Internal Audit of the Rwanda Country Office

July 2017

Office of Internal Audit
and Investigations (OIAI)
Report 2017/08

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Summary

The Office of Internal Audit and Investigations (OIAI) has conducted an audit of the Rwanda Country Office. The audit sought to assess the office's governance, risk management and internal controls. The audit team visited the office from 10 to 28 October 2016, and the audit covered the period from January 2015 to 10 October 2016.

The 2013-2018 country programme has five main components: *Child survival and development (CSD)*, *Education*, *Child protection*, *Social policy and research*, and *Early childhood development (ECD)*. The ECD component had been added during the programme cycle, and the budget revised upwards accordingly. The total revised approved budget for the five-year country programme is US$ 132.3 million, of which US$ 37.8 million is Regular Resources (RR) and US$ 94.5 million is Other Resources (OR). Regular Resources are core resources that are not earmarked for a specific purpose, and can be used by UNICEF wherever they are needed. Other Resources are contributions that may have been made for a specific purpose such as a particular programme, strategic priority or emergency response, and may not always be used for other purposes without the donor's agreement. An office is expected to raise the bulk of the resources it needs for the country programme itself (as OR), up to an approved ceiling.

The country office is located in the capital, Kigali; there are no zone offices. As of October 2016, the country office had a total of 76 approved posts, of which 27 were for international professionals, 24 for national officers and 25 for general service staff. The total budgets for the period under audit were US$ 33.1 million in 2015 and US$ 36.4 million in 2016.

The audit found that procedures and controls functioned well in a number of areas. The office had assessed the key risks to its programme, and had drawn up an action plan to address them; this had been updated in September 2016. The office had also defined its priorities, and devised specific performance indicators and baselines to monitor progress on them. Supervisory structures, including advisory teams and statutory committees, were functioning well, with appropriate membership.

The office had put in place an adequate emergency preparedness and response plan and had made preparations for emergencies across a range of sectors, including pre-positioning supplies, training partners and arranging contingency partnership agreements. This had enabled the office to respond to emergencies that had arisen due to events in neighbouring countries. At the office's request, the United Nations Department of Safety and Security (UNDSS) had done a security assessment of UNICEF premises and staff in 2016, and the resulting recommendations were being implemented in close collaboration with UNDSS.

Action agreed following the audit

The audit made a number of observations on potential to further strengthen governance, risk management and controls. In discussion with the audit team, the country office has agreed measures to address these issues. One of these is rated as high priority (that is, requiring immediate management attention). This is to clarify responsibilities of the new HACT (Harmonized Approach To Cash Transfers) task force; put a process in place to ensure the type of payment has been well-chosen for the specific partner and has been approved prior to transferring funds; ensure the assurance plan is risk-informed and assurance activities are planned and implemented accordingly; and ensure key recommendations resulting from

micro-assessments and spot checks are monitored and followed up promptly.

Conclusion

Based on the audit work performed, OIAI concluded at the end of the audit that, subject to implementation of the agreed actions described, the controls and processes over the country office were generally established and functioning during the period under audit.

The Rwanda Country Office, the Eastern and Southern Africa Regional Office (ESARO) and OIAI will work together to monitor implementation of the measures that have been agreed.

Office of Internal Audit and Investigations (OIAI) July 2017

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Objectives

The objective of the country-office audit is to provide assurance as to whether there are adequate and effective controls, risk-management and governance processes over a number of key areas in the office. In addition to this assurance service, the audit report identifies, as appropriate, noteworthy practices that merit sharing with other UNICEF offices.

Audit observations

Assurance on the use of direct cash transfers

During the period under review, total cash transferred to implementing partners amounted to US$ 28 million (US$ 9 million for Government partners and US$ 19 million for NGOs). This represented about 51 percent of the total fund utilization for the period January 2015 to October 2016. The audit reviewed a sample of 23 direct cash transfers (to 12 NGOs and 11 Government partners), and found that they were properly justified, with sufficient supporting documentation.

UNICEF offices are required to implement the Harmonized Approach to Cash Transfers (HACT). With HACT, the office relies on implementing partners to manage and report on use of funds provided for agreed activities. This reduces the amount of supporting documentation UNICEF demands from the partner, thus cutting bureaucracy and transaction costs.

HACT makes this possible by requiring offices to systematically assess the level of risk before making cash transfers to a given partner, and to adjust their method of funding and their assurance practices accordingly. HACT therefore includes micro-assessments of implementing partners expected to receive US$ 100,000 or more per year from UNICEF. For those partners receiving less than this figure, offices should consider whether a micro-assessment is necessary; if they think it is not, they can apply a simplified financial management checklist set out in the HACT procedure.

At the country level, HACT involves a macro-assessment of the country’s financial management system. In Rwanda, this was completed in June 2014. Its overall risk rating was moderate and it concluded that the Office of the Auditor General (OAG) could be relied upon to conduct audits under HACT.

As a further safeguard, the HACT framework requires offices to carry out assurance activities to ensure the proper use of cash transfers. Assurance activities should include, as appropriate, spot checks, programme monitoring, scheduled audits and special audits. There should also be audits of implementing partners expected to receive more than US$ 500,000 during the programme cycle. HACT is also required for UNDP and UNFPA, and the agencies are meant to work together to implement it.

The audit noted the following.

Governance: The office had once had a small HACT working group, but this had not proved very effective. The office had therefore shifted emphasis to working more with a combined UN working group on HACT, but this too had not met all UNICEF’s specific needs. As of the time of the internal audit visit, the office had established a new HACT task force. In May 2016, the office had also started to actively monitor key HACT-related indicators.

Micro-assessment: Micro-assessments should be undertaken at least once per programme cycle for implementing partners expected to receive US$ 100,000 or more per year from UNICEF. During the 2015-2016 Rwanda fiscal year, 23 partners received more than US$ 100,000. These partners had all been micro-assessed.

The audit reviewed a sample of five micro-assessment reports and noted that one stated that the partner had several significant shortcomings, including but not limited to: lack of independence between the management and the board of directors; weak internal controls; a sole bank signatory; and absence of bank reconciliations. Despite these shortcomings, the assessors had rated the partner as moderate risk – but they did recommend that UNICEF should reimburse it for programme activities, rather than making direct cash transfers (DCTs) up front. However, the office had continued to use DCTs for that partner, and there was no evidence that UNICEF had done an additional risk assessment as a result of the micro-assessment's conclusions. The partner subsequently failed to carry out activities for which UNICEF had transferred US$ 147,000. (This matter was being followed up at the time of the audit).

Assurance plan: Spot checks and programmatic visits carried out during the period were not sufficiently risk-informed. For instance, no spot check was carried out on 10 of the 32 partners that received more than US$ 50,000 during a year. (The HACT guideline requires at least one spot check on each partner.) Two of these partners were rated as significant or high risk and had received more than US$ 350,000, and as a result qualified for three or more spot-checks. On the other hand, spot checks had been undertaken for five other partners that received less than US$ 50,000, for which no spot check was required (and in fact one had not received any cash transfers during the period). This was because the office had done the spot checks on the basis of an initial plan that did not accord with the actual disbursements, which were modified over the course of the country programme.

One partner that received about US$ 900,000 but was rated low risk received nine programmatic visits,[1] although the guidelines required only two in this case. On the other hand, another partner that had a risk rating of significant, and had received the same amount of funding, had only one programmatic visit instead of four, which was the minimum required given the level of cash transfer and the risk rating. Finally, a third partner rated moderate risk had 19 programmatic visits although only two were required. The office could not adequately justify the high volume of programmatic visits to this partner.

Insufficient assurance activities, particularly for high and significant risk partners, mean that the country office obtains inadequate evidence on the use of funds and achievement of results. On the other hand, an excessive number of assurance activities, particularly for low-risk partners, wastes UNICEF's time and the partner's, distracting both from more value-adding activities.

Follow-up: The office had engaged third-party firms to conduct micro-assessments and spot

[1] According to the latest UNICEF-specific HACT procedure issued in 2014 (page 2), programmatic visits are defined as "a review of progress towards achievement of planned results, challenges and constraints in implementation and ways to address them performed with the partner at the programme site. Depending on the nature of the partnership, programmatic visits may be undertaken at a field location (field monitoring), the partner's office and/or in the form of a meeting involving key stakeholders. Programmatic visits focus on programmatic issues, including attention to matters of financial management."

checks. They completed 32 micro-assessments and 23 spot checks during the period under review. The office quality-reviewed the reports from these activities, but did not systematically monitor implementation of their key recommendations. Three spot checks sampled by the audit had found that key recommendations from previous assessments more than a year earlier had yet to be implemented.

Agreed action 1 (high priority): The office agrees to:

i. Clarify the roles and responsibilities of the new HACT Task Force.
ii. Put a process in place to ensure the choice of payment type is based on the risks associated with the specific partner.
iii. Ensure the assurance plan is risk-informed and that assurance activities are implemented accordingly.
iv. Ensure key recommendations resulting from micro-assessments and spot checks are monitored and followed up promptly.

Responsible staff members: Deputy Representative, Country Management Team and HACT task force members
Date by which action will be taken: The office reports the actions as having been implemented

Procurement of programme supplies and services

The total values of programme supplies procured in 2015 and so far in 2016 (as of 10 October) were US$ 2.5 million and US$ 3.8 million, out of which local procurements were US$ 837,000 and US$ 227,000 respectively. Overall, programme supplies represented 9 percent and 14 percent of the office's expenditures in 2015 and 2016 (as of October) respectively. During the same period, the office had issued 171 contracts for services (68 to consultants and 103 to institutional contractors) for a total cost of US$ 6 million. The office prepared programme supply plans for 2015 and 2016, and updated these periodically. The audit noted the following.

Delivery of programme supplies: The audit found delays in delivery in 15 of 40 sampled programme supplies procured between 2015 and 2016. The delays ranged from 14 days to 95 days after the agreed delivery dates. This could lead to delays in the implementation of programme activities or to supplies being received that were no longer needed.

Selection of service contracts: The audit reviewed a sample of nine service contracts with a total value of US$ 1.7 million; this sample represented about 29 percent by value of all contracts issued during the period under review. The audit found that two of the sampled contracts were not awarded to the lowest bidders. One was for a study; the other was for capacity-building in social welfare. In these two cases, the evaluation criteria and the weight to be attached to each criterion were insufficient and were not linked to desired programme results. This resulted in situations where the lowest bidders had been rejected on technical grounds, although they did in fact meet the evaluation criteria as set by the office. The financial differences between the selected bidder and the bidder with lowest bid were US$ 257,800 and US$ 270,000. Had the office set the technical criteria more carefully, this situation might not have occurred.

The office did not sufficiently document the justification for awarding the contracts to the higher bidders. The office told the audit team that, due to the programme implementation risks posed by the lower bid offers, and in view of the difference in technical proposals for both cases, it undertook additional steps to explore better value for money. The office further stated that it had compared costs of similar work done elsewhere, and sought advice from the regional office and other country offices which had conducted similar surveys. On this basis, the audit team were informed that a decision was made to award contracts to the higher bidders. However, the office had not maintained a trail of evidence to support these decisions.

Signature of contracts for services: Contracts are only considered valid when signed by both parties (UNICEF and the contractor), and UNICEF's procedures require that their implementation should commence only after signature. However, the audit found that 16 out of 40 sampled contracts had been subject to delay, being signed between 13 and 37 days after the actual start date of contract implementation. UNICEF may not have adequate protection should a problem arise with contract performance during this period, and may in some cases not be discharging its duty of care to a contractor, as without a signed contract the insurance provisions may not take effect.

Agreed action 2 (medium priority): The office agrees to:

i. Monitor deliveries to ensure suppliers deliver programme supplies in accordance with the agreed delivery dates.
ii. Adequately review contract-for-services bids, and ensure that contractor selection decisions are properly documented.
iii. Ensure contracts for services are signed before the start date of contract implementation.

Responsible staff members: Representative, Chief of Operations, Section Chiefs, Contract Review Committee chair and Supply Specialist
Date by which action will be taken: The office reports the actions as having been implemented

Building capacity of implementing partners

Within the framework of partnership for programme implementation, country offices should identify and address risks that may constrain the programmatic and financial management capacity of partners to achieve expected results for children.

Support to partners on HACT: The office had conducted seven HACT training sessions from January 2015 to October 2016, targeting UNICEF staff, other UN staff, NGOs and Government partners, and had scheduled refresher training for approximately 60 partners in November 2016. The audit visited three NGOs and two government partners in three districts. Three of the five partners visited said they had been given general training on HACT; the remaining two noted the training was insufficient.

Personnel support to government partners: The office provided various forms of temporary expert assistance to Government at both national and district levels, to build or strengthen its capacity and to assist implementation of UNICEF programmes. This type of assistance can be costly if maintained on a long-term basis. Based on the documents provided, the office supported the payment of salaries for five temporary appointments with an estimated cost of US$ 160,000 for the period January 2015 to October 2016. The audit team noted that this temporary assistance was provided on *ad hoc* basis, rather than according to a strategic plan (with an exit strategy) which could have enhanced efficiency and ensured long-term sustainability.

The office had identified gaps in the capacity of partners at the decentralized level as one of the risks to achieving its programme objectives. Management said that this issue had been discussed at the 2016 Government of Rwanda retreat with development partners. At the time of the audit, the office was planning to reassess its approach to capacity development.

Agreed action 3 (medium priority): The office agrees to develop and implement:

i. A strategy to address the training needs of implementing partners as part of its capacity-building efforts.
ii. Mitigating actions in the meantime to manage the risks arising from gaps in the capacity of implementing partners.

Responsible staff members: Deputy Representative, Section Chiefs and task force members
Date by which action will be taken: The office reports the actions as having been implemented

Funding

Country offices are responsible for raising funds efficiently and effectively in order to meet the funding needs of the country programme. They should have an adequate resource mobilization[2] strategy and an action plan, and regularly monitor the funding status.

The office had prepared a comprehensive strategy for partnerships, resource mobilization and leveraging for the years 2015 and 2016. It had also produced materials, and tools such as a funding needs assessment template.

The office stated that its fundraising efforts in focused areas like nutrition and early childhood development included other sectors as well, such as water and sanitation, social protection, monitoring, evaluation and research, and partnership. Despite the office's efforts, some programmes showed funding gaps; these totalled US$ 2.1 million as of October 2016. The health programme was under-funded by about US$ 1.9 million, and this accounted for more than 55 percent of the annual workplan activities for 2016-2017. This was caused by a combination of factors, including insufficient tracking and analysis of funding status and of confirmed funds not yet received, plus a limited donor base.

Agreed action 4 (medium priority): The office agrees to:

i. Where relevant, prepare a quarterly analysis of funding status at the output level that takes into account current funding allocations, confirmed funds not yet received and proposals submitted to donors. This can help inform management decisions for proper management of risks related to insufficient funding and gaps in donor proposals.
ii. Review and reinforce its resource mobilization efforts in areas where there are funding gaps, and take steps wherever possible to expand its donor base, including leveraging funds for priority programme components.

Responsible staff members: Representative, Deputy Representative, Section Chiefs, Donor Specialist and Budget Officer

[2] While the terms "resource mobilization" and "fundraising" are often used interchangeably, the former is slightly broader; although fundraising is its largest single component, it also includes mobilizing resources in the form of people (volunteers, consultants and seconded personnel), partnerships, or equipment and other in-kind donations.

Date by which action will be taken: The office reports the actions as having been implemented

Convergence for increased impact

According to the UNICEF Strategic Plan 2014-2017, achieving impact, especially for the most disadvantaged and excluded children, requires integration and synergy across different outcomes. Outcomes in one sector may influence those in another, and certain strategies can achieve results in multiple spheres.

The office's programme structure was anchored on the statement that "you cannot divide a child". This entailed providing support to children and families using a comprehensive rights-based approach. Thus, in the early childhood development and family (ECDF) programme, the office showed how coordinated and integrated service delivery could yield additional results for children under the age of six in 13 targeted districts. It had also demonstrated achievement in other programmes, such as child survival and development (CSD), which brought together nutrition, health, WASH and HIV/AIDS in an integrated way to enhance delivery of results in child mortality and stunting.

However, while some programmes converged at the district level, in other cases the audit team noted a lack of linkages with other interventions at sector and/or community level within the same district. (In Rwanda, the districts are divided into geographical sectors.) Targeted groups differed among the sectors and as a result, district convergence did not tell the whole story. For instance, in the district visited by the audit, while nutrition intervention was in sector A, health efforts focused in sector B and water and sanitation were in a different sector again. Non-integration at sector levels meant that different services were sometimes aimed at the same children without finding ways in which those services could complement each other; for example, there were opportunities to integrate social protection and child protection for monitoring and referral at the community levels.

The office had already seen concrete potential benefits in other areas from improving collaboration and coordination. For example, the child protection role community child and family volunteers known as friends of the family (in the local language, Inshuti z'Umuryango) provided a significant opportunity to collaborate with other programmes, such as education, to bring delivery of services closer to the children and their families.

Based on audit field visits and discussion with implementing partners both at the national and community level, including meetings with programme staff, the audit team noted that there were opportunities to expand collaboration and coordination among partners – for instance, to create a platform to bring together NGO partners operating in different sectors within the same district. The office acknowledged that coordination was a current bottleneck in programme implementation, and said it had started applying different strategies to address the issue.

Agreed action 5 (medium priority): The office agrees to:

i. Design and implement a plan to improve convergence of programmes at the community level to achieve greater results for children.
ii. Review the current training strategy, and consider joint sectoral training activities to assist common understanding between frontline workers.

Responsible staff members: Deputy Representative and Section Chiefs

Date by which action will be taken: The office reports the actions as having been implemented

Programme evaluations

The office had an in-house research committee to provide technical input and oversight for planned evaluations. The office told the auditors that evaluations were also reviewed and validated by the UNICEF-government technical committees, and that recommendations were followed up by both the office and the relevant sectors. The office had also drawn up a five-year integrated monitoring and evaluation plan (IMEP) at the beginning of the current country programme that defined planned evaluations and monitoring activities. Of the 11 evaluations planned to take place since the inception of the country programme in 2013, seven had taken place. The latest five-year IMEP update (revised in May 2016) included six planned evaluations for the remaining period of the programme.

UNICEF's policy on evaluation is that each programme component with expenditures in excess of US$ 10 million during a programme cycle should be evaluated at least once during that cycle; this increases accountability for results, and also helps future programme design. However, with less than two years to go until the end of the current programme, the office was not planning to evaluate all its key components. For instance, the education component was not scheduled to be evaluated despite its significance (expenditures of US$ 6.6 million in 2015; US$4 million up to October 2016; and total budget of US$ 32 million in the 2013-2018 country programme).

Agreed action 6 (medium priority): The office agrees to evaluate all key programme components at least once during each programme cycle, in accordance with UNICEF policy.

Responsible staff members: Section Chiefs and Budget Officer
Date by which action will be taken: The office reports the actions as having been implemented

Staff capacity

In 2013 the office had performed an exercise to identify skill gaps that might affect the results planned for the 2013-2018 current country programme. This entailed a review of the skill requirements of each post. The information was then used to prepare the 2014 training plan.

Following its mid-term review in August 2016, the office concluded that Rwanda had met all of the Millennium Development Goals, and started to shift focus towards Sustainable Developments Goals (SDG).[3] This change meant that UNICEF needed to concentrate more on systems-building and strengthening at both the national and district levels. It also required the office to increasingly engage with the government to leverage public financing for children. Further, the office correctly recognized that, with an evolving donor landscape, it needed to explore new opportunities for partnership and increasingly approach programming and resource mobilization strategies through a middle-income country lens.

To meet these challenges effectively, the office would need to revisit the skills needed. This was particularly relevant given significant staff changes since 2013 (with a turnover of more

[3] The SDGs are a set of 17 goals with 169 targets covering a broad range of sustainable development issues including ending poverty and hunger, improving health and education, making cities more sustainable, combating climate change, and protecting oceans and forests. The timeframe for achieving the SDGs is up to 2030.

than 50 percent of the current staff, including all senior management). Further, most of the section chiefs had assumed duties since 2014, and some of them were new to UNICEF and the UN system.

Agreed action 7 (medium priority): The office agrees to analyze its staff capacity against its needs, in order to inform a capacity-development strategy that will be linked to the training plan and staff performance appraisals.

Responsible staff members: Representative, Deputy Representative, Section Chiefs, Human Resources Specialist and Staff Development Committee
Date by which action will be taken: The office reports the actions as having been implemented

Human resources

Staff-related costs were 18 percent (US$ 10.2 million) of the office's total expenditures for the period under review. As of October 2016, there were 76 established posts: 27 international professional (IPs), 24 national officers (NOs) and 25 general service (GS). Of the 76 posts, seven were vacant (six IPs and one NO). The audit noted the following.

Timeliness: The office had adopted the UNICEF global key performance indicator of 90 days (from advertisement end date to the issue of offer letter) for the recruitment of both national and international posts. However, the audit reviewed a sample of 10 recruitments (six national and four international) and found that none of the cases reviewed had been completed within the 90-day standard. In fact, it took twice as long as this on average, ranging from 103 to 296 days. The delays were mostly between the closing date and completion of shortlisting (average 56 days); between shortlisting and interview (also 56 days); and between interview and offer letter (68 days). The delays were caused by a combination of factors including lack of qualified candidates, non-availability of selection panel and CRB members, and inadequate planning.

Delayed recruitment puts strain on existing staff and constrains programme management, especially where key positions are vacant.

Selection: The selection process should be effective, fair and transparent. Vacancy announcements should include the evaluation criteria that are to be used as a basis for the selection process, including qualifications and skills.

The audit found inconsistencies in the evaluation process in two of the seven cases reviewed (both locally-recruited). In the first case, two candidates had almost the same scores in the written tests and were also rated proficient in all four areas evaluated by the selection panel. However, while one was found suitable by the panel, the other candidate was not, and the panel did not record a detailed justification for not recommending him/her. In the second case, the methodology used for selecting candidates for interview was not clearly defined in advance. Five candidates met the threshold set for passing the written test, yet only three out of the five were invited for interviews.

In three other cases, five candidates were shortlisted who did not meet the minimum requirements contained in the advertisements. In one case, three of the shortlisted candidates possessed neither the required academic qualifications nor the necessary experience. In one recruitment, a candidate who did not have the required academic qualifications was shortlisted and subsequently appointed.

Junior Professional Officers (JPOs): JPOs are sponsored under agreements between UNICEF and participating governments. According to UNICEF Administrative Instruction CF/AI/2009-006, a JPO post will be valid as long as funds are available. When a JPO ceases to be funded by the government, the post will be closed, unless UNICEF enters into a cost-sharing arrangement with the sponsoring government to fund an extension (for a maximum of one year). UNICEF's part of the cost share should not exceed six months of this extension. The audit found that the office had continued funding a JPO post from other resources (OR) since December 2015, contrary to UNICEF policy. This had cost US$ 77,464 as of October 2016.

Agreed action 8 (medium priority): The office agrees to:

i. Take steps to complete recruitments within the established timeline.
ii. Ensure that recruitments comply with the UNICEF selection policy.
iii. Ensure that Junior Professional Officer posts are managed in accordance with UNICEF policy.

Responsible staff members: Representative, Country Management Team and Human Resources Specialist
Date by which action will be taken: The office reports the actions as having been implemented

Annex A: Methodology, and definitions of priorities and conclusions

The audit team used a combination of methods, including interviews, document reviews, testing samples of transactions. It also visited UNICEF locations and supported programme activities. The audit compared actual controls, governance and risk management practices found in the office against UNICEF policies, procedures and contractual arrangements.

OIAI is firmly committed to working with auditees and helping them to strengthen their internal controls, governance and risk management practices in the way that is most practical for them. With support from the relevant regional office, the country office reviews and comments upon a draft report before the departure of the audit team. The Representative and their staff then work with the audit team on agreed action plans to address the observations. These plans are presented in the report together with the observations they address. OIAI follows up on these actions, and reports quarterly to management on the extent to which they have been implemented. When appropriate, OIAI may agree an action with, or address a recommendation to, an office other than the auditee's (for example, a regional office or HQ division).

The audit looks for areas where internal controls can be strengthened to reduce exposure to fraud or irregularities. It is not looking for fraud itself. This is consistent with normal auditing practices. However, UNICEF's auditors will consider any suspected fraud or mismanagement reported before or during an audit, and will ensure that the relevant bodies are informed. This may include asking the Investigations Section to take action if appropriate.

The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors. OIAI also followed the reporting standards of International Organization of Supreme Audit Institutions.

Priorities attached to agreed actions

High: Action is considered imperative to ensure that the audited entity is not exposed to high risks. Failure to take action could result in major consequences and issues.

Medium: Action is considered necessary to avoid exposure to significant risks. Failure to take action could result in significant consequences.

Low: Action is considered desirable and should result in enhanced control or better value for money. Low-priority actions, if any, are agreed with the country-office management but are not included in the final report.

Conclusions

The conclusions presented in the Summary fall into one of four categories:

[Unqualified (satisfactory) conclusion]
Based on the audit work performed, OIAI concluded at the end of the audit that the control processes over the office were generally established and functioning during the period under audit.

[Qualified conclusion, moderate]
Based on the audit work performed, OIAI concluded at the end of the audit that, subject to implementation of the agreed actions described, the controls and processes over the office were generally established and functioning during the period under audit.

[Qualified conclusion, strong]
Based on the audit work performed, OIAI concluded that the controls and processes over the office needed improvement to be adequately established and functioning.

[Adverse conclusion]
Based on the audit work performed, OIAI concluded that the controls and processes over the office needed **significant** improvement to be adequately established and functioning.