



AUDIT

OF

UNDP PACIFIC OFFICE IN FIJI

GRANTS FROM THE GLOBAL FUND

Report No. 1878
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Report on the Audit of UNDP Pacific Office in Fiji Grants from the Global Fund Executive Summary

The UNDP Office of Audit and Investigations (OAI), from 5 to 16 June 2017, conducted an audit of two grants from the Global Fund (Output Nos. 96098 [HIV/ TB] and 96174 [Malaria]) managed by the UNDP Pacific Office in Fiji (the Office) as the Principal Recipient. 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, staffing, capacity development and exit strategy);
- (b) programme management (project approval and implementation, monitoring and evaluation, grant closure);
- (c) Sub-recipient management (selection, assessment and contracting, funding, reporting, oversight and monitoring);
- (d) procurement and supply management (qualification and forecasting, procurement of health products, quality assurance of health products, procurement of other goods and services, supply management [inventory, warehousing and distribution], asset management, individual contractors); and
- (e) financial management (revenue and accounts receivable, expenditures, reporting to the Global Fund).

The audit covered the Global Fund-related activities of the Office from 1 July 2015 to 31 May 2017. The Office recorded Global Fund-related expenditures of approximately \$6.7 million. This was the first audit of the Office's Global Fund-related activities.

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

Overall audit rating

OAI assessed the Office's management of the Global Fund grants as **satisfactory**, which means, "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."

Good practice

The Office developed a tool called the 'Sub Recipient Reporting Performance Composite Index' which enabled the monitoring of timeliness, and the accuracy and completeness of Sub-recipient reports submitted to the Office (refer to page 1 for details).

Key recommendations

The audit did not result in any recommendations.

Issues with less significance (not included in this report) have been discussed directly with management and actions have been initiated to address them.



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