Internal Audit of the Burkina Faso Country Office

April 2020

Office of Internal Audit
and Investigations (OIAI)

Report 2020/02

Contents

Summary

The Office of Internal Audit and Investigations has conducted an audit of the Burkina Faso Country Office. The audit team visited the country office between 14 October and 5 November 2019, and the audit covered the period from 1 January 2018 to 30 October 2019.

Burkina Faso is a low-income, landlocked sub-Saharan country with limited natural resources. Its population, which is growing at an average annual rate of 3.1 percent, was estimated at 18.6 million in 2016.[1] The country has experienced major insecurity since 2012, with a further deterioration in 2018 as attacks by armed groups expanded from the Sahel region to other regions such as the East and North. As of 20 December 2018, the UN Office for the Coordination of Humanitarian Affairs (OCHA) reported that there were 47,029 internally displaced persons registered in the Sahel region and that 779 schools had closed, depriving 95,742 children of education.[2] The country was declared to be in a Level Two emergency on 1 May 2019.

The current three-year country programme was due to end in December 2020, but the office intended to request a two-year extension in line with the extension to the UN Sustainable Development Framework (UNSDF). The budget for the programme was US$ 130.6 million. In 2018, the office spent US$ 39 million and in 2019, as of 17 November, it had spent an additional US$ 44.2 million. The main programme components were: *Health and Nutrition*; *Water, sanitation and hygiene* (WASH); *Quality basic education*; *Child protection*; and *Social inclusion*.

The country office is in Ouagadougou, and there are three zone offices – Dori in the Sahel region, Kaya in the Centre-North region and Fada-Ngourma in the East region. The latter two zone offices were established in 2019 in response to the Secretary General's Executive Committee decision to immediately expand the UN presence in the Centre-North and East regions.

The Representative had assumed her duties in August 2016. The Deputy Representative Programme and the Deputy Representative Operations had been in the office since 2016 and 2018 respectively. As of the time of the audit, the office has a total of 128 posts (27 international professionals, 49 national officers and 52 general service posts).

Risks identified for audit

Prior to the onsite audit, OIAI conducted a risk assessment so as to best focus its activities. The key risks identified in the Burkina Faso programme related to the sudden upscaling of the emergency response. A sudden scale-up can result in inadequate analysis of the four criteria for emergencies – scale, urgency, complexity, capacity. The criteria of scale and urgency were addressed across the UN system in response to the UN Secretary Generals' decision to expand presence in northern Burkina Faso. With respect to capacity and complexity, the audit looked at the mitigating actions put in place to address the risks. These included the risk that the locations and staffing of the two new zone offices were not appropriate for the required response, and that staff security was not adequately considered.

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[1] World Bank (see https://www.worldbank.org/en/country/burkinafaso/overview).
[2] UNICEF Burkina Faso 2018 Country Office Annual Report.

In addition, although the country office had raised a reasonable level of funding, certain interventions and the emergency response were underfunded while interventions like social protection (social cash transfers) were up to 643 percent overfunded. This made it important for the auditors to understand how the risks related to unplanned activities were managed (for example with regard to social cash transfers). This seemed key to ensuring there was no deviation in focus for the planned priorities and underfunded areas, that the risks of not achieving targets was considered and that targets were adjusted where appropriate. These areas are reflected in this report.

The audit's findings and action agreed

The audit noted a number of areas where the office's controls were adequate and functioning well. The office held regular internal management meetings and monitored the implementation of any decisions taken, particularly with regard to the upscaling of the emergency response. The annual workplans, which were signed on time, were reviewed twice a year with Government partners. There was good monitoring of the findings of assurance activities, helping the office to detect risks to programme implementation.

However, the audit also identified a number of areas where further actions were needed to better manage risks to UNICEF's activities. Following discussion with the office, the audit team has recommended a number of measures to address the risks identified. None were rated by the audit as high priority (that is, demanding immediate management attention), but there were a number of medium-priority observations in connection with the office's human resources and recruitment, business continuity plan, resource mobilization and other topics. These are included in this report, but lower-priority observations are omitted.

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 risk management procedures and the internal controls and processes over the office were generally established and functioning during the period under audit. The country office, with the support of the West and Central Africa Regional Office (WCARO), and OIAI intend to work together to monitor implementation of the measures that have been agreed.

Audit objectives and scope

The objective of the audit was to provide independent assurance regarding the adequacy and effectiveness of the governance, risk management and control processes in the country office. The audit covered the period from January 2018 to October 2019. The audit team visited the office from 14 October to 5 November 2019.

This report presents the more important risks and issues found by the audit and the measures agreed with the Burkina Faso country office management to address them.

Audit observations

Human resources

Burkina Faso has been facing a humanitarian crisis caused by the escalation of armed group attacks in the border regions (North, Sahel, Center-North, East and Boucle du Mouhoun), with the Sahel region being the most severely affected. In response, the UN has decided to quickly expand its presence in the Centre-North and East regions.

To address this in the UNICEF country office, in April 2019 an *ad hoc* Regional PBR[3] created 29 positions, of which 17 are fixed-term posts and 12 Temporary Appointments (TAs). The PBR also established two new zone offices (Kaya and Fada-Ngourma). As of October 2019, out of the 128 approved positions for the country office, 49 were OR[4] funded (37 regular OR and 12 ORE). The rapid establishment of new zone offices presented some risks; for example, that staffing skills and numbers might not fit with the requirements of the response, or that the staff security requirements for such numbers and locations of staff might not be met.

The audit noted the following.

Staffing structure: New positions had been added to the existing structure without a staff capacity analysis. Such an analysis could have better informed the changes required, given the emergency context and the challenges in fundraising. Prior to the crisis, the staff had only been involved in development activities for the regular 2018-2020 country programme. Therefore, proper analyses were required both to build the skills of existing staff and to determine the appropriate number additional staff and their skills. The audit noted that the PBR submission had had to be finalized in a day, leaving no time to assess emergency capacities or obtain more staff input on the proposed staffing changes.

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[3] The programme budget review (PBR) is a review of a UNICEF unit or country office's proposed management plan for its forthcoming country programme. It can also be held to review proposed changes to the plan. For a country office, it is carried out by a regional-level committee.
[4] UNICEF offices have two basic types of funding – regular resources (RR), which come from UNICEF centrally and are core resources, and other resources (OR), which they must raise themselves. Other resources emergency (ORE) are funds raised for an emergency rather than the regular programme.

Staff recruitment: The audit reviewed a sample of eight recruitments (six emergency positions and two regular positions) and found that none of these had been completed within the office's benchmark periods. For the emergency positions, it took an average of 74 days between the close of the vacancy announcement and the date that the notification letter was sent to the selected candidate, though the office's key performance indicator (KPI) was 20 days (it was 90 days for regular positions). Such delays could in turn delay implementation of much-needed emergency activities. The audit found that the delays occurred mainly during the stages of shortlisting and assessment, caused by a combination of factors. They included the lack of the right staff to compile shortlists and conduct interviews. In addition, the reasons for the delays were not presented to or discussed by the country management team (CMT);[5] the information with which it was provided was limited, and did not distinguish between regular and emergency recruitments.

Agreed action 1 (medium priority): The office agrees to put in place a staffing structure that is fit for purpose, regularly monitor recruitment KPIs and take prompt remedial actions to address any bottlenecks in the recruitment process.

Responsible staff members: Deputy Representatives Programme and Operations, HR Specialist
Target date: 31 October 2020

Resource mobilization

The non-emergency OR budget approved by the Executive Board for the 2018-2020 country programme was US$ 50 million. As this had been raised before the end of the programme cycle, the office had obtained an increase of this ceiling by US$ 30 million. This was approved by the regional office in June 2019. As of 31 October 2019, the office had raised US$ 73.6 million, i.e. 147 percent of the initial ceiling and 92 percent of the revised one.

While this appeared to reflect a healthy overall funding position, there were large variations in the funds raised for different programme components. Some outputs were overfunded, by as much as 643 percent in one case; other were significantly underfunded as of 1 August – such as the *Nutrition* outcome (43 percent funded) and in particular the output "Design scaling-up plans of nutrition interventions" (three percent). In respect of the underfunded outputs, the office stated that there had been difficulties in raising funds in some instances. In others, however, the output appeared underfunded, but the planned amount had been overestimated, and the funding required to achieve the planned results was far less than envisaged initially.

The audit also noted that, even though the office was expected to scale up its humanitarian response, there was a shortfall in OR Emergency (ORE) raised. Under the HAC,[6] the office had estimated that it would require US$ 36.4 million in 2018, and US$ 47.6 million in 2019, for its humanitarian needs. However, the office had received only US$ 9.4 million in 2018 (26 percent of the appeal target) and for 2019, 10.4 million

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[5] An office's country management team (CMT) advises the Representative on the management of the country programme and on strategic programme and operations matters. It consists of senior staff from Programme and Operations sections, and staff representatives.

[6] HAC stands for Humanitarian Action for Children. A HAC is an appeal that UNICEF launches for assistance for a particular crisis or emergency response, and will state how much UNICEF thinks it needs to raise for a given situation. The appeals page is at https://www.unicef.org/appeals/; the page for Burkina Faso (for 2020) is at https://www.unicef.org/appeals/burkina_faso.html.

(22 percent) as of August. As a mitigation measure, the office had reallocated funds from regular OR in consultation with the respective donors and mobilized other funding from flexible resources for emergencies, such as UNICEF's global humanitarian thematic funds and its Emergency Programme Fund (EPF).

The office had prepared a resource mobilization strategy for the country programme. This strategy covered the period 2018-2020, identifying seven resource mobilization strategies – which were subsequently adapted for the emergency context in July 2019. Each programme section was expected to develop an action plan based on the strategies. However, with the exception of Social Policy, the programme sections had not drawn up action plans to address the underfunded outputs. Further, the audit reviewed the budget monitoring tools used by two programme sections and found that the tools were focused on grants utilization; the funding gaps were not being monitored at the section level.

The office had budgeted for communication activities in funding proposals. However, it had not yet prepared a communication plan to improve its resource mobilization. The Communications Section had started to hold meetings with donors with the view to developing a plan.

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

   i.   Develop and implement fundraising action plans for all the programme sections, with fundraising targets and concrete actions to address underfunded programme areas, in alignment with the office's resource mobilization strategy.
  ii.   Adjust the annual planned amounts per output as appropriate, based on the programmatic needs, resources mobilized so far and future potential.
 iii.   Implement and monitor communication plan to improve its resource mobilization.

Responsible staff members: Deputy Representative Programme, Heads of Sections, Budget Monitoring Officer and Chief External Communications and Advocacy
Target date: 31 December 2020

Protection from sexual exploitation and abuse (PSEA)

UNICEF policy states that sexual exploitation and abuse (SEA) of crisis-affected populations committed by actors who provide aid constitutes the most serious breach of accountability by the humanitarian sector. All UNICEF personnel have a duty to report to UNICEF senior management any allegations of sexual exploitation and abuse of children by UN personnel, or by foreign military personnel associated with a UN mandate. The Executive Director has given top priority to this issue and is committed to strong action and transparency within UNICEF.

The office had appointed three PSEA focal points with terms of reference (two Child Protection Officers in Ouagadougou and one in Dori zone office). It had also prepared an internal 2019 PSEA workplan and had included the revised PSEA and child safeguarding clauses in the new PCAs and contracts. As of November 2019, 92 percent of staff had completed the mandatory PSEA online training.

The audit noted the following.

SEA reporting mechanism: The staff had been briefed on PSEA and instructed to report any allegation of SEA involving staff members, partners, community members or humanitarian workers. However, in interviews with staff in the country office and the field, the audit noted that staff were not fully aware of how the SEA Significant Incident Report (SIR) should be used to report SEA allegations.

SEA assistance: UNICEF is committed to ensuring every child and adult survivor of SEA has access to quality, survivor-centred assistance and support in line with their needs, including medical care, psychosocial support, legal assistance, and reintegration support. However, the office had yet to establish a specific SEA victim assistance and case-management action plan. It told the audit it had received US$ 500,000 from the seven percent set-aside fund for PSEA in July 2019, and said this sum would be used to prepare this plan. At the time of the audit, the office had not yet programmed these funds.

Agreed action 3 (medium priority): The office agrees to prepare and implement a PSEA action plan that includes, amongst other steps, appropriate activities to ensure staff are aware of the Sexual Exploitation and Abuse Significant Incident Reports process, and of victim assistance and case management.

Responsible staff members: PSEA focal points
Target date: 30 June 2020

Business continuity plan (BCP)

Business continuity planning involves putting measures in place to ensure that critical services will continue to function when there is disruptive event. In Burkina Faso, potential events of this type include armed conflict, terrorism, crimes, social unrest and natural hazards like floods (and as with all offices, there are risks such as the current pandemic). The Burkina Faso Country Office had updated its BCP on 15 November 2018. However, whilst it is important to have a BCP in place, it needs to be tested regularly to ensure that it is working. The use of testing and drills helps to identify any weakness in planning or implementation. A simulation exercise had been carried out in March 2019 and recommendations had been made to improve the plan. Though the office had started implementing the recommendations, the BCP had yet to be fully updated with the recommended improvements.

The audit also noted that one of the BCP alternative sites to be used by critical staff was located at the office warehouse in Ouagadougou. The site consisted of containers that could accommodate up to 40 staff members and were equipped with air-conditioning and internet. However, during a visit to this site, it was noted that the containers were being used as storage for medical and nutritional supplies that needed to be stored in temperature-controlled conditions. During the visit the electricity supply went off a couple of times and the back-up generator did not work, causing the air-conditioners to stop working.

Additionally, although the 2017 standard operating procedures for the Dori zone office stated that it should have its own BCP, the audit noted that this was not done. The zone office had not held a BCP simulation exercise either (although it had no BCP of its own, it could have done this using the overall BCP). A zone-office management meeting held on 11 October 2019 recommended that the office be included in the country office BCP and simulation exercises.

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

    i.   Improve its BCP based on the recommendations of the simulation exercise.

ii. Prepare a BCP for the zone office and include it in future simulation exercises.
iii. Prepare the BCP alternative site at the warehouse for use at any time and ensure a separate appropriate structure is made available for the storage of medical and nutritional supplies.

Responsible staff members: Deputy Representative Operations
Target date: 31 March 2020

Management plan

A country office's Annual Management Plan (AMP) is an internal office management document that sets out the programme and management priorities for the year, the strategies to achieve them, and key risk-management matters. Staff members' key annual activities and deliverables in their individual performance plans are aligned to the priorities defined in the AMP.

UNICEF offices perform an Annual Management Review (AMR) of the AMP at the end of the year. The AMR draws lessons from the implementation of the plan and suggests improvements for inclusion in the following year's plan. The review is internal, and normally takes place with the participation of all office staff.

The office had not conducted a formal AMR at the end of 2018. The December 2018 CMT meeting included the AMR as an item agenda. In practice, however, the focus was mainly on the review of the three office priorities that were monitored by the regional office (i.e. *Ending open defecation*, *Prevention of stunting* and *Ending child marriage*) and the office training plan. From the minutes of this meeting, it was not clear if progress towards the achievement of the office's priorities had been reviewed, since that progress was not recorded. For example, the minutes did not contain the extent to which set priorities had been achieved, what the obstacles were, or the lessons learned, and there were no recommendations that should be considered for the 2019 AMP.

The regional office's quality assurance review noted that the country office should perform a formal AMR to assess the accomplishment of the office's annual priorities and inform those for the following year. Moreover, the April 2019 staff retreat had recommended that the AMR should be both inclusive, and timely so as to inform staff Performance Evaluation Reports (PERs). The audit review showed that there was no clear link between the office priorities and the PERs of the staff selected for review. Out of a sample of six office priorities, only two were reflected in the PERs of the staff members concerned.

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

i. Perform a more participatory Annual Management Review at the end of the year, with participation beyond the CMT members, and ensure that its results are used as a basis for the preparation of the following year's Annual Management Plan.
ii. Fully reflect its identified priorities in the performance plans of the responsible staff members.

Responsible staff members: Representative, Deputy Representatives Operations and Programme
Target date: 31 March 2020

Zone offices

The office had three zone offices across the country, in Dori, Kaya and Fada-Ngourma. The audit visited the Dori office, which had been established in 2014 to cover the Sahel region. The Kaya and Fada-Ngourma zone offices were created in 2019 to support the humanitarian interventions in the crisis-affected regions of Centre-North and East regions respectively. They were not yet fully operational. The roles and accountabilities of zone offices (which at that time meant Dori only) were documented in standard operating procedures in 2017, but the office said it would update them for the two new zone offices, taking into account the changes in the country programme and the evolving context in the country.

However, the audit also noted an issue in Dori regarding the application of the Programme Criticality (PC) Framework. This is a component of the UN Security Management System (UNSMS) which is used to determine the levels of acceptable security risk for programmes and activities to be implemented by UN personnel. Application of this Framework is mandatory where security risk levels are high. Using the Framework, a United Nations team rates outputs as P1, PC2, PC3, and PC4, according to their importance for the UN's objectives. This rating determines what level of security risk is deemed acceptable. The activities in Burkina Faso were categorized as PC2 to PC4.

The office's procedures for the request and approval of all field missions include a Mission Request Form. The zone-office staff used this form only for compliance purposes; they were not aware of its added value in verifying that staff were carrying out activities within acceptable security risks. There was thus a risk that staff might carry out activities with unacceptable risks, particularly given that the zone offices were covering provinces with serious security challenges.

Agreed action 6 (medium priority): The office agrees to implement appropriate activities to make sure that zone-office staff have adequate knowledge of programme criticality assessment, and that Mission Request Forms are accurately and completely filled out and are cleared by the office's security unit before authorization of the missions.

Responsible staff members: Deputy Representative Operations, Chief of Field Operations, Chiefs of Field Offices and Security Specialist
Target date: 31 December 2020

Work planning

Workplans outline the activities to be undertaken to achieve the results planned in the country programme. In 2019 annual workplans had been agreed at central level, each signed by UNICEF's Representative and the relevant sectoral Minister. They had been prepared jointly with Government and NGO partners following a review of the previous workplans. These workplans were expected to include both regular programme and emergency activities. The planning process included a quality assurance process performed by an internal review panel (Gender Specialist, C4D focal point, M&E Specialist and Deputy Representative).

The audit noted the following.

Government implementing partners: In meetings with three key Government implementing partners, the audit found that the signed workplans were not used as a planning tool. For example, one partner told the audit team that it used the Government action plan as a basis for requesting UNICEF support, and

when a request was submitted, they did not know if UNICEF would accept or decline the request. The operational plans were developed by UNICEF internally and were not systematically shared with the partners. This increases the risk that there is no Government buy-in on the planned activities, leading to lack of ownership by the Government counterparts for those outputs.

Zone-office workplan: The Dori zone office had an annual workplan that it had extracted from the overall sectoral workplans by selecting, for each programme, the activities expected to be implemented in the Sahel region. There were various versions of these workplans in the zone office, and the Programme Officers used various templates, with incomplete information in some cases (budget not indicated or lack of link between the tasks and the respective activities and outputs). The country office did not check the zone-office workplans to ensure that they were complete and in line with the signed sectoral workplans.

Further, the zone office was not a cost centre, which meant that there was no specific allocation of funds for programme activities to be implemented at zone-office level. Neither were Programme Officers informed in advance of the list of funded activities that could be implemented during any particular period (quarter or semester). This resulted in back-and-forth discussions between the zone office and the main office in Ouagadougou and between the zone office and its implementing partners – and ultimately to the zone-office Programme Officers being perceived by their own partners as mere intermediaries.

Budgeting: The audit noted significant discrepancies between the budgets in the workplans and the budget ceiling in the 2018-2020 country programme document (CPD)[7] and the HAC[8] funding requirement. For example, the budgets in the workplans for Education and Health & Nutrition programmes were 41 percent (US$ 8.8 million) and 35 percent (US$ 8.7 million) lower than their respective planned amounts in the CPD and HAC. The programme sections said that the workplan budget was determined based on a realistic estimate of the budget than could be mobilized for emergency activities. The audit noted that the country office did not provide the sections with clear guidance on how to establish budget estimates – for example for ORE, which represented a significant 57 percent of the workplan budget for 2019. (The OR budget in a country's CPD is based on the regular programme; emergencies are budgeted separately.)

Further, the office did not monitor the workplans' estimated budget per funding source against the planned amounts. It could not therefore determine whether the budget estimates were aligned with the approved budget ceiling in the CPD and the funding requirement in the HAC. This increased the risk of underestimating resource mobilization needs.

Emergency preparedness and response: The funding requirement for the 2019 HAC had been set at US$ 36.4 million, then increased to US$ 47.6 million in July. The emergency activities were planned at the activity level, and the office had no system to ensure that the expected results and activities of the HAC were captured in the signed workplans. For instance, one programme activity had a total target of 106,453 children in the 2019 workplans, while the target of only crisis-affected people for the same activity in the HAC was 133,066.

UNICEF offices follow a four-step annual emergency preparedness planning process to maintain readiness for priority risks in their context. Programme sections are responsible for mainstreaming preparedness in their workplans for potential crises that might or might not happen during the year. However, specific preparedness measures were not included in the signed workplans. The audit noted that there was

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[7] The CPD is the costed 'blueprint' for a country programme that is approved by UNICEF's Executive Board.
[8] See footnote on p8 above.

confusion among programme staff between humanitarian response and emergency preparedness, as most of them considered that the latter was included in the emergency response.

Following the recruitment of the Chief of Field Operations/Emergency, the emergency preparedness scenarios were reviewed; however, the preparedness and contingency planning and its integration into the workplan had yet to be done. The emergencies focal point stated also that there was a need to reinforce programme staff capacity in emergency preparedness.

Agreed action 7 (medium priority): The office agrees to:

    i.   Implement appropriate activities to ensure that Government implementing partners are fully informed of UNICEF's planning documents, and that they play a more active role in all steps of the preparation of the workplans.

    ii.   Strengthen the quality assurance process over the preparation of workplans to ensure that they adequately reflect the approved ceiling and the emergency funding requirement (or, if this is not possible, that the reason is documented).

    iii.   Validate zone-office workplans and provide Programme Officers in advance with the information they need – for example on which activities are funded – so that they can discuss workplan implementation directly with their respective partners.

Responsible staff members: Representative, Deputy Representatives Operations and Programme and Heads of Sections
Target date: 31 March 2020

Programme results

UNICEF is committed to results-based management. The achievement of country programme results should be measured against appropriate indicators and recorded in the UNICEF's results assessment module (RAM), which allows progress to be viewed across the organization. The audit reviewed the results recorded for the 2019 workplans, including the results status and statements reported in the RAM.

There were discrepancies between the 2019 workplans and RAM as regards indicators; some were recorded in RAM but not in the workplans or vice versa. Other indicators were common to both, but did not have the same targets. In addition, HAC indicators that were related to the emergency response were not reflected in the signed workplans, although these integrated regular and emergency activities. There were also indicators for which the required surveys or evaluations were not planned. This meant that, at the end of 2018, progress against these indicators was not clear and progress could not be measured against the planned results.

Some outputs were already overfunded although the current country programme still had a year to run. They included *Social protection mechanisms* (643 percent); *Accelerating educational demand and community ownership* (221 percent); *Communication, Advocacy and Partnership* (184 percent); and *Health system strengthening for MNCAH[9]/Nutrition* (163 percent). The results of these overfunded outputs were not revised accordingly. Further, there were new activities that were introduced that were not initially planned in the country programme, without incorporating the corresponding indicators. The

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[9] MNCAH: Maternal, Newborn, Child and Adolescent Health.

office said that the programme results matrix would be adjusted at the Mid-Term Review (MTR) planned for February 2020.

Agreed action 8 (medium priority): The office agrees to strengthen its quality assurance process over programme results to ensure that:

i.   All programme results, including those related to the humanitarian response, are included in the workplans and are accurately reported in the online results assessment module.
ii. The programme results matrix is updated to take into consideration changes in the programme funding and interventions.
iii. Surveys or research needed as means of verification are adequately planned and are implemented in time to ensure the status of the related indicators is available when needed.

Responsible staff members: Deputy Representative Programme, Chief Field Operations and Heads of Sections
Target date: 31 August 2020

Advocacy

UNICEF's Mission Statement includes advocacy on behalf of children. The office stated in its CPD that it would support advocacy work on child rights with decisionmakers, influencers, and public and private sector partners, with a focus on equitable investments for children.

The office had prepared an overall external communication and advocacy strategy for 2016-2017 which it said was still applicable, though it had not been updated for the current 2018-2020 country programme. The office also stated that its external communication and advocacy unit had drawn up an annual workplan for implementation of the advocacy strategy.

At the time of the preparation of the 2019 workplan, the office had decided to focus its advocacy exclusively on breastfeeding and child marriage. However, the audit reviewed the 2019 communication and advocacy workplan and noted that this plan focused on external communication. It did not include a specific component for advocacy to decisionmakers, with defined results and specific actions as recommended in the UNICEF guidance,[10] although this is currently important; office had itself noted (in its 2018 Annual Report) that in 2019 the Government would increase its resource allocation to the security and defense sectors – something that could affect budget allocation to social sectors. In that context, UNICEF's advocacy with decisionmakers on child-sensitive social budgeting appears to be a key component of UNICEF role in Burkina Faso.

Agreed action 9 (medium priority): The office agrees to seek the support it needs, from the regional office or headquarters as appropriate, to prepare an advocacy plan in line with UNICEF organizational guidance, with assigned responsibilities and monitoring mechanisms to ensure that the advocacy requirements of the country programme are fulfilled.

Responsible staff members: Chief External Communications and head of PME Section
Target date: 30 April 2020

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[10] *Advocacy toolkit: A guide to influencing decisions that improve children's lives*.

Social cash transfer

The office had an ongoing social cash transfer (SCT) intervention in its Child Protection programme that started in February 2019 and had already benefited 1,585 families as of October. It is an element of the Child Protection emergency response package delivered through cooperation agreements with four local NGOs. A sum of 35,000 West African CFA francs (about US$ 60) is paid to each family via a mobile telephone operator, or by direct payments through the partners' accounts if no mobile phone or network is available. In addition, the Social Policy Section was implementing a child-friendly social protection system, which included a social cash transfer component. At the time of the audit, the cash component had not yet been implemented.

The audit review noted that the two programme sections involved in social cash transfers did not coordinate and did not benefit from each other's respective experiences and partnerships. Also, the Operations Section was not involved in the discussions on cash transfer types, even though these transactions involved financial fees.

Meanwhile the SCTs led by the Child Protection Section faced several constraints. Some of the local NGOs had weak internal procedures regarding cash transfers. When SCTs were paid directly by the NGO partners to the beneficiaries, there was a lack of segregation of duties between the identification of targeted families and distribution of cash. There was no harmonized SCT for all implementing partners, and there was insufficient follow-up on the implementation of the activities in the regions where UNICEF was not present (Centre North and non-accessible zones in the north). Further, for the humanitarian cash transfer, there was no specific information in the agreements with implementing partners on selection criteria, disbursement types, beneficiary data protection and monitoring. These gaps increased the risk of funds not being disbursed for the intended purposes.

The office said that the inconsistency in approaches would be mitigated by the recruitment of additional Child Protection Officers in the newly established zone offices, and by a third-party monitoring mechanism that the office would launch soon. In the meantime, the need to technically support the Burkina Faso office on cash transfers in emergency had been raised during the Senior Staff Emergencies Meeting (SSEM) in September 2019. Following this meeting, the country office, the regional office and the Office of Emergency Programmes (EMOPS) had identified a staff member to assist the office in conducting a social cash transfer feasibility study, starting the second half of November 2019.

Agreed action 10 (medium priority): The office agrees to:

  i.   Based on the organizational guidance and findings from the planned feasibility study, develop country-specific standard operating procedures for social cash transfers, including a strengthened mechanism for coordination between the office sections concerned.
  ii. Include specific clauses in agreements with implementing partners on monitoring, beneficiary data protection, and the criteria for selection of vulnerable families; also on segregation of tasks, to prevent conflicts of interest for partners with incompatible responsibilities.

Responsible staff members: Social Policy Specialist, Heads of Sections and Chief Field Operations
Target date: 31 December 2020

Cash transfers to partners

Between January 2018 and September 2019, the office transferred approximately US$ 41.9 million to 136 partners. Of the total transfers, 56 percent (US$ 23.5 million) was to Government partners whilst the other 44 percent (US$ 18.4 million) was transferred to NGOs. UNICEF offices manage these transfers through the Harmonized Approach to Cash Transfers (HACT), which involves an assessment of the risk involved in working with a particular partner; the type and number of assurance activities will be set accordingly. They include spot checks, audits, and programmatic visits; the latter ensure that the interventions are proceeding as intended.

The office had a HACT unit which provided oversight of the implementation of HACT. The HACT unit also collaborated with other UN agencies using HACT.

The audit noted the following.

Assurance activities planning: The UNICEF HACT procedures provide guidance on the minimum required assurance activities to be carried out for a given partner, based on their risk rating and the amount of cash transferred. The office was using eTools[11] for the planning and follow-up of assurance activities. However, there were differences between the plan and the assurance activities agreed with partners. For example, according to the programme document signed with one NGO, the office was supposed to carry out three programmatic visits, as the partner was also keeping UNICEF emergency prepositioned supplies. If, as in this case, the programme document specifies more such visits than eTools would, or if the office thinks they are necessary, it must update the assurance plan manually. As of the end of October, no programmatic visits had been undertaken.

Processing FACE form requests: The audit reviewed a sample of five FACE forms[12] requesting cash transfers. It noted delays in approval. Such delays in approval lead to delays in fund disbursement which increases the risk that affected programme activities are not implemented in a timely manner. The audit noted that the average processing time was 22 working days (the UNICEF benchmark is 10 working days). In one case, it took 54 working days. The main cause of delays was rejection of FACE forms. The reasons for the rejections included errors, incomplete information, late submission and outstanding previous transfers. Though the office had provided training for partners, the issues seemed to have persisted. As a mitigation measure, the office had provided partners and programme staff with a checklist for preparation of FACE forms.

The audit also noted that there were instances where FACE forms submitted either straight to the country office or through the zone office had gone missing. The partners concerned were asked to re-submit the lost requests. The office did not have a tracking system for FACE forms and could not determine what had happened. In one such case, a partner submitted a FACE form request through the zone office on 15 January 2019 and it was received by the respective programme section at the country office on 21 January 2019. However, as of 27 September 2019, the FACE form had not been processed and could not be found, and the partner was asked to re-submit a new form. The loss of FACE forms was a further cause of delays.

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[11] eTools is a suite of applications being rolled out to make regular administrative functions in UNICEF easier. It includes facilities to assist planning and follow-up of assurance activities.

[12] The Funding Authorization Certificate of Expenditure (FACE) form is used by the partner to request and liquidate cash transfers. It is also used by UNICEF to process the requests for and liquidation of cash transfers. The FACE forms should reflect the workplans, which set out the activities for which funds are being requested, or on which they have been spent. The FACE form was designed for use with HACT.

In October 2019 the office introduced a "FACE tracking sheet" to identify bottlenecks in the processing of FACE forms. It was too early to know if this had resolved the issue.

Agreed action 11 (medium priority): The office agrees to:

i. Update the assurance plan to reflect any additional assurance activities that are needed to address programme-specific risks beyond the minimum HACT requirements.
ii. Process FACE forms promptly and within the recommended UNICEF benchmark, using the office's new FACE internal tracking system to identify and address bottlenecks.

Responsible staff members: Deputy Representatives Programme and Operations and HACT Specialist
Target date: 30 April 2020

Partnership management

As of July 2019, the office had issued five SSFAs and 25 PCAs[13] for a total amount of US$ 10.6 million. Twenty of the PCAs were for the regular programme and six for the humanitarian response. The audit team visited three NGO partners and found that overall they were satisfied with the partnership with UNICEF. However, one of them complained about delays in the approval of programme documents (PDs). This partner had adjusted and resubmitted them three times because the office had not communicated its requirements at once. This had resulted in delays in approval.

For five PDs out of 11 sampled for testing, the duration between the date of partner submission of the PD to the date it was signed by the Representative varied between 50 and 85 working days (the given standard across UNICEF is 45 working days). Reasons given by the office included the absence of staff involved in the approval process, time taken by partners to address the comments of the Partnership Review Committee (PRC), prolonged discussions with partners on required adjustments and the introduction of new forms/templates in February 2019. Without an adequate process to address these significant delays, project implementation will be delayed and affected communities may not get much-needed assistance in a timely manner.

Agreed action 12 (medium priority): The office agrees to approve programme documents within established benchmarks (45 working days).

Responsible staff members: Deputy Representative Programme and Heads of Sections
Target date: 31 December 2020

Annual reporting

Information reported by a country office in its annual report should be accurate and reliable, especially since one of the annual report's purposes is to provide input to organization-wide reporting on results for

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[13] A Programme Cooperation Agreement (PCA) is the formal agreement with an implementing partner. Where the sums involved are smaller, the simpler Small-Scale Funding Agreement (SSFA) is used instead. However, while these are the formal agreements, it is the programme documents (PDs) that more fully explain what a proposed partnership will do.

children and women, and to contribute to organizational learning.

The audit verified a sample of 16 results reported in the analytical narrative of 2018 annual report. Out of the sample, 10 results either could not be supported by evidence or were erroneous. Causes of errors included use of standard ratios instead of actual beneficiaries, and incorrect computing methods to calculate the results from available raw data.

Agreed action 13 (medium priority): The office agrees to strengthen its controls over the preparation of the annual report to ensure that all key results reported are adequately supported by reliable documented evidence.

Responsible staff members: Deputy Representative Programme, Heads of Sections and Reports Specialist
Target date: 31 March 2020

Annex A: Methodology, and definition of priorities and conclusions

The audit team used a combination of methods, including interviews, document reviews, and testing samples of transactions. 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 regional 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 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 regional-office management but are not included in the final report.

Conclusions

The overall conclusion presented in the summary falls 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.