

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



**AUDIT**

**OF**

**UNDP BURUNDI**

**GRANTS FROM THE GLOBAL FUND**

**Report No. 2636**  
**Issue Date: 12 January 2024**

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**Report on the Audit of UNDP Burundi  
Grants from the Global Fund  
Executive Summary**

The UNDP Office of Audit and Investigations (OAI), from 2 to 18 October 2023, conducted an audit of three grants from the Global Fund (Output Nos. 124145 [Malaria], 123180 [HIV /TB], and 128744 [COVID 19 Response Mechanism]) managed by UNDP Burundi (the Office) as the Principal Recipient. These grants were managed under the Global Fund's Additional Safeguard Policy.<sup>1</sup> The audit aimed to assess the adequacy and effectiveness of the governance, risk management and control processes relating to the following areas and sub-areas:

- (a) governance and strategic management (organizational structure, internal control framework and delegation of authorities, risk management, staffing and performance management, and allegations of wrongdoing);
- (b) development activities (project approval and implementation, monitoring and evaluation, capacity development and transition strategy, grant closure);
- (c) Sub-recipient management (selection, assessment and contracting, financial and programmatic activities);
- (d) procurement (quantification and forecasting, procurement of health products, quality assurance of health products, procurement of other goods and services), supply management of medical products (inventory, warehousing and distribution), and individual contractors; and
- (e) financial management (Global Fund budget during grant-making, revenue and accounts receivable, expenditure and payment processing, financial reporting to the Global Fund, Fund Administrator Role, general ledger journal entries).

The audit covered the Global Fund-related activities of the Office from 1 January 2022 to 30 June 2023. The Office recorded Global Fund-related expenses of approximately \$74.1 million. The last audit of the Office's Global Fund-related activities was conducted by OAI in 2021.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors (The IIA).

### **Overall audit rating**

OAI assessed the Office's management of the Global Fund grants as **partially satisfactory/major improvement needed**, which means "The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area." This rating was mainly due to delays in fulfilling grant implementation requirements, and recurring challenges with the Sub-recipient reporting and expense validation.

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<sup>1</sup> The Additional Safeguard Policy is a range of tools established by the Global Fund as a result of its risk management processes.

## Good practice

### *Effective health product monitoring*

The Office developed a web-based dashboard for monitoring stock-outs and expiry dates of all health products, which was crucial for evidence-based decision making. It enabled real-time assessments of the inventory of health products and the monitoring of the supply chain throughout the Country. The dashboard also contributed to strengthening the national health system by providing a unique reliable data source on inventory for the national programmes.

**Key recommendations:** Total = 6, high priority = 2

Objectives	Recommendation No.	Priority Rating
Achievement of the organization's strategic objectives	2	Medium
Reliability and integrity of financial and operational information	6	Medium
Effectiveness and efficiency of operations	1, 3	High
Safeguarding of assets	5	Medium
Compliance with legislative mandates, regulations and rules, policies and procedures	4	Medium

For high (critical) priority recommendations, 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. All high (critical) priority recommendations are presented below:

Delays in fulfilling grant implementation requirements (Issue 1)

Four out of six mandatory progress update and disbursement request reports were submitted, on average, two days past the deadline during the audit period. This was also noted in the audit report issued by the Global Fund Office of the Inspector General in September 2023, which stated that the Office recurrently failed to submit the biannual progress updates on time.

As of October 2023, the Global Fund had issued 26 management actions since 1 January 2021. There were 2 out of 26 management actions that were implemented, 20 that were delayed (out of which 12 were for FY2021 and 8 for FY2022) and 4 that were indicated as not having been started during the time of the audit.

The Principal Recipient management letters were sent to the Sub-recipients annually with delays of up to six months. In addition, they did not provide guidance or recommendations to address Sub-recipient performance issues. Furthermore, the final report of the mass distribution of long-lasting insecticidal nets that was conducted in September 2022 was not finalized and shared with the Global Fund as of October 2023.

**Recommendation:** The Office should establish a mechanism to improve efficiencies in grant implementation by: (a) assessing the root causes of the delays in submitting the progress updates and taking appropriate actions to comply with programme reporting requirements; (b) liaising with the Global Fund to establish timebound management actions and implementing them within the defined timelines; (c) issuing the periodic Sub-recipient management letters on time following the end of the reporting period and ensuring that specific recommendations are raised to address programmatic and financial challenges; and (d) finalizing the payments to beneficiaries and

completing the 2022 mass distribution campaign report, including lessons learned.

Recurring challenges in Sub-recipient reporting and expenses validation (Issue 3)

The audit team noted the following recurring issues previously reported in OAI's audit report No. 2290 relating to Global Fund grants in UNDP Burundi dated August 2021:

- 15 out of 30 quarterly financial reports were submitted with delays averaging 22 days. This included one Sub-recipient that had a delay of 90 days. In addition, the Office took, on average, 22 days to review and validate the Sub-recipient's expenses before processing new cash advances. In two cases, the validation took 66 days and 70 days.
- 12 out of 30 required quarterly programmatic reports were not issued by the Sub-recipients. The remaining 18 programmatic reports were submitted with delays of up to 60 days.

Recommendation: The Office should improve Sub-recipient reporting and expense validation by: (a) addressing the root causes of the delays in the submission of Sub-recipient quarterly reports; (b) escalating any reporting challenges to the Country Coordinating Mechanism and the relevant government ministry; and (c) establishing standard operating procedures with milestones for validating Sub-recipient expenses and ensuring periodic reviews of the procedures are carried out.

**Implementation status of previous OAI audit recommendations:** Report No. 2290, 11 August 2021.

Total recommendations: 4

Implemented: 4

### Management comments and action plan

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

Low risk issues (not included in this report) have been discussed directly with management and actions have been initiated to address them.



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## I. Profile of Global Fund grants managed by UNDP Burundi

Since 2018, UNDP has been the Principal Recipient of Global Fund grants in Burundi (the Country).

Grant No.	Output No.	Description	Start Date	End Date	Budget (in \$'000)	Funds Received as of 30 Sept 2023 (in \$ '000)	Implementation Rate	Expenses as of 30 Sept 2023 (in \$ '000)	Global Fund Rating at 30 Sept 2023
BDI-C-UNDP	123180	FM VIH/TB	1-Jan-2021	31-Dec-2023	44,840	40,966	65%	29,168	N/A
BDI-M-UNDP	124145	Fonds Mondial Paludisme	1-Jan-2021	31-Dec-2023	65,570	64,673	85%	55465	N/A
BDI-M-UNDP	128744	COVID 19 Response Mechanism	1-Jan-2021	31-Dec-2023	30,010	27,396	58%	17,436	N/A

Burundi is categorized as a core country, as per the Global Fund differentiation framework, and is under both the Challenging Operating Environment, and Additional Safeguard Policy categories since 2016 following an assessment that took into consideration various parameters.

## II. Good practice

OAI identified one good practice, as follows:

### **Procurement and supply management/Supply management (inventory, warehousing, and distribution)**

#### *Effective health product monitoring*

The Office developed a dashboard to enable the real-time assessment of inventories of health products and the monitoring of the supply chain throughout the Country. The dashboard provided real-time stock data used in the planning, quantification, and forecasting of health products and budgeting for the Global Fund's new grant cycle. The real-time data and analysis reports were used during site visits and the preparation of the periodic progress reports. The dashboard was endorsed by other national partners and will be used for monitoring inventories of health products and supporting decision-making at the national level.

## III. Audit results

Satisfactory performance was noted in the following area:

**Governance and strategic management:** The audit team reviewed the Programme Management Unit's organizational structure and delegations of authority, the oversight mechanism over the project unit and transactions, and risk management, including the risk of fraud. Overall, adequate controls were established and functioned to support the grant objectives. The Office addressed the few exceptions disclosed during the audit, which were assessed as low risk by the audit team.

OAI made two recommendations ranked high (critical) and four recommendations ranked medium (important) priority.

Low priority recommendations were discussed directly and agreed upon with the Office and are not included in this report.

**High priority recommendations**, arranged according to significance:

- (a) Establish a mechanism to improve efficiencies in grant implementation (Recommendation 1).
- (b) Improve Sub-recipient reporting and expense validation (Recommendation 3).

**Medium priority recommendations**, arranged according to significance:

- (a) Improve capacity building of Sub-recipients (Recommendation 2).
- (b) Strengthen storage management processes and rehabilitate the warehouse (Recommendation 5).
- (c) Improve the implementation of quality control processes (Recommendation 4).
- (d) Strengthen reporting and payment processes (Recommendation 6).

The detailed assessment is presented below, per audit area:

## A. Development activities

### 1. Project approval and implementation

#### **Issue 1**      Delays in fulfilling grant implementation requirements

According to the Global Fund Grant Agreement, the Principal Recipient must submit biannual progress updates and disbursement requests. The Global Fund issues management letters to Principal Recipients with management actions to address the root causes of challenges impacting grant implementation. The Principal Recipient management letters capture weaknesses noted in the Sub-recipients' quarterly reports and provide recommendations to address bottlenecks that affect the implementation of the activities. For malaria grants, the mass distribution of long-lasting insecticidal nets is a significant intervention for malaria prevention, and the Sub-recipients should issue the distribution campaign report, including lessons learned, to the Principal Recipient within 90 days based on best practices for report issuance.

A review of the grant implementation noted the following:

#### Delays in the submission of progress updates

Four out of six mandatory progress update and disbursement request reports were submitted, on average, two days past the deadline during the audit period. This was also noted in the audit report issued by the Global Fund Office of the Inspector General in September 2023, which stated that the Office recurrently failed to submit the biannual progress updates on time.

The Office commented that this was due to the late submission of progress reports and supporting documents by Sub-recipients and failure to use the budget monitoring template. This was despite numerous reminders sent from the Office to the Sub-recipients regarding the use of the budget monitoring template.

Failure to submit progress update reports in a timely manner may lead to weak oversight of grants.

#### Delays in the implementation of management actions

As of October 2023, the Global Fund had issued 26 management actions since 1 January 2021. There were 2 out of 26 management actions that were implemented, 20 that were delayed (out of which 12 were for FY2021 and 8 for FY2022) and 4 that were indicated as not having been started during the time of the audit.

The audit team assessed the actions taken by the Office in respect of the 24 outstanding management actions and concluded that the Office did not fully address the management actions. Furthermore, the

Office did not proactively engage with the Global Fund to resolve the outstanding management actions. The only communication to the Global Fund shared with the audit team was from 2021. The audit team noted that this issue was due to the lack of engagement and communication with the Global Fund to resolve disagreements related to management actions.

Delays in implementing management actions may negatively impact overall grant performance.

Delays in the submission of management letters

All five Principal Recipient management letters were issued to the Sub-recipients by the Office annually with delays of up to six months during the audit period. In addition, management letters did not provide guidance or recommendations to address Sub-recipient performance issues. For example, while the financial performance of all three national programmes was rated as very poor, the management letters did not provide an analysis of the root causes and did not provide recommendations or guidance to improve the results.

Delays in the finalization of the mass distribution campaign report

The final report of the mass distribution of long-lasting insecticidal nets conducted in September 2022 was not issued and shared with the Global Fund as of October 2023. This was due to outstanding payments to beneficiaries from two Sub-recipients.

Failure to issue the mass distribution campaign report in a timely manner may lead to weaknesses in accountability and mismanagement of programme funds and resources.

<b>Priority</b>	High (Critical)
<b>Recommendation 1:</b>	
The Office should improve grant implementation by:	
<ul style="list-style-type: none"> <li>(a) assessing the root causes of the delays in submitting the progress updates and taking appropriate actions to comply with programme reporting requirements;</li> <li>(b) liaising with the Global Fund to establish timebound management actions and implementing them within the defined timelines;</li> <li>(c) issuing the periodic Sub-recipient management letters on time following the end of the reporting period and ensuring that specific recommendations are raised to address programmatic and financial challenges; and</li> <li>(d) finalizing the payments to beneficiaries and completing the 2022 mass distribution campaign report, including lessons learned.</li> </ul>	
<b>Management action plan:</b>	
The Office agrees with the recommendations and will take the following actions:	
<ul style="list-style-type: none"> <li>(a) Ensure a planning schedule is issued for each progress update report at least one month before the deadline. This schedule will include clear timelines and accountabilities for the different steps in the report preparation process for the Global Fund required reports.</li> <li>(b) Prepare a two-page document for the Global Fund on the need for timebound management actions.</li> </ul>	



- (c) Strengthen the monitoring of Sub-recipients to ensure timely submission of the reports (which are due 15 days after the reporting period). Following receipt of the Sub-recipient reports, the Office will develop applicable management actions for the Sub-recipients to address the programmatic and financial issues noted. Once the Office receives the Global Fund management letter, the Office will include any necessary actions in the management letters and issue them to the Sub-recipients.
- (d) Finalize payments for the 2022 mass campaign and submit the 2022 mass distribution campaign report to the Global Fund by 31 December 2023. This report will need to be validated by the 2022 mass distribution campaign steering committee that is convened by the relevant government ministry.

**Estimated completion date:** December 2024

## B. Sub-recipient management

### 1. Selection, assessment, and contracting of Sub-recipients

#### Issue 2 Inefficiencies in capacity development

The UNDP and Global Fund Grant Agreement requires the Principal Recipient to be accountable for project implementation by the Sub-recipients and the Sub-sub-recipients. The Principal Recipient should conduct capacity assessments of the Sub-recipients and Sub-sub-recipients before signing the agreements and transferring funds. Based on the results of the capacity assessment, budget availability and discussions with the Sub-recipient, the Principal Recipient and Sub-recipient should create a capacity development plan, to be annexed to the agreement, addressing in detail how capacity will be developed in identified areas of weakness, and how organizational capacities will be maintained and strengthened in other areas.

The audit team noted the following:

#### Weak Sub-recipient capacity assessment

The Office hired an independent audit firm to conduct the capacity assessment of the six Sub-recipients using the recommended Global Fund capacity assessment tool. The audit team noted that the independent auditor's assessment results were not adequately substantiated with supporting evidence and the assigned risk rating of issues did not match the significance of the issues raised.

#### Delays in Sub-sub-recipient capacity assessments

Five Sub-sub-recipients with a total budget of \$486,000 (budgets ranged from \$44,380 to \$221,868) were contracted by a Sub-recipient without conducting capacity assessments. The capacity assessment was conducted in February 2023 while the grant implementation started in January 2021. The Office reported that it reviewed and validated all of the Sub-sub-recipient's expenses as a risk mitigation measure. However, the audit team noted that having Office staff/personnel review and validate all Sub-sub-recipient expenses was not efficient or effective and may not improve Sub-sub-recipient capacity.

Not conducting effective and timely capacity assessments of Sub-recipients and Sub-sub-recipients may lead to the mismanagement of programme resources and increase reputation risks.

<b>Priority</b>	Medium (Important)
<b>Recommendation 2:</b>	
The Office should improve management of capacity assessments by:	
(a) ensuring that capacity assessments of Sub-sub-recipients are conducted before the start of the grant implementation period; and	
(b) providing adequate oversight over Sub-sub-recipient selection and capacity assessments.	
<b>Management action plan:</b>	
The Office agrees with the recommendations and will:	
(a) ensure capacity assessments are conducted for all Grant Cycle 7 Sub-recipients before starting the implementation;	
(b) comprehensively evaluate risks identified in the capacity assessments and provide timebound risk mitigation strategies for implementation by the Sub-recipients; and	
(c) support each Sub-recipient to conduct the capacity assessment of the Sub-sub-recipients, and elaborate and implement related capacity development and risk mitigation plans.	
<b>Estimated completion date:</b> 30 June 2024	

## 2. Financial and programmatic activities

### Issue 3 Recurring challenges in Sub-recipient reporting and expense validation

According to the standard Sub-recipient agreements, all Sub-recipients are required to provide quarterly programmatic and financial reports. In addition, advances should be timely liquidated.

OAI, in its previous audit report No. 2290 relating to Global Fund grants in UNDP Burundi dated August 2021, reported an issue on inadequate quarterly reporting by Sub-recipients and challenges in the validation of advances. Actions taken by the Principal Recipient and the Sub-recipients were not sustained, and the audit team noted the following recurring issues during the audit period:

- 15 out of 30 quarterly financial reports were submitted with delays averaging 22 days. This included one Sub-recipient that had a delay of 90 days. In addition, the Office took, on average, 22 days to review and validate the expenses before processing the new cash advances. In two cases, the validation took 66 days and 70 days.
- 12 out of 30 required quarterly programmatic reports were not issued by the Sub-recipients. The remaining 18 programmatic reports were submitted with delays of up to 60 days.

These recurring issues were partly caused by the lack of capacity of the Sub-recipients, delays in collecting data from the field for consolidation purposes, and high staff turnover at the health centers. This was further exacerbated by the Office's decision to validate 100 percent of Sub-recipients' expenses as a risk mitigation measure, regardless of the risk rating of the Sub-recipients during the capacity assessment (medium to low).

Compounding delays in the submission of financial reports and in the validation of expenses impacted the timely disbursement of cash advances to Sub-recipients and the periodic reporting on financial and programmatic results. These also contributed to the weak financial performance of national programmes and caused four out of six bi-annual financial and programmatic result updates to be submitted to the Global Fund with delays.

<b>Priority</b>	High (Critical)
<b>Recommendation 3:</b>	
The Office should improve Sub-recipient reporting and expense validation by:	
<ul style="list-style-type: none"> <li>(a) addressing the root causes of the delays in the submission of Sub-recipient quarterly reports, and ensuring actions are timely taken to address them;</li> <li>(b) escalating any reporting challenges to the Country Coordinating Mechanism and the relevant government ministry; and</li> <li>(c) establishing standard operating procedures with milestones for validating Sub-recipient expenses and ensuring periodic reviews of the procedures are carried out.</li> </ul>	
<b>Management action plan:</b>	
The Office agrees with the audit recommendations and will:	
<ul style="list-style-type: none"> <li>(a) Review the existing workflow to identify root causes of the delays in reporting and use the findings to support timely Sub-recipient reporting.</li> <li>(b) Hold monthly meetings with the ICN (Instance de Coordination Nationale) secretariat, to develop an agenda for the Country Coordinating Mechanism General Assembly meetings. The Office will use the CCM secretariat's meeting to discuss non-compliant Sub-recipients. The Office will also be escalating Issues to the relevant ministry when necessary.</li> <li>(c) Revise the standard operating procedure to reflect milestones, timelines, and responsibilities at all levels for the validation of expenses and Sub-recipient reports.</li> </ul>	
<b>Estimated completion date:</b> December 2024	

## C. Procurement and supply management

### 1. Quality assurance of health products

#### Issue 4 Lapses in quality control of health products

According to the UNDP-Global Fund and Health Implementation Guidance Manual, the Principal Recipient should define and implement a quality assurance plan to ensure that the quality of pharmaceutical products fulfils the requirements defined by the Global Fund. The Principal Recipient should conduct quality control of pharmaceutical products at different points in the supply chain.

A review of the implementation of the quality control plan highlighted the following:

- Quality control tests of liquid formulation products were not conducted in 2022. The Office explained that they did not conduct the tests because the products had low quantities and a limited target population.
- The rapid diagnostic tests for malaria were not quality assessed since the Office could not find a suitable laboratory to conduct the quality control testing.

Failure to conduct quality control testing on pharmaceutical products may jeopardize the effectiveness, safety, and integrity of the treatment process and consequently increase patient health hazards and reputational risks.

<b>Priority</b> Medium (Important)
<b>Recommendation 4:</b> The Office should improve the implementation of quality control processes by: (a) systematically conducting quality control tests of liquid formulation products; and (b) exploring options to find suitable laboratories abroad and conducting quality controls of rapid tests.
<b>Management action plan:</b> The Office agrees with the audit recommendation and moving forward will ensure that quality controls are systematically performed in a timely manner. In that regard, the below actions have been initiated: (a) Already took a sample of liquid formulation, which will be sent for testing. (b) The Office is collecting additional information and will send the samples collected in the coming week for quality control checks in a laboratory in the Philippines.  <b>Estimated completion date:</b> December 2024

## 2. Supply management of medical products (inventory, warehousing, and distribution)

### Issue 5            Inadequate storage conditions not timely addressed

According to the UNDP-Global Fund and Health Implementation Guidance Manual, the Principal Recipient must verify the following before medical products are procured: the storage space for the products is adequate for volume as well as quality (clean, dry, not subject to excessive heat or light, temperature-controlled areas available if needed, all storage areas free of rodents) and the facilities are secure, with storage areas assessed using the WHO Guidelines for the Storage of Essential Medicines and Other Health Commodities.

The audit team noted the following:

The HACT audit of the National Malaria Programme conducted in April 2023 reported weaknesses at the warehouse in Gihanga, such as high temperature, and cracked walls and ceilings. The audit team visited the same warehouse in October 2023 and noted that the independent auditor's findings were not addressed. In addition, the audit team observed that equipment such as boots, tanks and cylinders, and

pressure regulators were stored outside of the warehouse and were exposed to rain, dust, and other extreme weather conditions. The warehouse was cluttered and had no space to adequately conduct periodic reviews or to monitor inventories. Furthermore, the audit team noted that 1,169 pumps and other equipment used for the annual Indoor Residual Spray campaign were either not functioning or were damaged and were not in good working condition.

The Office reported that a budget was available; however, as of November 2023, work had not yet commenced.

Poor and inadequate storage of equipment may lead to damage and deterioration.

<b>Priority</b>	Medium (Important)
<b>Recommendation 5:</b>	
The Office should complete the rehabilitation of the warehouse based on the approved budget in a timely manner.	
<b>Management action plan:</b>	
The Office agrees with the recommendation and will complete the rehabilitation of the Gihanga warehouse as per the approved budget.	
<b>Estimated completion date:</b> June 2024	

## D. Financial management

### 1. Expenditure and payment processing

#### Issue 6 Inefficiencies in financial management

The UNDP Programme and Operations Policies and Procedures require offices to timely process payments and recover ineligible expenses.

The audit team noted the following:

#### Delays in recovering ineligible expenses

The Office was required by the Global Fund to reimburse ineligible expenses incurred by three Sub-recipients amounting to \$54,725 during the audit period. The Office reimbursed the ineligible expenses from its core institutional budget pending recovery of the ineligible expenses from the Sub-recipients. The Office recovered \$10,521 of out the \$54,725 from two Sub-recipients (NGOs), while the balance of \$42,312 remained outstanding from the period January 2021 to October 2023 from the national programmes as of October 2023. The Office sent reminders to the Sub-recipients and escalated the issues to the relevant government ministry to assist in the recovery of funds.

Not recovering ineligible expenses in a timely manner may result in financial losses and may have a negative impact on the Office's reputation.



Ineffective processing of purchase orders

A detailed review of a sample of 55 out of 192 purchase orders disclosed the following:

- 5 purchase orders amounting to \$668,987 were approved between 14 days and 210 days due to ineffective monitoring and budget errors not being timely addressed.
- In 11 cases amounting to \$259,000, the commitments were not recorded in UNDP enterprise resource planning (ERP) systems, and the purchase orders were created at the time of payments only. The Office reported that purchase orders were no longer generated manually but through the new Quantum ERP system.
- In two cases amounting to \$428,000, the payments were delayed an average of 240 days. This was attributed to the rollout of the Quantum ERP system and ineffective monitoring of the payment process by the Office.

Inefficiencies in payment processes may delay the implementation of programme activities and negatively impact the grant's financial performance.

<b>Priority</b>	Medium (Important)
<b>Recommendation 6:</b>	
The Office should:	
(a) recover ineligible expenses from the Sub-recipient, follow up with the relevant government ministry on the outstanding balance from the Sub-recipients and escalate the issue to the Global Fund in-country oversight structure; and	
(b) strengthen payment processing by establishing a tracking mechanism for the monitoring and timely processing of purchase orders.	
<b>Management action plan:</b>	
(a) The Office has already sent letters to the relevant government ministry; however, there has been no response to date. The Office will send a follow-up letter to the relevant government ministry and if no action is taken, the Office will escalate this issue to other relevant government ministries for action and when necessary, the Office will escalate to UNDP's Office of Financial Management.	
(b) The Office will use the PowerBI platform, now operational, to provide real-time monitoring of purchase order status, and this will facilitate monitoring of purchase orders. In addition, the oversight mechanisms on procurement processes are currently being reinforced under the authority of the Country Office Operations Manager. It will provide technical supervision to the Programme Management Unit procurement and finance staff.	
<b>Estimated completion date:</b> December 2024	

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## Definitions of audit terms - ratings and priorities

### A. AUDIT RATINGS

- **Fully Satisfactory**      The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.
- **Satisfactory / Some Improvement Needed**      The assessed governance arrangements, risk management practices and controls were generally established and functioning, but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.
- **Partially Satisfactory / Major Improvement Needed**      The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
- **Unsatisfactory**      The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.

### B. PRIORITIES OF AUDIT RECOMMENDATIONS

- **High (Critical)**      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.
- **Medium (Important)**      Action is required to ensure that UNDP is not exposed to risks. Failure to take action could contribute to negative consequences for UNDP.
- **Low**      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. Therefore, low priority recommendations are not included in this report.