

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP HAITI

Gestion des Debris PAP
(Directly Implemented Project, Output No. 76983)

Report No. 1349

Issue Date: 8 August 2014

**Report on the audit of UNDP Haiti
Gestion des Debris PAP, Output No. 76983
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 29 March to 28 April 2014, through Fabel, Werner & Schnittke (the audit firm), conducted an audit of Gestion des Debris PAP, Output No. 76983 (the Project), which is directly implemented and managed by the UNDP Country Office in Haiti (the Office). The last audit of the Project was conducted by OAI in 2013 and covered project expenditure from 1 January to 31 December 2011.

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 (CDR) which includes expenditure for the period from 1 January 2012 to 31 December 2013 and the accompanying Funds Utilization statement¹ as of 31 December 2013. 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 reports and corresponding management letters submitted by the audit firm, the results are summarized in the table below:

Year	Project Expenditure		Project Assets	
	Amount (in \$ '000)	Opinion	Amount (in \$ '000)	Opinion
2012	5,841	Unqualified	18	Unqualified
2013	291	Unqualified	17	Unqualified

The audit firm issued an unqualified opinion on the Funds Utilization statement.

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 that are considered moderate. Failure to take action could contribute to negative consequences for UNDP." These recommendations include actions to address the disclosure of correction bookings, and the calculation of management fees.

OAI took note of the audit firm's opinion on the CDR for financial years 2012 and 2013 and the points highlighted as emphasis of matter. In OAI's opinion, these points, as presented in the audit reports, do not warrant an emphasis of matter and therefore, will not be given further consideration.

¹ The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) depreciated 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/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



Ms. Sophie de Caen
UNDP Haiti
Senior Country Director

UNDP Haiti
Gestion des Debris PAP
Output ID 00076983
Executive Summary

Fabel, Werner & Schnittke GmbH

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Executive Summary

Dear Ms. de Caen,

We performed an audit of the financial reports of project “Gestion des Debris PAP”, Output ID 00076983, internally called “Debris I”, for the years 2012 and 2013.

“Debris I” is a joint project between UNDP, ILO and UN-Habitat funded by the Haiti Reconstruction Fund (HRF). UNDP is Lead Agency and Coordinator of the project. The return home of displaced families was a priority for the Haitian government and a key element of their post-earthquake action plan. One year after the earthquake of January 12, 2010 some 680.000 persons were still living in 1300 camps around Port-au-Prince and other affected areas. The removal of debris was a pre-requisite of the reconstruction of neighbourhoods and the return of displaced people in their communities. The management of debris was an entry point towards the development and improvement of living conditions in the neighborhoods. The project focused on social mobilization, debris Management (demolition of unsafe structures; short-term job creation through the “Cash for Production” labor intensive methodology; management of debris in areas of intervention), and job creation.

Our audit was performed on site in Haiti from March 29 to April 28, 2014.

For the purpose of our audit, we assessed the control risk, i.e. the risk that a material deviation would be not detected by management itself within reasonable time, as follows:

- In general terms, the internal control procedures were adequate in relation to the project tasks and the control environment. In 2012, management reorganized the internal procedures. The administrative procedures are fixed in writing. A high percentage of the documentation is already archived electronically. With respect to the high risk of natural disasters, we believe that this practice is an example for others.
- Authorization procedures and the required segregation of duties were complied with.
- Fast Track Procedures (FTP) were applied. Management prepared the requested log of all direct contracting cases in the framework of FTP.
- Problems of internal control existed with respect to correction bookings and tracking of purchase orders (POs). These detected problems were mainly caused by the accelerated project turnover in the emergency situation after the earthquake.

Concerning financial control we could determine the following:



- A budget comparison was submitted.
- We could link the submitted ATLAS register to the signed Combined Delivery Reports (CDRs) and the statement of undepreciated fixed assets.
- Expense bookings are supported by vouchers and other supporting documents.
- All inventory items, which were listed in the statement of undepreciated fixed assets, were present.
- On-site checks showed that the financial documentation could be linked to the reported output. The expenses were made for the approved purpose of the project.

Our audit opinion is therefore unqualified.

These are our main audit findings:

- Frequent correction bookings occurred.
- UNDP has a contractual right to charge the project with a 7 percent administration fee on the net project expenses and a 1 percent management fee on the grand total. In a project-wide summary it is evident that UNDP charged the project less than possible.

The following paragraphs explain the main findings and our recommendations thereon in detail.

1. Correction Bookings

UNDP Haiti has an unusual high amount of “correction bookings”. Measured as a percentage of “negative bookings” in relation to the total number of bookings, 10.7 percent of all bookings were corrections in 2012; while 21.4 percent of all bookings were corrections in 2013¹. We recommend reducing the amount of correction bookings.

¹ One re-allocation is counted as one transaction only, although two accounts are affected. There could also be correction bookings which appear as positive transactions only. This occurs when expenses are allocated to the projects under audit from other projects – these bookings are not counted with the above indicated method. On the other hand, evaluation bookings could also be negative.



2. Determination of the 7 Percent Administrative Fee

UNDP Haiti has a contractual right to charge the project a 7 percent administration fee on the net project expenses and a 1 percent management fee on the grand total. We undertook an attempt to re-calculate the administrative fee and the management fee. A comparison with the internal accounts of UNDP Haiti showed that the project was undercharged for \$ 12,610.78 in 2012 and overcharged for \$ 14,933.75 in 2013. Management suggested that corrections will be made in the next accounting period, and we agreed with this suggestion. We introduced an explanatory line into the “emphasis of matter” paragraph of our audit report..

3. Related party transactions

We mentioned the following related party transactions in the project under audit:

- \$ 636,312.00 to the UN Office for Project Services as of 18 July 2012
- \$ 114,169 to UN Habitat as of 12 December 2012.

UNDP made a commitment that the financial reports should be issued in accordance with the International Public Sector Accounting Standards (IPSAS). IPSAS 20 requires a disclosure of related party transactions. UN Habitat and UN Office for Project Services are related parties in accordance with IPSAS 20.

OAI convinced us, that this requirement of the IPSAS would be only mandatory in organisation wide financial statements, and not in project reports. The IPSAS do not define such exclusion. However, the argumentation might be sufficient. Consequently, we came to the conclusion that non-disclosure of related party transactions in your financial statements is not a reason to qualify our audit report.

However, in many cases, we see that the transactions with UNICEF, UN HABITAT etc. have a material influence on your reporting. We thus believe that it is necessary for the final user of the financial statements to know about these transactions. We thus added an explanatory paragraph to the audit report. We still believe that a disclosure of all related party transactions in the notes to the UNDP financial report would be the better solution, than a disclosure in the “emphasis of matter” paragraph of the audit report.

Berlin, July 25, 2014

Frank Fabel, CPA, MA



OAI
Clayton, City of Knowledge
UN House, Building 128
Panama City, Republic of Panama

UNDP Haiti
Output ID 00076983
Gestion des Debris PAP
Audit Report 2012

Fabel, Werner & Schnittke GmbH

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Report of the Independent Auditors to UNDP

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization Statement (“the statement”) of the project “Gestion des Debris PAP”, Output ID 00076983, for the period from 1 January to 31 December 2012.

Management is responsible for the preparation of the statement for the project “Gestion des Debris PAP”, Output ID 00076983, and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statements 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 project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



In our opinion, the attached statement of expense presents fairly, in all material respects, the expense of \$ 5,841,280.81 incurred by the project “Gestion des Debris PAP”, Output ID 00076983, for the period from 1 January to 31 December 2012 in accordance with agreed upon 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 UNDP regulations and rules, policies and procedures; and
- (iv) supported by properly approved vouchers and other supporting documents.

Emphasis of Matter

Without qualifying our opinion, we would like to draw your attention to the following points:

We noted that the project under audit did not use a dedicated bank account for DIM project activities and accordingly a statement of cash position was not produced.

For certain funds, UNDP has a right to charge the project with an administrative fee of 7 percent. In 2012, the project was undercharged for \$ 12,610.78.

We mentioned the following related party transactions:

\$ 636,312.00 to the UN Office for Project Services as of 18 July 2012

\$ 114,169 to UN Habitat as of 12 December 2012.

Berlin, July 25, 2014

Frank Fabel, CPA, MA
Executive Director



Selection Criteria :

Business Unit : HT110
Period : Jan-Dec (2012)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00076983

Project Id : 00060216 Earthquake Debris Management i		Period :	Jan-Dec (2012)	
Output # : 00076983 Gestion Débris PortauPrince I		Impl. Partner :	99999 UNDP	
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Dept: 50803 (Haiti - Crisis Prev & Rcvry)

Fund : 30000 (PROGRAMME COST SHARING)

61305 - Salaries - IP Staff	0.00	186,547.08	0.00	186,547.08
61310 - Post Adjustment - IP Staff	0.00	77,450.60	0.00	77,450.60
62305 - Dependency Allowances-IP Staff	0.00	2,086.19	0.00	2,086.19
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	58,419.24	0.00	58,419.24
62315 - Contrib. to medical, social in	0.00	2,095.56	0.00	2,095.56
62320 - Mobility, Hardship, Non-remova	0.00	4,412.72	0.00	4,412.72
62340 - Annual Leave Expense - IP	0.00	5,635.47	0.00	5,635.47
63335 - Home Leave Trvl & Allow-IP Stf	0.00	12,641.65	0.00	12,641.65
63365 - Special Oper Living Allow-IP	0.00	148,500.00	0.00	148,500.00
63520 - Personal Security Measures	0.00	16,056.87	0.00	16,056.87
63530 - Contribution to EOS Benefits	0.00	6,599.94	0.00	6,599.94
63535 - Contribution to Security	0.00	10,559.92	0.00	10,559.92
63540 - Contribution to Training	0.00	2,639.97	0.00	2,639.97
63545 - Contribution to ICT	0.00	3,959.97	0.00	3,959.97
63550 - Contributions to MAIP	0.00	527.99	0.00	527.99
63555 - Contribution to UN JFA	0.00	4,751.97	0.00	4,751.97
63560 - Contributions to Appendix D	0.00	791.99	0.00	791.99
64305 - Appointments - IP Staff	0.00	0.00	0.00	0.00
64308 - Appointments-Lump Sum	0.00	0.00	0.00	0.00
64309 - Appointment-Shipments	0.00	0.00	0.00	0.00
65115 - Contributions to ASHI Reserve	0.00	17,159.88	0.00	17,159.88
65135 - Payroll Mgt Cost Recovery ATLA	0.00	2,124.54	0.00	2,124.54
71210 - Intl Consultants-Sht Term-Supp	0.00	0.00	0.00	0.00
71305 - Local Consult.-Sht Term-Tech	0.00	18,785.55	0.00	18,785.55
71310 - Local Consult.-Short Term-Supp	0.00	5,122.37	0.00	5,122.37
71405 - Service Contracts-Individuals	0.00	293,395.65	0.00	293,395.65
71410 - MAIP Premium SC	0.00	76.96	0.00	76.96
71415 - Contribution to Security SC	0.00	0.00	0.00	0.00
71605 - Travel Tickets-International	0.00	16,109.30	0.00	16,109.30
71620 - Daily Subsistence Allow-Local	0.00	94,857.19	0.00	94,857.19
72105 - Svc Co-Construction & Engineer	0.00	2,298,490.13	0.00	2,298,490.13
72125 - Svc Co-Studies & Research Serv	0.00	17,348.61	0.00	17,348.61
72130 - Svc Co-Transportation Services	0.00	2,540,616.60	0.00	2,540,616.60
72150 - Svc Co-Manufacturing Services	0.00	3,278.14	0.00	3,278.14
72165 - Svc Co-Social Svcs, Social Sci	0.00	-456,676.00	0.00	-456,676.00
72205 - Office Machinery	0.00	5,893.78	0.00	5,893.78
72210 - Machinery and Equipment	0.00	5,216.07	0.00	5,216.07
72220 - Furniture	0.00	2,111.94	0.00	2,111.94
72311 - Fuel, petroleum and other oils	0.00	10,526.41	0.00	10,526.41
72320 - Wood & Paper Products	0.00	3,040.00	0.00	3,040.00
72370 - Security related goods and mat	0.00	1,061.46	0.00	1,061.46
72425 - Mobile Telephone Charges	0.00	3,350.23	0.00	3,350.23
72440 - Connectivity Charges	0.00	25,019.00	0.00	25,019.00
72445 - Common Services-Communications	0.00	6,600.00	0.00	6,600.00



Project Id : 00060216 Earthquake Debris Management i	Period : Jan-Dec (2012)
Output # : 00076983 Gestion Débris PortauPrince I	Impl. Partner : 99999 UNDP
	Location :

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72515 - Print Media	0.00	706.81	0.00	706.81
72815 - Inform Technology Supplies	0.00	731.61	0.00	731.61
73104 - Leased Building	0.00	- 24,464.97	0.00	- 24,464.97
73105 - Rent	0.00	- 70,040.00	0.00	- 70,040.00
73106 - Leased premises alterations	0.00	4,429.80	0.00	4,429.80
73120 - Utilities	0.00	11,868.22	0.00	11,868.22
73125 - Common Services-Premises	0.00	7,467.86	0.00	7,467.86
73406 - Maintenance of Equipment	0.00	2,893.90	0.00	2,893.90
73410 - Maint, Oper of Transport Equip	0.00	1,487.80	0.00	1,487.80
74125 - Investment Management Fees	0.00	21,595.54	0.00	21,595.54
74205 - Audio Visual Productions	0.00	4,999.00	0.00	4,999.00
74215 - Promotional Materials and Dist	0.00	4,855.52	0.00	4,855.52
74220 - Translation Costs	0.00	5,184.04	0.00	5,184.04
74525 - Sundry	0.00	6,146.50	0.00	6,146.50
74599 - UNDP cost recovery chrgs-Bills	0.00	12,231.78	0.00	12,231.78
75105 - Facilities & Admin - Implement	0.00	370,131.87	0.00	370,131.87
75115 - Facilities & Admin - OH & Ind	0.00	222.22	0.00	222.22
75708 - Learning - subcontracts	0.00	22,321.52	0.00	22,321.52
76125 - Realized Loss	0.00	2,954.34	0.00	2,954.34
76135 - Realized Gain	0.00	- 3,071.24	0.00	- 3,071.24
77670 - Dep Exp-Hvy Mac & Equip	0.00	1,443.75	0.00	1,443.75
Total for Fund 30000	0.00	5,841,280.81	0.00	5,841,280.81
Total for Dept : 50803	0.00	5,841,280.81	0.00	5,841,280.81
Total for Output : 00076983	0.00	5,841,280.81	0.00	5,841,280.81

Project Total :	0.00	5,841,280.81	0.00	5,841,280.81
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Signed By : Madeleine Oakess pour Paola Solda

Date :

18/07/14

Signed By : [Signature]

Date :

21/07/14



Felice



Selection Criteria :

Business Unit : HTI10
Period : Jan-Dec (2012)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00076983

Project Id : ALL		Period : Jan-Dec (2012)		
Output # : ALL		Impl. Partner : Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
50803 - Haiti - Crisis Prev & Rcvry	0.00	5,841,280.81	0.00	5,841,280.81



UN
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UN Development Programme

Report ID: unglcdrp

Combined Delivery Report By Project

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Run Time: 18-07-2014 19:07:05

Funds Utilization

Selection Criteria :

Business Unit : HT110

Period : Jan-Dec (2012)

Selected Project Id : ALL

Selected Fund Code : ALL

Selected Dept. IDs : ALL

Selected Outputs : 00076983

Project/Award: 00060216 Earthquake Debris Management i

Period : As at Dec 31, 2012

Output #	00076983	Impl. Partner :99999 UNDP	UNDP AMOUNT
	Outstanding NEX advances		0.00
	Undepreciated Fixed Assets		17,806.25
	Inventory		0.00
	Prepayments		0.00
	Commitments		16,902.00



UN
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UN Development Programme

Report ID: unglcdrp

Combined Delivery Report By Project

Page 5 of 5

Run Time: 18-07-2014 19:07:06

**Schedule to Combined Delivery Report
IPSAS Adjustments as at 1 January 2012**

Selection Criteria :

Business Unit : HT110

Selected Project(s): ALL

Selected Fund Code : ALL

Selected Output(s): 00076983

Project Id : 00060216 Earthquake Debris Management i

Output # : 00076983 Gestion Débris PortauPrince I

Impl. Partner : 99999 UNDP

Description	Account	Fund	Donor	Amount
Unliquidated Obligations	21015	30000-Programme	11502-UNDG	44,513.60
Total for Output : 00076983				44,513.60

Project Total :	44,513.60
------------------------	------------------

NOTES :

UNDP adopted IPSAS on 1 January 2012 which recognizes an expense based on goods received and/or services rendered. Consequently, expenses related to some IPSAS opening balance would be duplicated in the 2012 CDRs because of the following:

1. Goods received or services rendered in 2012 on non-fixed asset open purchase orders raised prior to 2012 would be recognized as an expense in 2012. These were ULOs in 2011
2. 2012 Inventory opening balances would be expensed in 2012 when goods are consumed or delivered
3. 2012 Prepaid opening balances would be expensed in 2012 when goods are received or services rendered



Report of the Independent Auditor to UNDP on the Statement of Fixed Assets

We have audited the accompanying Statement of Fixed Assets (“the statement”) of the project “Gestion des Debris PAP”, Output ID 00076983, as at 31 December 2012.

Management is responsible for the preparation of the statement for the project “Gestion des Debris PAP”, Output Project ID 00076983, and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statements 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 project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the attached statement of assets presents fairly, in all material respects the balance of inventory of the project “Gestion des Debris PAP”, Output ID 00076983, amounting to \$ 17,806.25 as at 31 December 2012 in accordance with UNDP accounting policies.

Berlin, July 25, 2014

Frank Fabel, CPA, MA
Executive Director

AM In Service Report

UN Develc Page 1 of 7

Report ID: UNAM60 Run Time: 8/4/2014 20:04

Business L HT110 Country: Category: In Service Project Type:

All Amount

>=

500 As of Date:

12/31/2012

Project	Fund cod Donor	Impl Agenc	Departm	Asset ID	Profile ID	Description	TAG Number	Serial Number	Quantiti	Model	Location	Values	
												Sum of Cost,USD	Sum of Net Book Value
00076983	30000	11502	001981	50803	0000000001268	HYME1 A Diesel generators	0000000001268	CD60688075644	1	(blank)	HTIPROBLG	19,250.00	17,806.25
00076983 Total												19,250.00	17,806.25
Grand Total												19,250.00	17,806.25



CWM



OAI
Clayton, City of Knowledge
UN House, Building 128
Panama City, Republic of Panama

UNDP Haiti
Gestion des Debris PAP
Output ID 00076983
Audit Report 2013

Fabel, Werner & Schnittke GmbH

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Report of the Independent Auditors to UNDP

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization statement (“the statement”) of the project “Gestion des Debris PAP”, Output ID 00076983 for the period from 1 January to 31 December 2013.

Management is responsible for the preparation of the statement for the project “Gestion des Debris PAP”, Output ID 00076983, and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statements 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 project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



In our opinion, the attached statement of expense presents fairly, in all material respects, the expense of \$ 291,088.82 incurred by the project “Gestion des Debris PAP”, Output ID 00076983, for the period from 1 January to 31 December 2013 in accordance with agreed upon 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 UNDP regulations and rules, policies and procedures; and
- (iv) supported by properly approved vouchers and other supporting documents.

Emphasis of Matter

Without qualifying our opinion, we would like to draw your attention to the following points:

We noted that the project under audit did not use a dedicated bank account for DIM project activities and accordingly a statement of cash position was not produced.

For certain funds, UNDP has a right to charge the project with an administrative fee of 7 percent. In 2012, the project was overcharged for \$ 14,933.75.

Berlin, July 25, 2014

Frank Fabel, CPA, MA
Executive Director



Combined Delivery Report By Project

UN Development Programme
Report ID: unglcdrp

Page 1 of 4
Run Time: 18-07-2014 19:07:03

Selection Criteria :

Business Unit : HT10
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00076983

Project Id : 00060216 Earthquake Debris Management I		Period :	Jan-Dec (2013)
Output # : 00076983 Gestion Débris PortauPrince I		Impl. Partner :	99999 UNDP
		Location :	
	Govt Exp	UNDP Exp	UN Agencies Exp
			Total Exp

Dept: 50803 (Haiti - Crisis Prev & Rcvry)

Fund : 30000 (PROGRAMME COST SHARING)

61305 - Salaries - IP Staff	0.00	27,412.76	0.00	27,412.76
61310 - Post Adjustment - IP Staff	0.00	11,577.47	0.00	11,577.47
62305 - Dependency Allowances-IP Staff	0.00	-1,346.15	0.00	-1,346.15
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	8,431.80	0.00	8,431.80
62315 - Contrib. to medical, social in	0.00	891.52	0.00	891.52
62320 - Mobility, Hardship, Non-remova	0.00	1,075.02	0.00	1,075.02
62340 - Annual Leave Expense - IP	0.00	-2,953.24	0.00	-2,953.24
63335 - Home Leave Trvl & Allow-IP Stf	0.00	308.33	0.00	308.33
63520 - Personal Security Measures	0.00	-16,056.87	0.00	-16,056.87
63530 - Contribution to EOS Benefits	0.00	1,462.13	0.00	1,462.13
63535 - Contribution to Security	0.00	1,559.61	0.00	1,559.61
63540 - Contribution to Training	0.00	389.89	0.00	389.89
63545 - Contribution to ICT	0.00	584.86	0.00	584.86
63550 - Contributions to MAIP	0.00	77.99	0.00	77.99
63555 - Contribution to UN JFA	0.00	701.82	0.00	701.82
63560 - Contributions to Appendix D	0.00	116.96	0.00	116.96
65115 - Contributions to ASHI Reserve	0.00	3,119.19	0.00	3,119.19
65135 - Payroll Mgt Cost Recovery ATLA	0.00	386.28	0.00	386.28
71405 - Service Contracts-Individuals	0.00	12,113.01	0.00	12,113.01
71410 - MAIP Premium SC	0.00	62.79	0.00	62.79
71605 - Travel Tickets-International	0.00	1,100.00	0.00	1,100.00
72105 - Svc Co-Construction & Engineer	0.00	47,332.56	0.00	47,332.56
72126 - Svc Co-Security blast assessme	0.00	4,000.00	0.00	4,000.00
72320 - Wood & Paper Products	0.00	-3,040.00	0.00	-3,040.00
72405 - Acquisition of Communic Equip	0.00	366.70	0.00	366.70
72425 - Mobile Telephone Charges	0.00	331.39	0.00	331.39
72715 - Hospitality Catering	0.00	4,942.88	0.00	4,942.88
73106 - Leased premises alterations	0.00	3,390.64	0.00	3,390.64
74110 - Audit Fees	0.00	147,817.00	0.00	147,817.00
74525 - Sundry	0.00	-17.00	0.00	-17.00
74599 - UNDP cost recovery chrgs-Bills	0.00	1,532.52	0.00	1,532.52
75105 - Facilities & Admin - Implement	0.00	18,101.77	0.00	18,101.77
75110 - Facilities & Admin - Services	0.00	14,896.21	0.00	14,896.21
75708 - Learning - subcontracts	0.00	0.00	0.00	0.00
76125 - Realized Loss	0.00	20.95	0.00	20.95
76135 - Realized Gain	0.00	-557.37	0.00	-557.37
77670 - Dep Exp-Hvy Mac & Equip	0.00	925.03	0.00	925.03
Total for Fund 30000	0.00	291,058.45	0.00	291,058.45

Total for Dept : 50803 0.00 291,058.45 0.00 291,058.45

Dept: 50804 (Haiti - Dem. Governance)

Combined Delivery Report By Project



UN Development Programme
Report ID: unglcdrp

Page 2 of 4
Run Time: 18-07-2014 19:07:03

Project Id : 00060216 Earthquake Debris Management i		Period :	Jan-Dec (2013)	
Output # : 00076983 Gestion Débris PortauPrince I		Impl. Partner :	99999 UNDP	
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Fund : 30000 (PROGRAMME COST SHARING)

74599 - UNDP cost recovery chrgs-Bills	0.00	28.38	0.00	28.38
75105 - Facilities & Admin - Implement	0.00	1.99	0.00	1.99
Total for Fund 30000	0.00	30.37	0.00	30.37
Total for Dept : 50804	0.00	30.37	0.00	30.37
Total for Output : 00076983	0.00	291,088.82	0.00	291,088.82

Project Total :	0.00	291,088.82	0.00	291,088.82
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Signed By : Madeleine Oakes, pour Paola Soldà Date : 18/07/14

Signed By : [Signature] Date : 21/07/14





UN
DP

UN Development Programme

Report ID: unglcdrp

Combined Delivery Report By Project

Page 3 of 4

Run Time: 18-07-2014 19:07:04

Selection Criteria :

Business Unit : HT110

Period : Jan-Dec (2013)

Selected Project Id : ALL

Selected Fund Code : ALL

Selected Dept. IDs : ALL

Selected Outputs : 00076983

Project Id : ALL		Period : Jan-Dec (2013)		
Output # : ALL		Impl. Partner :		
		Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
50803 - Haiti - Crisis Prev & Rcvry	0.00	291,058.45	0.00	291,058.45
50804 - Haiti - Dem. Governance	0.00	30.37	0.00	30.37

UN
DP

UN Development Programme

Report ID: unglcdrp

Combined Delivery Report By Project

Page 4 of 4

Run Time: 18-07-2014 19:07:04

Funds Utilization

Selection Criteria :

Business Unit : HT110
Period : Jan-Dec (2013)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00076983

Project/Award: 00060216 Earthquake Debris Management i

Period : As at Dec 31, 2013

Output # 00076983 Impl. Partner :99999 UNDP

UNDP AMOUNT

Outstanding NEX advances	0.00
Undepreciated Fixed Assets	16,881.22
Inventory	0.00
Prepayments	0.00
Commitments	4,470.00



Report of the Independent Auditor to UNDP on the Statement of Fixed Assets

We have audited the accompanying Statement of Fixed Assets (“the statement”) of the project “Gestion des Debris PAP”, Output ID 00076983, as at 31 December 2013.

Management is responsible for the preparation of the statement for the project “Gestion des Debris PAP”, Output ID 00076983, and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project’s preparation of the statements 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 project’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the attached statement of assets presents fairly, in all material respects the balance of inventory of the project “Gestion des Debris PAP”, Output ID 00076983, amounting to \$ 16,881.22 as at 31 December 2013 in accordance with UNDP accounting policies.

Berlin, July 25, 2014

Frank Fabel, CPA, MA
Executive Director

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AM In Service Report

UN Devel Page 1 of 11

Report ID UNAM600 Run Time 8/4/2014 20:04

Business HT110 Country: Category:

Operating Department: Impl Age: Donor:

In Service

Fund Code:

Project Typ: All

Project: Profile ID:

Amount

>=

500 As of Date: 12/31/2013

Project	Business ur	Fund cod	Donor	Department	Description	Impl Age	Asset ID	Values	
								Sum of Cost, USD	Sum of Net Book Value
76983 HT110		30000		11502	50803 A Diesel ge	1981	1268	19,250.00	16,881.22
Grand Total								19,250.00	16,881.22



Carina



Ms. Sophie de Caen
UNDP Haiti
Senior Country Director

Management Letter to Project “Gestion de Débris pour appuyer le retour au foyer de populations affectées par le tremblement de terre a Port-au-Prince”
Output ID 00076983

Dear Madam,

In addition to our audit report, we would like to draw your attention to the following points:

1. Follow up of the Last Management Letter

The last management letter recommended that permits for demolition are kept by UNDP. Management agreed with this recommendation. No new demolitions occurred after the issuance of the management letter.

Fabel, Werner & Schnittke GmbH

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2. Disclosure of Correction Bookings

Observation:

There are frequent correction bookings.

Priority:

Medium.

Recommendation:

We recommend reducing the amount of correction bookings. In addition, booking errors should be supported by an explanation line in ATLAS, indicating which booking (transaction ID) is reversed and duly supported by an accompanying document.

Management Comment and Action Plan:

The country office agrees to make every effort to reduce the number of correction bookings.

The recommendation regarding proper explanation line in Atlas to describe correction is relevant and the country office will comply.

Correction booking are usually accompanied by supporting documents and validated by Management. The country office has recently published a new Standard Operation Procedure for corrections booking. The procedure will be amended to take into account the need to specify proper explanation line in Atlas.



3. Calculation of Management Fee

Observation:

UNDP has a contractual right to charge the project a 7 percent administration fee on the net project expenses and a 1 percent management fee on the grand total. We undertook an attempt to re-calculate the administrative fee and the management fee. We came to the conclusion that the administrative fee should be re-assessed.

Priority:

Medium.

Recommendation:

The Country Office should reassess the fees charged to the project and adjust the CDRs as needed.

Management Comment and Action Plan:

In 2012, we undercharged the agreement by \$ 12,610.78 and in 2013 we overcharged by \$14,933.75. We will make the appropriate corrections. An excel sheet showing the calculation is attached as well as a modified version of the excel sheet provided by the auditors. Regarding that specific project, the 1% administrative fee on Haiti Reconstruction Fund is taken off the top by HQ before the money is sent to the country office and is not in the CDR since the country office did not receive the funds.

Auditor's Response:

A correction should be introduced in the next accounting period.

Berlin, July 25, 2014

Frank Fabel, CPA, MA
Executive Director



Annex 1: Audit finding priority ratings

The following categories of priorities are used:

High (Critical)	Action is considered imperative to ensure that UNDP is not exposed to high risks. Failure to take action could result in major consequences and issues.
Medium (Important)	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 recommendations, if any, are dealt with by the Auditors directly with the Office management, during the exit meeting, through a separate memo subsequent to the fieldwork and a side letter. Therefore, low priority recommendations are not included in the management letter.