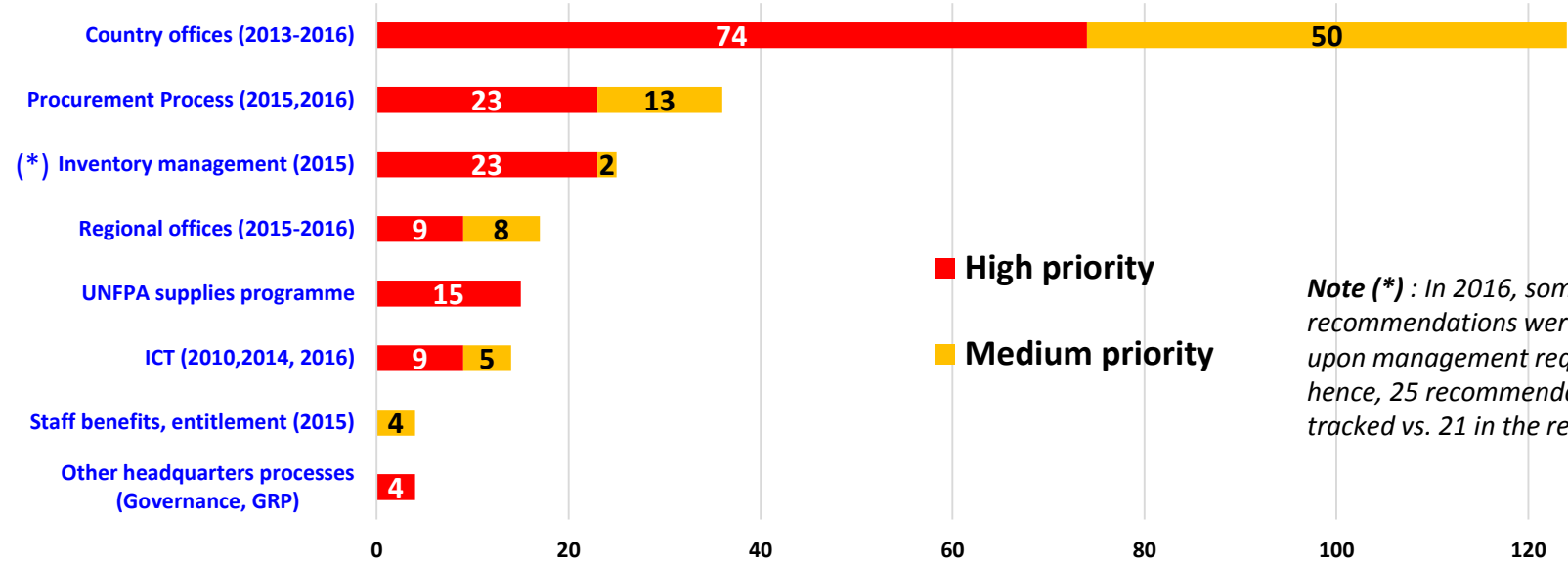
(**) joint audit reports are followed up by the lead organization

High priority recommendations, from Country Offices, continue to dominate in 2016



OPEN RECOMMENDATIONS – ALL REPORTS (except joint audits)

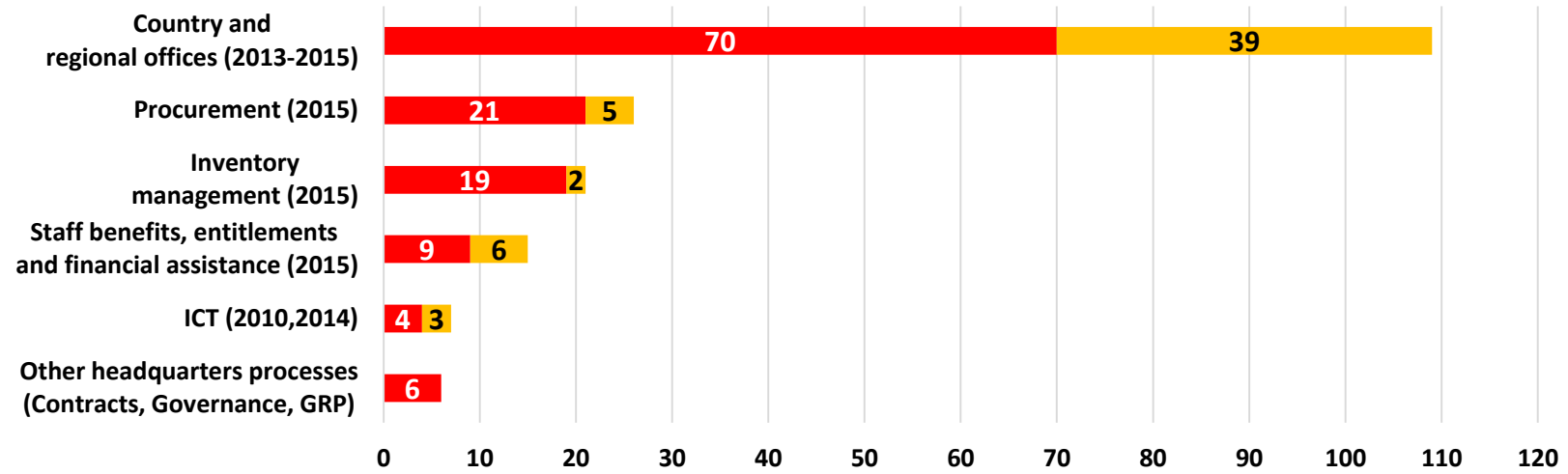
2016



■ High priority
■ Medium priority

Note () : In 2016, some recommendations were split upon management request; hence, 25 recommendations tracked vs. 21 in the report*

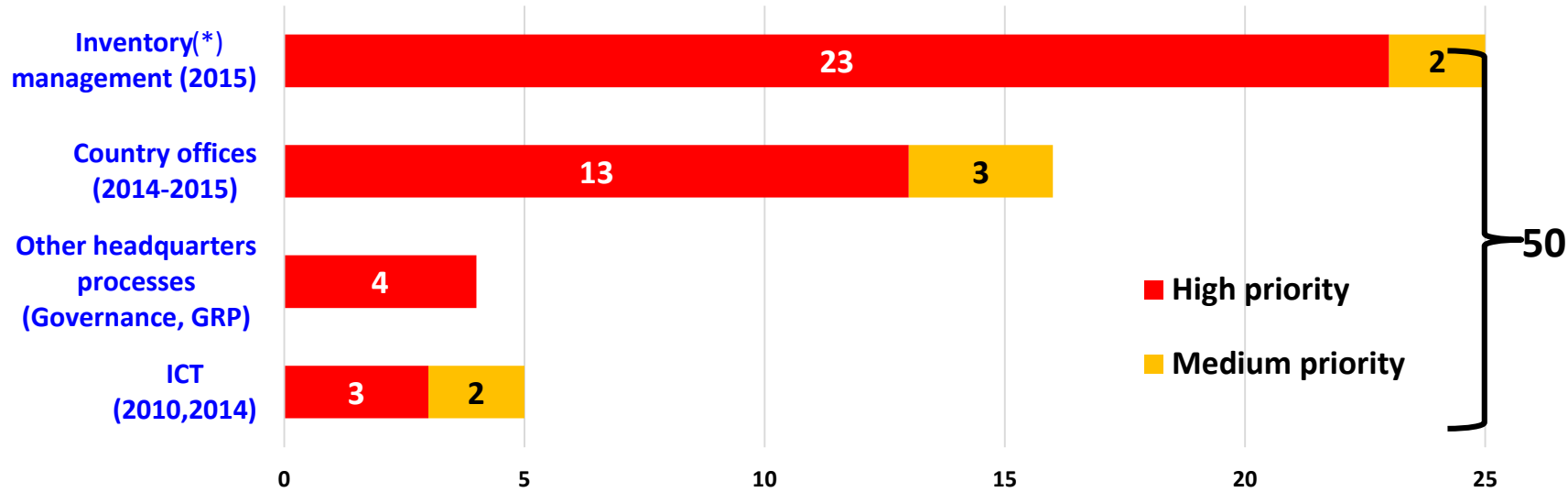
2015



50 of the 239 open recommendations at YE 2016 are over 18 months old ; 50% of them from the inventory audit

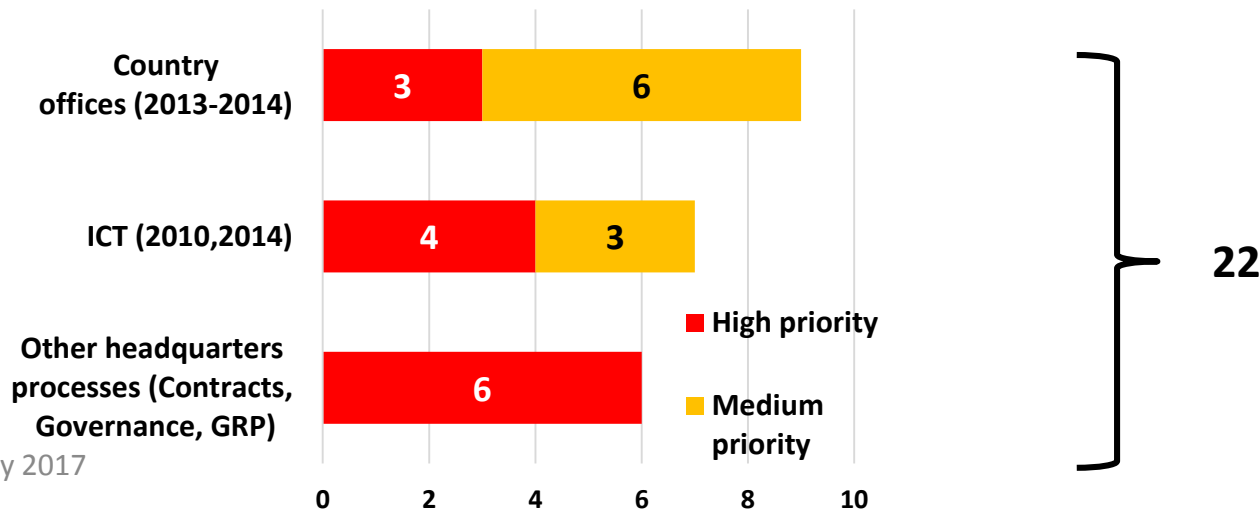
OPEN RECOMMENDATIONS OLDER THAN 18 MONTHS AT YEAR-END – ALL REPORTS

2016



Note (*): In 2016, some recommendations were split upon management request; hence, 25 recommendations tracked vs. 21 in the report

2015



FINDINGS FROM INTERNAL AUDIT AND INVESTIGATION

MANAGEMENT ACTION – INVESTIGATION

Management is taking action on substantiated investigation cases

OVERVIEW OF DISPOSITION OF SUBSTANTIATED CASES AND ACTION TAKEN – as at 13 APRIL 2017

Status of action taken	2014	2015	2016
Substantiated reports	14	13	19
Under Management review	-	-	1
Under Vendor review committee (VRC)	1	-	8
Action initiated - Management	-	2	6
Action initiated - VRC	-	2	-
Personnel (incl. Staff member) resigned / end of contract before sanction	2	1	2
Disciplinary or administrative action taken - Management	9	10	2
Closed without action - Management	-	-	-
Closed without action - VRC	2	-	-
Reports with financial implications	1	4	3
Recovery of funds ongoing/ completed or fines	1	3	2
Under consideration for referral to national authorities	1	2	4

Note: a case may be included in several categories; hence, the total may be more than 100%

Note for 2014: one substantiated case undertaken as assistance to another organization - not included here

Subject of investigation	2014 (*)	2015	2016
Substantiated reports	14	13	19
Vendor (supplier)	2	2	7
Implementing partner - Government (incl. staff or subcontractor)	-	2	5
Staff member	-	7	4
Implementing partner - NGO	-	-	2
Consultant/ Personnel	-	2	1
Donor	1	-	-

OPINION ON THE GOVERNANCE, RISK MANAGEMENT AND CONTROL FRAMEWORK

The adequacy and effectiveness of the UNFPA GRC was assessed as *“Partially Satisfactory”*

*Based on the scope of work undertaken, the adequacy and effectiveness of the UNFPA governance, risk management and internal control processes was **‘partially satisfactory’** – which means they were generally established and functioning, but one or more issues were identified that, if not addressed by management, could negatively affect the achievement of objectives:*

- a) **Strategy** - fulfillment of UNFPA’s mandate and achievement of SP goals
- b) **Operations** - effectiveness and efficiency of UNFPA’s operations: (i) operational and financial performance goals; [ii] conformity of expenses with purpose for which funds were allocated; and [iii] safeguarding of assets against loss
- c) **Reporting** - reliability of UNFPA’s internal and external (i) financial reporting, and (ii) non-financial reporting
- d) **Compliance** - adherence to regulatory framework (legislative mandate, rules, regulations, policies and procedures)

Criteria used as a basis for the opinion:

- 2013 COSO internal control integrated framework;
- 2014 COSO enterprise risk management integrated framework

The opinion is based on multiple sources of evidence; it excludes outsourced functions to other UN organizations



Sources of evidence - Internal

- OAIS audit work for 2016
- Additional sources of evidence
 - a) Cumulative knowledge from audit risk assessment and previous years' OAIS work
 - b) Status of implementation of internal audit recommendations as at 31 Dec 2016
 - c) Audit findings reported by the UN Board of Auditors (management letter dated 30 Jan 2017)
 - d) Results of NEX audits conducted in 2016
 - e) Systemic GRC issues noted by investigations completed in 2016
 - f) Results of control self-assessments completed in January 2017
 - g) Results of risk (self) assessments completed as part of the ERM process

Source of evidence - External

- Third party assurance reports obtained by Management regarding
 - a) Outsourced vendor management
 - b) Messaging and collaboration systems hosting and management services
- **EXCLUDED FROM THE OPINION:** Outsourced functions to UN system organizations or third-party suppliers:
 - a) Selected HR management activities
 - b) Staff and service contract holder payroll preparation and payment
 - c) Payment processing
 - d) Treasury management
 - e) ERP hosting and management (Atlas)
 - f) firewall and vulnerability management, infrastructure maintenance and website hosting

Basis for the opinion & Areas for improvement

Governance & risk management



Internal Control Framework

- Finalize development of more comprehensive and integrated ICF, covering all relevant processes, including ICT, clearly outlining key controls required to minimize risks
- Implement effective second line of defense controls at HQ and RO

Enterprise Risk Management

- Need significant improvement – *acknowledged*: enhanced tool (“myRisks”) functionality
- Improve implementation of activities planned for the risk response phase
- Introduce a differentiated approach for countries operating in humanitarian and fragile contexts and/or facing large increases in programme size

Organizational structure and personnel

- Timely(ier) approve and implement BU organizational structure and personnel alignment reviews
- Address instances of prolonged vacancies in key management positions in Offices delivering large and/or complex programmes or operating in fragile contexts
- Increase HQ and regional office support to, and managerial oversight over units affected by extended vacancies in key management positions

Basis for the opinion & Areas for improvement

Internal controls – Programme design and implementation

Programme planning and implementation

Results-based management

- Design more comprehensive programme results frameworks, better outlining and linking programme outputs, indicators and the related baselines, targets and resource estimates – particularly relevant for offices operating in DaO environments
- Implement a strengthened Quality Assessment process at regional level
- *Acknowledged:* Management considering mandating the use of new instruments for more effective planning, implementation and tracking of results

Workplan (WP) management

- *Acknowledged:* Improvement following GPS implementation
- Improve further on: e.g. timeliness of finalization, WP update; evidence of approval; better supported budgets; remedying gaps in GPS application controls

Programme financial management controls

- Enhance procedures and controls, including detailed workplan budgets, review of expenses incurred and budget-to-actual reconciliations

Programme planning and implementation

Humanitarian response

- *Acknowledged*: Improvement noted
- Implement funding mechanism mandated by the EB; improve surge capability; align human resources capacity

National Execution

caveat: HACT roll-out in 2016 not yet fully reflected in audits concluded in 2016

- More thoroughly /better document Implementing partner capacity assessment; incl. fraud prevention controls in fragile contexts
- Improve financial monitoring, ensuring alignment of funds with approved WP and budgets

Supply chain management

- Increase support to programme countries to address gaps that may reduce availability of commodities and originate stock-outs; perform and document receiving and inspection controls; enhance monitoring of inventories held by IPs
- Integrate better supply-chain arrangements necessary to support programme goal achievement, foster cost-effectiveness and better discharge contractual obligations

Basis for the opinion & Areas for improvement

Internal controls – Operations



Human resources

- *Acknowledged*: Improvement in managing personnel engaged under Service Contracts
- Re consultant: integrate tool with ERP and consultant roster; incorporate (currently) manual functions (fee calculation; payment) into tool

Procurement

- *Acknowledged*: Procedures adequately designed and operating at PSB (Copenhagen)
- Strengthen of 2nd Line of Defense required – given many local procurement issues

Financial management


- Improve on data miscoding at country level, impacting the reliability of financial and programmatic information, although compensated by risk mitigation measures at HQ
- Strengthen timely recording of transactions to ensure sufficiency of funds



Information Communication and Technology

- Enhance business governance of IT and IT project management
- Ensure that new systems incorporate adequately designed access and application controls and enforce segregation of duties requirements

ADVISORY & COOPERATION WITH THE UNITED NATION SYSTEM

In view of its management staffing situation, OAIS limited its 2016 advisory support to pressing matters – yet these increased



	Internal audit	Investigation
General / Specific Advice	<ul style="list-style-type: none"> • Limited, and only ad-hoc 	
Internal Policy / PPM	<ul style="list-style-type: none"> • Fraud / presumptive fraud def. 	<ul style="list-style-type: none"> • Fraud policy
	 Around 18 policies/topics (10 in 2015; 22 in 2014)	
Working Groups / Steering Committees	<ul style="list-style-type: none"> • Regular attendance in 9 Committees • Ad-hoc working groups 	
Donor Agreements (audit and investigation clauses)	23 different agreements (16 in 2015; 34 in 2014) with multiple versions <ul style="list-style-type: none"> • Negotiations with donors 	
Donor assessments, reviews etc.	 Many, at global and local levels	

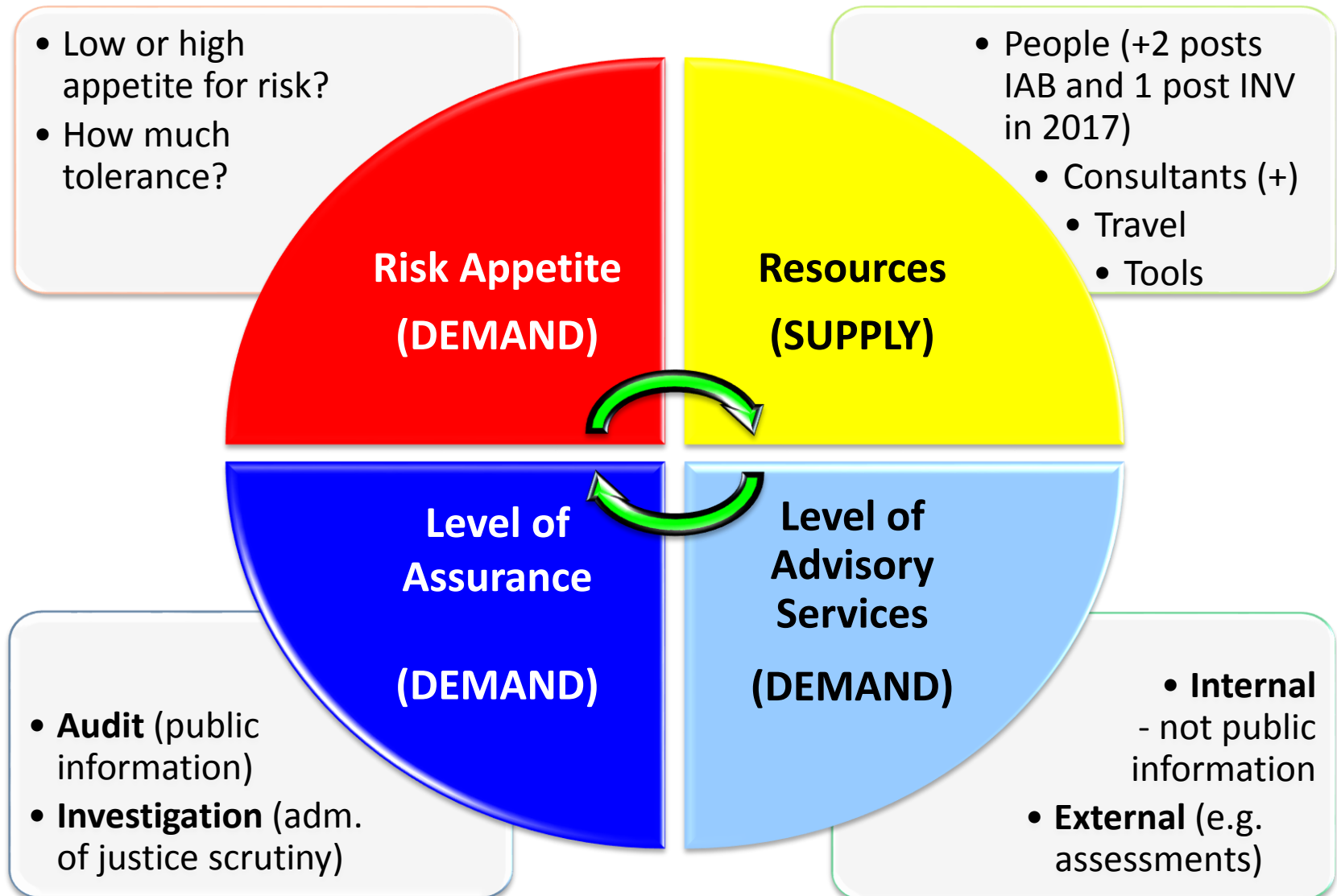
Inter-agency cooperation and exchange remained high; with JIU-related involvement higher than ever



- **Board of Auditors** – regular exchange (risk assessment, annual workplan, findings)
- **Internal audit – UN-RIAS & RIAS**
 - Joint audits – active participation in two audits in 2016
 - Participation in UN-RIAS meetings, and in the RIAS yearly meeting
 - Working closely with UNDG
- **Investigation – UN-RIS and CII**
 - Participation in UN-RIS meetings and the yearly Conference of International Investigators (CII)
 - Inter-agency investigation activities and support
 - Working closely with UN-RIS “G7” on SEA
- **JIU Focal Point for UNFPA**
 - Around 12 topics concurrently under way; 20 throughout the year (at various stages of development), with significant substantive involvement, and some areas of convergence with OAIS work; Working with the JIU and the CEB Secretariat
 - Participated in the 4th Focal Point Meeting and the 50th Anniversary Panel
 - Yet concerns over the increasing workload to maintain quality of interactions

NEXT STEPS

The challenge remains to align expectations ('demand') with reality ('supply')



Thank you for your attention

Questions?

SUPPLEMENTAL INFORMATION MANAGEMENT ACTIONS TAKEN AFTER INVESTIGATIONS

STATUS 13 APRIL 2017 –

**BY: STAFF MEMBER, SERVICE CONTRACTOR, SUPPLIER AND
IMPLEMENTING PARTNER**

By mid-April 2016, only one report issued in 2014 remains under review of the Vendor Review Committee



Outcome of reports issued in 2014 with action outstanding at YE 2015 - **as at 13 April 2017**

Allegation	USD loss ^(*)	Status
SM and vendor in collusive practices	n/a	Pending with Vendor Review Committee
Private sector donor and vendor involved in collusive practices; private sector donor sold goods for profit in breach of agreement with UNFPA; misused UNFPA name and emblem; violated national laws	n/a	Closed by Vendor Review Committee
Vendor and private sector donor in collusion; collusion among vendors; contravention of national law	n/a	Closed by Vendor Review Committee

Management took or is taking action on all reports issued in 2015 – Staff Members



Outcome of cases concluded and reports issued in 2015 - as at 13 April 2017

Allegation	USD loss ^(*)	Recovered ^(*)	Status
SM mismanaged a private sector partnership	-	-	Written censure and loss of one step in grade
SM made death threats against another SM	-	-	SM separated
SM shared confidential information with prospective vendor- which won award	-	-	Loss of step in grade
SM engaged in harassment towards UNFPA personnel; approved undue travel; repeatedly requested driver to drive under hazardous conditions	To be determined by Mgmt	-	Action ongoing. SM provided with report
UNFPA personnel assaulted employee of UNFPA vendor	-	-	Deferment for two years of eligibility for salary increments
SM engaged in harassment towards UNFPA personnel; authorized undue travel allowances	To be determined by Mgmt	-	Fine in the amount of one month (net base salary)
SM retaliated against subordinate	-	-	Management action initiated
SM misused UNFPA vehicle and telephone for personal purposes	-	-	Written censure and fine equivalent to three days of net base salary – recovery ongoing

Management took or is taking action on all reports issued in 2015 – Government Officials and Consultants



Outcome of cases concluded and reports issued in 2015 - as at 13 April 2017

Allegation	USD loss ^(*)	Recovered ^(*)	Status
Government official claiming & receiving undue DSA payment	600		Management action taken – recovery ongoing
Government official wrongfully retained UNFPA funds; and mismanaged funds by failing to maintain accurate financial records	2,400		Management action taken – recovery ongoing
Consultant colluded with vendors; steered contract to another consultant; failed to disclose concurrent employment with Government; issued official UNFPA documents without authority; produced false documents	-	-	Consultant no longer in employment; note in file
Vendor colluded with consultant to award service contract; vendor falsified UNFPA official documents to conceal conflict of interest with consultant	-	-	Pending with Vendor review committee
Vendor colluded with consultant in awarding services for UNFPA	-	-	Pending with Vendor review committee

Management took or is taking action on all reports issued in 2015 – Government Implementing Partners



Outcome of cases concluded and reports issued in 2015 - as at 13 April 2017

Allegation	USD loss ^(*)	Recovered ^(*)	Status
IP released payment to subcontractor without verifying completion of work; misrepresented status of project completion to receive payment	22,600	-	Management action initiated
IP failed to maintain accurate financial records for renovation of health care facilities	91,400	-	Management action initiated
IP failed to maintain accurate financial records for renovation of youth centres	unknown	-	Management action initiated
IP failed to cooperate with investigation	-	-	Management action initiated
IP contracted individual related to IP staff to perform renovation work	-	-	Management action initiated
TOTAL	117,000	-	

Management took or is taking action on all reports issued in 2016 – Staff Members



Outcome of cases concluded and reports issued in 2016 - as at 13 April 2017

Allegation	USD loss ^(*)	Recovered ^(*)	Status
SM steered UNFPA contracts for rental facilities to relatives	-	-	<i>Management action initiated</i>
SM requested and received USD 1,200 from vendor (corrupt practice)	-	-	<i>Management action initiated</i>
SM failed to report wrongdoing by SM and UNFPA vendor, and exceeded authority in procurement with said vendor	-	-	<i>Management action initiated</i>
SM engaged in various acts of misconduct, including fraudulent requests for travel entitlements; manipulation of recruitment records to favor candidates; failure to declare financial assets and breaches of procurement procedures	Unknown	-	SM resigned after receiving charges of misconduct. Investigation report and charges placed on file. Recoveries ongoing

Management took or is taking action on all reports issued in 2016 – Staff Members (con't) – Service Contractor



Outcome of cases concluded and reports issued in 2016 - as at 13 April 2017

Allegation	USD loss(*)	Recovered(*)	Status
SM engaged in various acts of misconduct, including corrupt practices with four vendors; favoritism of three vendors; collusive practices with colleague SM; approval of overpayment to a vendor; and failure to disclose familial association to two vendors	5,500	-	SM resigned during investigation. Investigation report placed on file. Recoveries ongoing.
SM engaged in multiple acts of retaliation towards SM under supervision	-	-	<i>Management action initiated</i>
SM retaliated against another SM	-	-	<i>Management action initiated</i>
SM retaliated against another SM	-	-	<i>Management action initiated</i>
Service contractor engaged in personal activities that compromised the reputation of the Organization	-	-	Subject cautioned, matter closed

Management took or is taking action on all reports issued in 2016 – Vendors (Suppliers)



Outcome of cases concluded and reports issued in 2016 - as at 13 April 2017

Allegation	USD loss ^(*)	Recovered ^(*)	Status
Vendor colluded with SM in order to secure UNFPA contracts for rental facilities	-	-	<i>Referred to Vendor review committee</i>
Vendor colluded with SM in order to secure UNFPA contracts for rental facilities	-	-	<i>Referred to Vendor review committee</i>
Vendor paid SM USD 1,200 in order to facilitate business with the Organization	-	-	<i>Referred to Vendor review committee</i>
Vendor engaged in corrupt practices with SM	(included under SM)	-	<i>Referred to VRC and OLA for consideration of referral to national authorities</i>
Vendor engaged in corrupt practices with SM	(included under SM)	-	<i>Referred to VRC and OLA for consideration of referral to national authorities</i>
Vendor engaged in corrupt practices with SM	(included under SM)	-	<i>Referred to VRC and OLA for consideration of referral to national authorities</i>
Vendor engaged in corrupt practices with SM	(included under SM)	-	<i>Referred to VRC and OLA for consideration of referral to national authorities</i>

3 May 2017

(*) Rounded to nearest hundred

Management took or is taking action on all reports issued in 2016 – Implementing Partners



Outcome of cases concluded and reports issued in 2016 - as at 13 April 2017

Allegation	USD loss ^(*)	Recovered ^(*)	Status
Non-Government IP defrauded the Organization by charging expenses it had not incurred	5,400	-	<i>Referred to VRC</i>
Non-Government IP breached contractual obligations by procuring overpriced items and not ensuring best value for money	5,800	-	<i>Referred to VRC</i>
Government IP failed to exercise financial oversight over UNFPA funds entrusted to it; failed to keep accurate financial records and failed to apply proper procurement procedures	-	-	<i>Management action initiated</i>
Subcontractor defrauded Government IP to the ultimate detriment of UNFPA	20,000	-	<i>Under management review</i>
TOTAL	~36,700	-	