



AUDIT

OF

**SUPPORT FOR THE DIGITIZATION OF EDUCATION IN THE DOMINICAN REPUBLIC,
THROUGH ACCESS TO EQUIPMENT FOR THE PROMOTION OF INFORMATION AND
COMMUNICATION TECHNOLOGIES**
(Nationally Implemented Project No. 130989, Output No. 124168)

IN

UNDP DOMINICAN REPUBLIC

Report No. 2490
Issue Date: 29 June 2022

Report on the Audit of UNDP Dominican Republic
Support for the Digitization of Education in the Dominican Republic, through access to equipment for
the promotion of Information and Communication Technologies (Project No. 130989, Output No.
124168)
Executive Summary

The UNDP Office of Audit and Investigations (OAI), through PKF Littlejohn LLP (the audit firm), from 31 May to 22 June, conducted an audit of 'Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies' (Project No. 130989, Output No. 124168) (the Project), which is nationally implemented with support services provided by the UNDP Country Office in Dominican Republic. This was the first audit of the Project.

The audit firm conducted a financial audit in accordance with the International Standards of Auditing (ISA), the 700 series, 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 2021 and the accompanying Funds Utilization statement¹ as of 31 December 2021. 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
142,030	Unmodified

The audit did not result in any recommendations.

¹ 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

Comments and/or additional information provided have been incorporated into the report, where appropriate.

A handwritten signature in blue ink, appearing to read 'Helge S. Ostveiten', is located to the left of the printed name and title.

Helge
Ostveiten
2022.06.29
20:38:26 +02'00'

Helge S. Ostveiten
Director
Office of Audit and Investigations

FINAL

AUDIT

OF

**UNITED NATIONS DEVELOPMENT PROGRAMME
DOMINICAN REPUBLIC**

**SUPPORT FOR THE DIGITIZATION OF EDUCATION IN THE DOMINICAN
REPUBLIC, THROUGH ACCESS TO EQUIPMENT FOR THE PROMOTION OF
INFORMATION AND COMMUNICATION TECHNOLOGIES**

(CO Support to National Implemented Project No. 00130989, Output No. 124168)

Issue Date: 28 June 2022

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Report on the Audit of UNDP DOMINICAN REPUBLIC

Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies

(Project ID 00130989, Output ID 00124168)

The UNDP Office of Audit and Investigations (OAI), through PKF Littlejohn (the audit firm) conducted an audit of project “Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies” (Project ID 0130989, Output ID 00124168) (the Project), which is nationally implemented with support services provided by UNDP Dominican Republic (the Country Office). This was the first audit of the Project. The duration of the audit was from 31 May to 22 June 2022.

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 Delivered Report, which includes expenses for the period from 1 January to 31 December 2021 and the accompanying Funds Utilization statements¹ as at 31 December 2021.

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. 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 submitted by the audit firm, the results are summarized in the table below:

Project Expenses *		Project Assets	
Amount (in USD 000)	Opinion	Amount (in USD ‘000)	Opinion
142,030	Unmodified	-	Not Applicable

*Expenses recorded in the Combined Delivery Report amounted to USD 142,030,323.00. Based on the scope of our audit there were not out of scope transactions in the CDR under audit.

The audit did not result in any recommendations.

Management comments and action plan

Comments and/or additional information provided by the Management of the Country Office has been incorporated into the report, where appropriate.

¹ 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.

**United Nations Development Programme
(UNDP)**

Report of the Independent Auditor on
the United Nations Development Programme (UNDP)
National Implemented (NIM) Project – Implemented by UNDP as CO support to NIM

Project name:	Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies
Output name:	Aumento acceso tecnologia
UNDP Country Office:	Dominican Republic
Atlas Project ID:	00130989
Atlas Output ID:	00124168
Auditor:	PKF Littlejohn
Period subject to audit:	1 January to 31 December 2021

EXECUTIVE SUMMARY

PKF Littlejohn conducted the financial audit of UNDP NIM Project ID 00130989, "Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies"- Output no. 00124168 implemented by UNDP Dominican Republic following the CO Support to NIM Modality for the period from 1 January to 31 December 2021. The audit was undertaken on behalf of the Office of Audit and Investigations (OAI) United Nations Development Programme (UNDP).

Audit opinions

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

Project Financial Position	Unmodified
Statement of Fixed Assets	Not applicable because the project did not present balances in the fixed assets accounts
Statement of Cash	Not applicable because the project did not maintain a separate bank account.

Management letter summary

There were no reportable findings raised during our audit, consequently we have not issued a management letter.

Prior year audit

The project ID 00130989, "Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies"- Output no. 00124168 was not audited in the prior year and therefore there were no recommendations to follow up on.



PKF Littlejohn LLP

28 June 2022

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THE AUDIT ENGAGEMENT

Audit Objectives and Scope

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

- Expressing an opinion on whether the financial expenses incurred by the project between 1 January to 31 December 2021 as well as the Funds Utilization statement as at 31 December 2021 and the accounts receivable and accounts payable as at 31 December 2021 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 project as at 31 December 2021. This statement must include all assets available as at 31 December 2021 and not only those purchased in a given period. Where a 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 held by the project presents fairly the cash and bank balance of the project as at 31 December 2021. Disbursements made against a project are usually financed from regular country office bank accounts. Exceptionally, a dedicated account may be opened and used solely for the cash transactions of a project, e.g., if the project is in a remote location. The audit firm is required to express an opinion on the Statement of Cash only where a dedicated bank account for the project has been established. In cases where the cash transactions of the audited project are made through the country office bank accounts this type of opinion is not required.
- As maybe applicable, provide the progress made in implementing the recommendations raised in previous year audit report.

The Financial Audit was conducted in accordance with the International Standards on Auditing (ISA), the 700 series.

The scope of the audit relates only to transactions concluded and recorded against the UNDP project between 1 January to 31 December 2021. 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.

INDEPENDENT AUDITOR’S REPORT ON STATEMENT OF FINANCIAL POSITION

To: The Director of the Office of Audit and Investigations (OAI)

United Nations Development Programme (UNDP)

Regional Audit and Investigation Office for Latin America and Caribbean – Panama City, Panama

We have audited the financial position of the UNDP project ID 00130989, “Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies”- Output no. 00124168 titled Aumento acceso tecnologia, for the period 1 January to 31 December 2021 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 USD 142,030,323.00 is comprised of expenditure directly incurred by the UNDP Country Office in Dominican Republic for an amount of USD 142,030,323.00. Our audit covered the expenditure directly incurred by the UNDP Country Office in Dominican Republic of USD 142,030,323.00.

Unmodified opinion

In our opinion, the attached CDRs and Funds Utilization statement present fairly, in all material respects, the expenses of USD 142,030,323.00 directly incurred by Country Office in Dominican Republic and charged to the project for the period 1 January to 31 December 2021 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 unmodified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the ‘Auditor’s responsibilities’ for the audit of the CDR and funds utilization section of our report. We are independent of UNDP in accordance with the International Ethics Standards Board of Accountants’ Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with this code. 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.



PKF Littlejohn LLP

28 June 2022

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COMBINED DELIVERY REPORT AND FUNDS UTILIZATIONS STATEMENTS

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UN Development Programme
Report ID: unglcdp

Combined Delivery Report By Project

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Run Time: 22-02-2022 16:02:32

Selection Criteria :

Business Unit : DOM10
Period : Jan-Dec (2021)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00124168

Project id : 00130989 MINERD Equipos		Period : Jan-Dec (2021)		
Output # : 00124168 Aumento acceso tecnologia		Impl. Partner : 00933 Secretaria de Estado de Educ		
		Location : UNDP Dominican Republic		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Dept: 49801 (Dominican Rep-Central)

Fund : 30071 (Programme cost sharing - GOV1)

64397 - Services to projects -CO staff	0.00	65,882.88	0.00	65,882.88
72405 - Acquisition of Communic Equip	0.00	136,707,800.00	0.00	136,707,800.00
73406 - Maintenance of Equipment	0.00	3,500.00	0.00	3,500.00
74596 - Services to projects -GOE	0.00	529,834.97	0.00	529,834.97
74720 - Distribution Cost	0.00	581,399.60	0.00	581,399.60
74725 - Other L.T.S.H.	0.00	5,100.00	0.00	5,100.00
75105 - Facilities & Admin - Implement	0.00	4,136,805.53	0.00	4,136,805.53
76125 - Realized Loss	0.00	0.02	0.00	0.02
76135 - Realized Gain	0.00	0.00	0.00	0.00
Total for Fund 30071	0.00	142,030,323.00	0.00	142,030,323.00
Total for Dept : 49801	0.00	142,030,323.00	0.00	142,030,323.00
Total for Output : 00124168	0.00	142,030,323.00	0.00	142,030,323.00

Project Total :	0.00	142,030,323.00	0.00	142,030,323.00
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DocuSigned by:

Xavier Hernandez

(E740E319B4264FA..)

Xavier Hernandez Ferre,
Representante Residente Adjunto

26 mayo 2022

DocuSigned by:



Signed By :

Date :

22/2/2022

Signed By :

Jimmy Rosario Bernard, Coordinador Nacional

Date :

PKF Littlejohn LLP

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UN Development Programme
Report ID: unglodrp

Combined Delivery Report By Project

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Run Time: 22-02-2022 16:02:32

Selection Criteria :

Business Unit : DOM10
Period : Jan-Dec (2021)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00124168

Project Id : ALL	Period : Jan-Dec (2021)			
Output # : ALL	Impl. Partner :			
	Location :			
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
49601 - Dominican Rep-Central	0.00	142,030,323.00	0.00	142,030,323.00



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UN Development Programme
Report ID: ungidrp

Combined Delivery Report By Project

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Funds Utilization

Selection Criteria :

Business Unit : DOM10
Period : Jan-Dec (2021)
Selected Project Id : ALL
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00124168

Project/Award: 00130989 MINERD Equipos

Period : As at Dec 31, 2021

Output #	Impl. Partner :00933 Secretaria de Estado de Educ	UNDP AMOUNT
Outstanding NEX advances		0.00
Undepreciated Fixed Assets		0.00
Unamortized Intangible Assets		0.00
Inventory		0.00
Prepayments		0.00
Commitments		0.00



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INDEPENDENT AUDITOR'S REPORT ON STATEMENT OF FIXED ASSETS

To: The Director of the Office of Audit and Investigations (OAI)
United Nations Development Programme (UNDP)

Regional Audit and Investigation Office for Latin America and Caribbean – Panama City,
Panama

We noted that project ID 00130989, "Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies"- Output no. 00124168 titled "Aumento acceso tecnologia" did not present balances in the fixed assets accounts and accordingly a Statement of Fixed Assets was not produced.

INDEPENDENT AUDITOR'S REPORT ON STATEMENT OF CASH

To: The Director of the Office of Audit and Investigations (OAI)

United Nations Development Programme (UNDP)

Regional Audit and Investigation Office for Latin America and Caribbean – Panama City,
Panama

We noted that project ID 00130989, "Support for the Digitization of Education in the Dominican Republic, through access to equipment for the promotion of Information and Communication Technologies"- Output no. 00124168 titled "Aumento acceso tecnologia", did not have a dedicated bank account for the project subject to audit and accordingly a Statement of Cash was not produced.