



## FIFTH ITEM ON THE AGENDA

**Follow-up to the report of the Chief  
Internal Auditor for the year  
ended 31 December 2000**

1. At the 280th Session (March 2001) of the Governing Body, the Committee considered the report of the Chief Internal Auditor<sup>1</sup> on significant findings resulting from internal audit and investigation assignments undertaken in 2000. The Chief Internal Auditor's observations and recommendations are addressed below in the order in which they appear in the report.

**Field offices**

2. Corrective action taken by field offices in response to the Chief Internal Auditor's findings was carefully monitored throughout 2001. Most of the matters raised by the Chief External Auditor have been satisfactorily addressed and the few remaining recommendations are currently being implemented.

**Audits of technical cooperation projects**

3. The Office has been aware of the need to improve information systems and databases concerning technical cooperation for some time. The matter has been reviewed with the Bureau of Information Technology and Communications, and software options have been extensively explored. The new management reporting system (BRIO), was introduced during the 2000-01 biennium and has provided management with an improved, up-to-date and user-friendly tool to monitor project performance.
4. Pending the implementation of the ERP project, the Development Cooperation Department is developing a new application which provides tools for improved tracking, reporting and evaluation of projects as well as for monitoring their implementation. The new application and database will also provide information on strategic and operational objectives and on the projects' financial status. Access to the new application, as well as data input modules, will be available through the Internet.

<sup>1</sup> GB.280/PFA/3 – report of the Chief Internal Auditor for the year ended 31 December 2000.

## **International Training Centre in Turin**

5. Due to early implementation difficulties and system errors, the functions concerning the ageing of balances and automatic preparation of reminder letters for overdue amounts will not be operative before June 2002. In the meantime, manual follow-up procedures have been reinforced.

## **Monitoring of follow-up action**

### **Insurance – headquarters and field**

6. Regarding recommendations made in 1999, after the review of insurance administration at headquarters and in the field, the Office implemented the Chief Internal Auditor's recommendations to improve insurance coverage for the headquarters building and contents. The recommendations regarding staff training at headquarters and insurance procedures in field offices are currently under review and will be implemented during the course of 2002.

### **Personal accounts – headquarters and field**

7. All recommendations made by the Chief Internal Auditor concerning personal accounts were implemented in 2001. Periodical reporting on the status of personal accounts by the regional offices has also been implemented. Additional training was provided in 2001 to the responsible staff of the regional offices and the administrative assistants of the external offices in Asia and the Pacific, Africa and Europe. In line with the recommendations of the Internal Auditor, improved controls over travel advances have been introduced in the latest revisions of the Travel circular and the Travel Authorization form.

### **External offices manual**

8. The considerable work associated with the implementation of the Human Resources Strategy during 2000-01 has delayed preparation of updated policies and procedures in the form of revised/new personnel circulars, manuals and guidelines. This work will be given high priority by the Human Resources Development Department during the current biennium.

### **Staff Health Insurance Fund (SHIF)**

9. The follow-up of advances and reconciliation of accounts relating to the SHIF is being addressed under an action plan established by the Fund and the Financial Services Department. Due to the extensive research required, especially for the older balances, this work is ongoing. Discussions between the Financial Services Department and the SHIF have however resulted in improved procedures and a clarification of responsibilities which are intended to prevent a repetition of the problems referred to by the Chief Internal Auditor.
10. The Office will continue to work in close liaison with the Chief Internal Auditor regarding follow-up on recommendations that are in the course of being implemented.

Geneva, 7 February 2002.