

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UNDP EL SALVADOR**

**PROGRAMA DE MODERNIZACIÓN Y GESTIÓN DE LOS ACTIVOS ESTRATÉGICOS DE CEPA**  
**FASE II**

**(Directly Implemented Project No. 92375, Output No. 97116)**

**Report No. 1977**

**Issue Date: 6 August 2018**

**Report on the Audit of UNDP El Salvador**  
**Programa de modernización y de gestión de los activos estratégicos de CEPA Fase II**  
**(Project No. 92375, Output No. 97116)**  
**Executive Summary**

The UNDP Office of Audit and Investigations (OAI), through Moore Stephens LLP (the audit firm), from 21 to 25 May 2018, conducted an audit of Programa de modernización y de gestión de los activos estratégicos de CEPA Fase II (Project No. 92375, Output No. 97116 (the Project), which is directly implemented and managed by the UNDP Country Office in El Salvador (the Office), providing Country Office support. This was the first audit of the Project.

The audit firm conducted a financial audit to express an opinion on whether the financial statements present fairly, in all material aspects, the Project's operations. The audit covered the Project's Combined Delivery Report, which includes expenses for the period from 1 January to 31 December 2017 and the accompanying Funds Utilization statement<sup>1</sup> as of 31 December 2017. The audit did not include activities and expenses incurred or undertaken at the "responsible party" level, or expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters) or expenses of other United Nations agencies. The audit did not cover the Statement of Assets as no assets were held by the Project. In addition, the audit did not cover the Statement of Cash Position as no separate bank account was established and maintained for the Project.

The audit was conducted under the general supervision of OAI in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

### Audit results

Based on the audit report and corresponding management letter submitted by the audit firm, the results are summarized in the table below:

Project Expenses*	
Amount (in \$ '000)	Opinion
4,963	Unmodified

**Key recommendations:** Total = 2, high priority = 0

The audit did not result in any high (critical) priority recommendations. There are two medium (important) priority recommendations, which means, "Action is required to ensure that UNDP is not exposed to risks. Failure to take action could result in negative consequences for UNDP." These recommendations include actions to address: expenditure incurred before the start of the project implementation period, and adequate control framework for project monitoring not set out in the signed Letter of Understanding.

The two recommendations aim to ensure the following: (a) reliability and integrity of financial and operational information (Recommendation 1); and (b) compliance with legislative mandates, regulations and rules, policies and procedures (Recommendation 2).

<sup>1</sup> The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) undepreciated fixed assets used at the project level; (c) inventory held at the project level; (d) prepayments made by the project; and (e) outstanding commitments held at the project level.

### **Management comments and action plan**

The UN Resident Coordinator and UNDP Resident Representative accepted both recommendations and is in the process of implementing them. Comments and/or additional information provided have been incorporated into the report, where appropriate.



Antoine Khoury  
Officer-in-Charge  
Office of Audit and Investigations



**UNITED NATIONS DEVELOPMENT PROGRAMME  
(UNDP)**

**AUDIT REPORT**

**Final**

**FINANCIAL AUDIT OF THE UNDP DIRECTLY  
IMPLEMENTED (DIM) PROJECT**

**Programa de modernización y gestión de los activos  
estratégicos de CEPA Fase II**

Output name:	Programa de modernización CEPA
UNDP Country Office:	El Salvador
Atlas Project ID:	92375
Atlas Output ID:	97116
Auditor:	Moore Stephens LLP
Period subject to audit:	1 January to 31 December 2017

## Table of Contents

<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
<b>THE AUDIT ENGAGEMENT.....</b>	<b>4</b>
<b>AUDIT OPINIONS .....</b>	<b>5</b>
PROJECT FINANCIAL POSITION .....	5
STATEMENT OF FIXED ASSETS .....	7
STATEMENT OF CASH POSITION .....	8
<b>MANAGEMENT LETTER .....</b>	<b>9</b>
<b>ANNEXES .....</b>	<b>13</b>
ANNEX 1: COMBINED DELIVERY REPORT .....	13
ANNEX 2: AUDIT FINDING PRIORITY RATINGS .....	18

## EXECUTIVE SUMMARY

Moore Stephens LLP conducted the financial audit of “Programa de modernización y gestión de los activos estratégicos de CEPA Fase II” (Project ID 92375 and Output ID 97116) (the project), directly implemented by UNDP El Salvador (‘the Office’) following the CO support to NIM modality, for the year ended 31 December 2017. The audit was undertaken on behalf of UNDP, Office of Audit and Investigations (OAI).

We have issued audit opinions as summarised in the table below and as detailed in the next section:

<b>Project Financial Position</b>	Unmodified
<b>Statement of Fixed Assets</b>	Not applicable
<b>Statement of Cash Position</b>	Not applicable

As a result of our audit, we have raised two audit findings with a net financial impact totalling \$ 49,082.20 as summarised below:

No.	Title	Priority	Net financial impact \$
1	Expenditure incurred before the start of the project implementation period	Medium	49,082.20
2	Adequate control framework for project monitoring not set out in the signed Letter of Understanding	Medium	-
<b>Total</b>			<b>49,082.20</b>

The project was not audited in the prior year.



Mark Henderson  
Partner

Moore Stephens LLP  
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London EC1A 4AB

3 August 2018

MOORE STEPHENS

## THE AUDIT ENGAGEMENT

### Audit Objectives and Scope

The objective of the financial audit was to express an opinion on the DIM project's financial position which includes:

- Expressing an opinion on whether the financial expenses incurred by the project between 1 January and 31 December 2017 in the Combined Delivery Report (CDR), the Funds Utilization statement as at 31 December 2017 and the accounts receivable and accounts payable as at 31 December 2017 are fairly presented in accordance with UNDP accounting policies and that the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents.
- Expressing an opinion on whether the Statement of Fixed Assets, at net book value, presents fairly the balance of depreciated assets of the UNDP project as at 31 December 2017. This statement must include all assets available as at 31 December 2017 and not only those purchased in a given period.

Where a DIM project does not have any assets or equipment, it is not necessary to express such an opinion.

- Expressing an opinion on whether the Statement of Cash Position held by the project presents fairly the cash and bank balance of the UNDP project as at 31 December 2017.

In cases where the cash transactions of the audited DIM project are made through the country office bank accounts, this type of opinion is not required.

The financial audit was conducted in accordance with International Standards of Auditing (ISA), the 700 series. As applicable, the audit report provides the progress made in implementing the recommendations raised in the previous year's audit report.

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project between 1 January and 31 December 2017. The scope of the audit did not include:

- Activities and expenses incurred or undertaken at the level of "responsible parties", unless the inclusion of these expenses is specifically required in the request for proposal; and
- Expenses processed and approved in locations outside the country such as UNDP Regional Centres and UNDP Headquarters and where the supporting documentation is not retained at the level of the UNDP country office.

## AUDIT OPINIONS

### Independent Auditor's Report to UNDP – Programa de modernización y gestión de los activos estratégicos del CEPA Fase II

#### Project Financial Position

#### To the Director of the Office and Audit and Investigations, United Nations Development Programme

We have audited the financial position of the UNDP project ID 92375, "Programa de modernización y gestión de los activos estratégicos del CEPA Fase II", output ID 97116, "Programa de modernización CEPA" for the period 1 January to 31 December 2017 which includes: (a) the accompanying Combined Delivery Report (CDR); (b) the Funds Utilization statement ("the statement"); and (c) the project-related accounts receivable and accounts payable.

The CDR expenditure totalling \$ 4,963,192.86 is comprised of expenditure directly incurred by the UNDP Office in El Salvador. Our audit covered the full expenditure amount of \$ 4,963,192.86.

#### **Unmodified opinion**

In our opinion, the attached CDR and Funds Utilization statement present fairly, in all material respects, the expenses of \$ 4,963,192.86 directly incurred by the UNDP Office El Salvador and charged to the project for the period 1 January to 31 December 2017 in accordance with UNDP accounting policies and were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities' section of this report.

We are independent of UNDP in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants. We have fulfilled our other ethical responsibilities in accordance with these requirements, and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management responsibilities**

Management is responsible for the preparation of the CDR and the Funds Utilization statement of the project and for such internal control as management determines is necessary to enable the preparation of a CDR and Funds Utilization statement that are free from material misstatement, whether due to fraud or error.



### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the CDR and the Funds Utilization statement are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these documents.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the CDR and the Funds Utilization statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Mark Henderson  
Partner

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3 August 2018

**MOORE STEPHENS**

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## Independent Auditor's Report to UNDP – Programa de modernización y gestión de los activos estratégicos de CEPA Fase II

### Statement of Fixed Assets

To the Director of the Office and Audit and Investigations, United Nations Development Programme

The UNDP project 92375 output 97116 “Programa de modernización y gestión de activos estratégicos de CEPA FASE II” had no assets and accordingly a Statement of Fixed Assets was not produced.

## Independent Auditor's Report to UNDP - Programa de modernización y gestión de los activos estratégicos de CEPA Fase II

### Statement of Cash Position

To the Director of the Office and Audit and Investigations, United Nations Development Programme

The UNDP project 92375 output 97116 "Programa de modernización y gestión de activos estratégicos de CEPA FASE II" did not have a dedicated bank account for the DIM project activities subject to audit and accordingly a Statement of Cash Position was not produced.

## MANAGEMENT LETTER

The audit findings and recommendations arising from the financial audit of the project are set out in our management letter below:

Finding n°: 1	Title: Expenditure incurred before the start of the project implementation period																		
<b>Observation:</b> <p>The project document (PRODOC) states that the project will be implemented by “Comisión Ejecutiva Portuaria Autónoma” (CEPA). It also states that the “Ministerio de Obras Públicas, Transporte, Vivienda y Desarrollo Urbano” (MOPTVDU) will provide technical support to the project.</p> <p>Article 10 of the Letter of Understanding (LoU) signed between the CEPA and MOPTVDU states that it will be valid from the 1 September 2016 to 31 December 2017, whereas the PRODOC states that the project starts on 9 September 2016.</p> <p>Article 5 of the LoU signed between CEPA and MOPTVDU states that the way and method to recover the expenses incurred by MOPTVDU will be determined in the description of technical cooperation services of the Executing Agency of the UNDP-MOPTVDU project and consigned in the annual work plans of the project. As per the Pluri annual work plan (AWP, Section VII to the PRODOC), the project period is stated as September 2016 to December 2017, and the budget annexed to the AWP only refers to Quarter 4 of 2016 and Quarters 1 to 4 for 2017.</p> <p>The project paid \$ 114,430.20 to another UNDP project - UNDP/MOP 74250 “Dinamización de Economías Locales mediante el Desarrollo y la Reconstrucción de la Infraestructura Pública” in relation to the participation of personnel from that project, as foreseen in Section IV, point 4.1b of the PRODOC. The amount charged related to technical assistance, consulting and administration work performed between November 2015 and June 2017.</p> <p>On 15 November 2015 The Executive Board of the project UNDP-MOP 74250 (members from UNDP, MOPTVDU and CEPA) agreed the provision of technical assistance services from the UNDP-MOP project 74250 to UNDP-CEPA project 92375. It was also agreed that the preparation of an annex to the inter-institutional agreement signed between CEPA and the MOPTVDU would regularise the services to be provided by the UNDP-MOP project and the transfer of the costs for the resources used by them to the UNDP-CEPA project.</p> <p>On 1 September 2016, the Executive Board of the project UNDP-CEPA 92375, confirmed the need of a signed LoU between CEPA and MOPTVDU, to regularise the technical assistance to be provided by the UNDP-MOP Project. This LoU was signed on 1 September 2016 and it was agreed that CEPA will share the LoU with the Executive Board of the UNDP-CEPA project for their analysis.</p> <p>On 9 September, the Project Appraisal Committee approved the signature of the PRODOC, stating in the minutes that the technical assistance provided by the UNDP-MOP project were considered direct costs of the project. However, it does not state that costs incurred before the project period project implementation should be considered as part of the project.</p> <p>Services paid to the project UNDP/MOP 0074250, mentioned above, included expenditure incurred before the starting date of the project (9 September 2016) but recorded in the 2017 project CDR, as shown in the table below.</p>																			
<table><tr><th>Services rendered</th><th>Nov-Dec 2015 \$</th><th>Jan-Mar 2016 \$</th><th>Apr-Jun 2016 \$</th><th>Jul-Aug 2016 \$</th><th>Total \$</th></tr><tr><td>Project formulation, training, admin, support</td><td>5,334.07</td><td>16,725.42</td><td>14,930.56</td><td>9,092.15</td><td>46,082.18</td></tr><tr><td>Operative costs, phone, petrol, equipment maintenance, stationery and supplies</td><td>600.00</td><td>900.00</td><td>900.00</td><td>600.00</td><td>3,000.00</td></tr></table>		Services rendered	Nov-Dec 2015 \$	Jan-Mar 2016 \$	Apr-Jun 2016 \$	Jul-Aug 2016 \$	Total \$	Project formulation, training, admin, support	5,334.07	16,725.42	14,930.56	9,092.15	46,082.18	Operative costs, phone, petrol, equipment maintenance, stationery and supplies	600.00	900.00	900.00	600.00	3,000.00
Services rendered	Nov-Dec 2015 \$	Jan-Mar 2016 \$	Apr-Jun 2016 \$	Jul-Aug 2016 \$	Total \$														
Project formulation, training, admin, support	5,334.07	16,725.42	14,930.56	9,092.15	46,082.18														
Operative costs, phone, petrol, equipment maintenance, stationery and supplies	600.00	900.00	900.00	600.00	3,000.00														

<b>Total</b>	<b>5,934.07</b>	<b>17,625.42</b>	<b>15,830.56</b>	<b>9.692.15</b>	<b>49,082.20</b>
As there is no indication in the PRODOC that expenditure would be incurred prior to the start of the project implementation period, we consider that this observation has a financial impact of US\$ 49,082.20.					
<b>Priority: Medium</b>					
<b>Recommendation:</b> <ul style="list-style-type: none"> <li>• Project expenditure should be related to the project implementation period, or, in those cases where expenditure prior to this date could be accepted, this should be clearly stated in key project documents, such as the PRODOC and LoU.</li> <li>• Expenditure already incurred should be clearly set out in the relevant key project documents at the time of signature.</li> </ul>					
<b>Management comments:</b> <p>Note that the services provided in the form of technical assistance were a key element for the project document design, preparation of the previous conditions and implementation of the project activities. So, the expenses belong to the project implementation period as they were refunded according to the Agreement. Also, the payment (reimbursement) was approved by the Project Coordinator, wherein certifies: "that the payment was not made before; and the payment is made for goods, services or works delivered in full satisfaction".</p> <p>The general principle in IPSAS 3 is that an entity must correct all material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery. [IPSAS 3.47]. In this case, as the expenditure occurred before the earliest period presented, the expenditures were registered for the earliest period for which retrospective restatement was practicable (which may be the current period). [IPSAS 3.49].</p> <p>The Office takes note of the recommendation and for futures projects will ensure that in those cases where prior expenditure could be accepted, this will be clearly stated in the Agreement as well as the charges already included at the time of the signature of the Agreement.</p>					

Finding n°: 2	<b>Title:</b> Adequate control framework for project monitoring not set out in the signed Letter of Understanding
<p><b>Observation:</b></p> <p>Regulation 3.01 of the UNDP Financial Regulations and Rules states that 'he Administrator shall maintain an internal financial control mechanism which shall provide for an effective current examination and review of financial, management and operational activities, in order to ensure the conformity of commitments and expenditures with the allocations, appropriations or other financial provisions decided upon by the Executive Board, with allocations decided upon by the Administrator or with agreements with other United Nations organisations and other entities.</p> <p>POPP Project Management Implementation states in Article 16 that the IP is responsible for ensuring that job descriptions (sometimes called ToRs) are prepared for all UNDP supported personnel. The partner concerned must agree on their content. These must be updated and must clearly identify the outputs the person is expected to produce. Individual workplans are also recommended for all staff.</p> <p>The project document (PRODOC) states that the project will be implemented by "Comisión Ejecutiva Portuaria Autónoma" (CEPA). It also states that the "Ministerio de Obras Públicas, Transporte, Vivienda y Desarrollo Urbano" (MOPTVDU) will provide technical support to the project.</p> <p>Part of the technical assistance required for the project was provided by staff working for another UNDP project – UNDP/MOP 0074250 "Dinamización de Economías Locales mediante el Desarrollo y la Reconstrucción de la Infraestructura Pública". The provision of the technical assistance by the UNDP/MOP Project was included in the PRODOC, Section IV, Point 4.1b). The Implementing Partner of this Project was MOPTVDU.</p> <p>The provision of these services was regulated through the signing of a Letter of Understanding (LoU) between CEPA and MOPTVDU.</p> <p>We observed that the LoU signed between CEPA and MOPTVDU did not provide an adequate control framework over the project expenses reported by MOPTVDU. We noted the following weaknesses:</p> <ul style="list-style-type: none"> <li>• <b>Lack of details on the activities to be implemented by the MOPTVDU.</b> The LoU did not include a detailed description of the different tasks to be performed and outputs to be produced by the UNDP/MOP project. This lack of detail makes performance monitoring more difficult.</li> <li>• <b>Required time to perform the activities.</b> The LoU did not set timelines for the different activities to be implemented, again making monitoring by the Office more difficult.</li> <li>• <b>Documentation required to support the costs claimed.</b> The LoU did not give any indication of the processes and documentation required to allow the transfer of expenditure between projects to evidence that the funds have been spent according to UNDP regulations.</li> </ul> <p>These weaknesses show that an adequate control framework for project monitoring was not set out in the project LoU.</p>	
<b>Priority:</b> Medium	
<p><b>Recommendation:</b></p> <p>The Office assumes overall management responsibility and accountability for implementation of DIM projects. In this case the project was implemented following the CO support to NIM modality where the UNDP office assumed full responsibility for the implementation of the project as informed by OAI.</p>	



- We recommend that a clear description of the different services to be rendered, together with a chronogram for their delivery and required outputs, should be part of the contracts in order to allow the monitoring of the performance of the suppliers.
- When subcontracting activities, a note should be included in the agreement informing the subcontractors of the need to comply with the rules set out in the agreement signed between the Implementing Partner and the Office. This should also include guidelines of the procedures and evidence required to support the expenses claimed.
- When service contract proposals mention the use of specific experts, their participation should be properly evidenced to avoid charges for services not implemented by the agreed experts.

**Management comments:**

The LoU between CEPA and MOPTVDU was signed under National regulations and did not represent a service contract to a vendor. As per POPP, "For projects implemented by partners other than UNDP, the relevant legal instrument of the partner institution will be used" (Programme and Project Management/Selecting Responsible Parties and Grantees-11). As per the Article 5 of the LoU signed between CEPA and MOPTVDU, the way and method to recover the expenses incurred by MOPTVDU will be determined in the "Description of technical cooperation services of the Executing Agency of the UNDP-MOPTVDU project and consigned in the annual work plans of the project. Also, this document described the detailed services to be performed by MOPTVDU, as well the timeline and the expected outputs.

The Office considers that the documentation provided for payments met the necessary controls as the support documentation includes: LoU signed; detail of the personnel devoted, the services rendered, the time and costs incurred by MOPTVDU, a certification of the Project coordination for the services received and accepted in satisfaction.

However, the Office takes note of the recommendation and will ensure that project activities are clearly defined, measured and paid as per agreed terms set in legal documents.



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Partner

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3 August 2018

**MOORE STEPHENS**

## **Annexes**

**Annex 1:    Combined Delivery Report**



UN Development Programme  
Report ID : unglcdrv

# Combined Delivery Report by Activity

Page 1 of 4  
Run Time 09-02-2018 13:02:34

## Selection Criteria :

Business Unit : SLV10  
Period : Jan-Dec (2017)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Outputs : 00097116

Project Id : 00092375 Programa de modernización de C	Period : Jan-Dec (2017)
Output # : 00097116 Programa de Modernización CEPA	Impl. Partner : 01087 GOBIERNO DE EL SALVADOR
	Location : El Salvador

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
<b>Activity : ACTIVITY1 (Remodelación estacionamiento)</b>				
<b>Fund : 30071 (Programme Cost Sharing GOV1)</b>				
72105 - Svc Co-Construction & Engineer	0.00	204,311.22	0.00	204,311.22
72399 - Other Materials and Goods	0.00	15,624.51	0.00	15,624.51
73216 - Construction Cost	0.00	4,177,218.40	0.00	4,177,218.40
75105 - Facilities & Admin - Implement	0.00	153,900.41	0.00	153,900.41
<b>Total for Fund 30071</b>	<b>0.00</b>	<b>4,551,054.54</b>	<b>0.00</b>	<b>4,551,054.54</b>
<b>Total for Activity ACTIVITY1</b>	<b>0.00</b>	<b>4,551,054.54</b>	<b>0.00</b>	<b>4,551,054.54</b>
<b>Activity : ACTIVITY2 (Asistencia técnica)</b>				
<b>Fund : 30071 (Programme Cost Sharing GOV1)</b>				
64397 - Services to projects -CO staff	0.00	169,199.37	0.00	169,199.37
71305 - Local Consult.-Sht Term-Tech	0.00	148,442.89	0.00	148,442.89
71405 - Service Contracts-Individuals	0.00	53,218.32	0.00	53,218.32
72205 - Office Machinery	0.00	152.00	0.00	152.00
72315 - Food & Textile Products	0.00	1,571.00	0.00	1,571.00
72370 - Security related goods and mat	0.00	183.00	0.00	183.00
72399 - Other Materials and Goods	0.00	449.71	0.00	449.71
72425 - Mobile Telephone Charges	0.00	867.84	0.00	867.84
72505 - Stationery & other Office Supp	0.00	1,677.00	0.00	1,677.00
72510 - Publications	0.00	2,700.00	0.00	2,700.00
74205 - Audio Visual Productions	0.00	450.00	0.00	450.00
74210 - Printing and Publications	0.00	190.50	0.00	190.50
74215 - Promotional Materials and Dist	0.00	2,093.50	0.00	2,093.50
74225 - Other Media Costs	0.00	35.00	0.00	35.00
74230 - Audio & Visual Equipment	0.00	2,098.00	0.00	2,098.00
74596 - Services to projects -GOE	0.00	13,718.87	0.00	13,718.87
75105 - Facilities & Admin - Implement	0.00	13,937.05	0.00	13,937.05
75705 - Learning costs	0.00	1,154.27	0.00	1,154.27
<b>Total for Fund 30071</b>	<b>0.00</b>	<b>412,138.32</b>	<b>0.00</b>	<b>412,138.32</b>
<b>Total for Activity ACTIVITY2</b>	<b>0.00</b>	<b>412,138.32</b>	<b>0.00</b>	<b>412,138.32</b>
<b>Total for Output : 00097116</b>	<b>0.00</b>	<b>4,963,192.86</b>	<b>0.00</b>	<b>4,963,192.86</b>



Combined Delivery Report by Activity

UN Development Programme  
Report ID unglcdrb

Page 2 of 4  
Run Time: 09-02-2018 13:02:34

Project Id : 00092375 Programa de modernización de C	Period : Jan-Dec (2017)			
Output # : 00097116 Programa de Modernización CEPA	Impl. Partner : 01087 GOBIERNO DE EL SALVADOR			
	Location : El Salvador			
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
Project Total :	0.00	4,963,192.86	0.00	4,963,192.86

Mark Henderson  
Partner  
Moore Stephens LLP  
3 August 2018

MOORE STEPHENS

Signed By Emerito Valesquez Date : 12 - Feb - 2018  
Signed By Adruce Hernandez Date : 15/2/18  
DIRECTOR NACIONAL DEL PROYECTO  
REPRESENTANTE RESIDENTE ADJUNTA





# Combined Delivery Report by Activity

UN Development Programme  
Report ID: unglcdrb

Page 3 of 4  
Run Time: 09-02-2018 13:02:38

## Selection Criteria :

Business Unit : SLV10  
Period : Jan-Dec (2017)  
Selected Project Id : ALL  
Selected Fund Code : ALL  
Selected Dept. IDs : ALL  
Selected Outputs : 00097116

Project Id : ALL		Period : Jan-Dec (2017)		
Output # : ALL		Impl. Partner :		
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
50205 - El Salvador -Energy &Environmnt	0.00	434.70	0.00	434.70
50208 - El Salvador - Poverty Reduct'n	0.00	4,962,758.16	0.00	4,962,758.16



**Funds Utilization**

**Selection Criteria :**

**Business Unit :** SLV10  
**Period :** Jan-Dec (2017)  
**Selected Project Id :** ALL  
**Selected Fund Code :** ALL  
**Selected Dept. IDs :** ALL  
**Selected Outputs :** 00097118

**Project/Award:** 00092375 Programa de modernización de C

**Period :** As Of Dec31,2017

Output#	00097118	Impl. Partner :01087 GOBIERNO DE EL SALVADOR	UNDP AMOUNT
Outstanding NEX advances			0.00
Undepreciated Fixed Assets			0.00
Unamortized Intangible Assets			0.00
Inventory			0.00
Prepayments			0.00
Commitments			257,854.25



## Annex 2: Audit finding priority ratings

The following categories of priorities are used:

<b>High (Critical)</b>	Prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP.
<b>Medium (Important)</b>	Action is required to ensure that UNDP is not exposed to risks. Failure to take action could result in negative consequences for UNDP.
<b>Low</b>	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the Office management, either during the exit meeting or through a separate memo subsequent to the fieldwork. <b>Therefore, low priority recommendations are not included in this report.</b>