

UNITED NATIONS CHILDREN'S FUND

**MICRO-ASSESSMENT REPORT ON
CIVIL SOCIETY SCALING-UP NUTRITION IN
NIGERIA (CS-SUNN)
SEPTEMBER 2015**

17 September 2015

The Chief of Operations
United Nations Children's Fund
Abuja

Attention: Mr. Wilberforce Tengey

Dear Sir

**REPORT ON THE MICRO ASSESSMENT OF CIVIL SOCIETY SCALING-UP
NUTRITION IN NIGERIA (CS-SUNN)**

We have conducted a micro assessment in line with our contract agreement dated 24 August 2015 and enumerated below with respect to the financial management capacity of Civil Society Scaling-Up Nutrition in Nigeria (CS-SUNN), as at 11 September 2015, set forth in the accompanying schedules. Our engagement was undertaken in accordance with the international standard on related services applicable to agreed-upon procedures engagements.

The procedures did not constitute an audit nor a review made in accordance with the International Standards of Auditing (ISA), hence we have not expressed any assurance on the areas reviewed and other matters which came to our attention would have been presented in the report.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties.

The report has been set out in four sections as follows:

- Section 1** The background, scope of our work
- Section 2** Description of implementing partner; and
- Section 3** Risk rating and summary of micro-assessment findings
- Section 4** Appendices

The appendices include completed micro assessment questionnaire with detailed results on the risk considerations, recommendations for control weaknesses, organizational structure and other relevant information.

We would like to express our appreciation to the various members of staff of the Civil Society Scaling-Up Nutrition in Nigeria (CS-SUNN), who assisted us during the exercise.

We would be pleased to provide you with any further explanation on the report; do not hesitate to contact Biodun Adeleye on +2348033433877.

Yours faithfully,

Biodun Adeleye
Principal Partner

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SECTION 1

BACKGROUND

In April 2005, the United Nations Development Group (UNDG) formally released the Harmonized Approach to Cash Transfers (HACT). The HACT applies to the UNDG Ex Com Agencies and other United Nations agencies that wish to adopt it. It called for an upfront assessment of the program country's public financial management system (macro-assessment) and similarly individual assessment of implementing partners' financial management capacity (micro-assessment).

The objectives of the assessments are:

- *Capacity development objective:* To support the UNDG's Ex Com Agencies in Nigeria (i.e. UNICEF, UNFPA and UNDP) and government to identify strengths and weaknesses in the implementing partner's capacity for financial management and areas for capacity development by the government and other stakeholders.
- *Financial management objective:* To assist in the identification of appropriate cash transfer modalities, procedures and assurance activities to be applied by the UNDG Ex Com Agencies and government.

This report sets out the results of the micro-assessment conducted on the Civil Society Scaling-Up Nutrition in Nigeria (CS-SUNN).

SCOPE

We conducted a micro-assessment review on the CS-SUNN in accordance with the Financial Management Questionnaire (Refer to Appendices) prepared by UNICEF. The identified risk considerations were scored and assessed based on the micro assessment questionnaire; providing an overall assessment of the implementing partner's financial management capacity. The following aspects were reviewed:

- Implementing Partner Status
- Funds flow
- Organizational structure and staffing;
- Accounting policies and procedures;
- Internal audit;
- Financial audit;
- Reporting and monitoring;
- Information systems; and
- Procurement.

APPROACH

Our review was generally limited to discussions with the relevant key personnel, the review and analysis of the relevant policies, procedures, guidelines and source documentation by means of walk through, observation and sample testing.

The risk considerations addressed each question in the micro assessment questionnaire, specific to the areas listed above. In completing the questionnaire, we have considered the Implementing Partners' internal control system with equal emphasis on

- (i) the effectiveness of the system in providing useful and timely information for the proper management of the program/project and
- (ii) the general effectiveness of the internal control system in protecting the assets and resources of the program/project.

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The review focused on compliance with policies, procedures, regulations and institutional arrangements that are issued by both the government and CS-SUNN itself. It offers recommendations to the Implementing Partner for improving, to the extent possible, any identified weaknesses in financial management approach and controls.

Our review did not constitute a compliance audit. We conducted our review based on the information provided to us and therefore, are not responsible for the accuracy of this information.

SECTION 2

DESCRIPTION OF IMPLEMENTING PARTNER

Name of the Implementing Partner

The Civil Society Scaling-Up Nutrition in Nigeria

Nature/ legal status

The Civil Society Scaling-Up Nutrition in Nigeria (CS-SUNN) was duly registered with Corporate Affairs Commission on 31st day of October, 2014.

External Auditors

The CS-SUNN is yet to appoint external auditor.

Internal auditors

There was no Internal Audit unit and function in place at the time of our review.

Overview of activities, vision, mission and objectives

In an effort to engage civil society organization from across Nigeria to help raise the profile of nutrition donor agencies, international partners, government and other relevant stakeholders, supported the establishment of Civil Society Scaling-Up Nutrition in Nigeria. CS-SUNN is an independent civil society network for moving forward the scaling Up Nutrition Agenda in Nigeria.

The alliance is expected to engage government and non-state actors, to influence policy implementation, create public awareness, increase local demand, advocate for appropriate nutrition service delivery, track service provision, improve resource mobilization, track budget implementation and participate in monitoring and evaluating of programs and campaigns.

Vision Statement

A country where every citizen is food and nutrition secured.

Mission Statement

To mobilize non-state actors to advocate, generate evidence, build capacity and stimulate communities to scale up nutrition in Nigeria.

Core Objectives

- To advocate for effective coordination of all nutrition stakeholders and programmes in Nigeria
- To create a platform through which Civil Society Organisations can effectively advocate for improved nutrition in Nigeria
- To advocate and engage government to create nutrition budget lines in some key Federal and state ministries in Nigeria as well as include CSOs in nutrition interventions as appropriate
- To engage and strongly advocate for the establishment of an effective and functional nutrition surveillance monitoring and evaluation systems
- To build the capacity of CSI-SUNN members to effectively engage in the pursuit of improved nutrition in Nigeria.

Approach to project control, with specific focus on financial management:

Projects are executed in accordance with donor agreements. The agreements include the project proposal and budgets as well as detailed work plans describing the specific activities to be carried out within the specified time frames.

All project related financial transactions are recorded and reported using spread sheet as accounting system. The accounting system does not make provision to compare actual project expenditures against budgets.

Approach to accounting and control of funds:

The cash basis of accounting is used.

The CS-SUNN operates two different bank accounts with Guaranty Trust Bank Plc.

For all payments made from the Civil Society and CS-SUNN bank accounts, two authorised signatories are required to release the payments. The list of authorised signatories is held by the Bank.

Management reports are prepared by the Project Officer for discussion at the Board meetings. The management reports include the financial statements.

The key persons within CS-SUNN are:

- Dr. P. N. Momah - Network Coordinator
- Ngozi S. Onuora – Project Director
- Okoronkwo Sunday – Program Officer
- Jayne E. Arinze – Monitoring and Evaluation Officer
- Veronica Daga – Accountant

SECTION B

RISK ASSESSMENT RATING

In order to assist management with the allocation of resources to address the weaknesses and improve control as included in this section, we have assigned subjective ratings to each of our weaknesses. The risk ratings are described as follows:

Rating	Guidance
High	Generally unacceptable. A high likelihood of occurring and a potential for negative impact on the implementer's objectives, income, expenditure, human resources and/ or reputation. Comprehensive consideration is required to ensure that the risk is managed in-line with the implementer's objectives. Most or all procedures are negative.
Significant	A significant likelihood of occurring or potential for unfavourable or noticeable negative impact on the implementer's objectives, income, expenses, human resources and/or reputation. Management attention is required to ensure that the risk is managed in-line with the implementer's objectives. Most procedures are negative.
Moderate	A moderate likelihood of occurring and a potential minor impact on the implementer's objectives, income, expenses, human resources and/or reputation. Some procedures are negative.
Low	A low likelihood of occurring and a potential impact on the implementer's objectives, income, expenses, human resources and/or reputation. Most procedures are positive.

For each subject matter section, the total number of risk points is divided by the total number of applicable questions to obtain the average number of points calculated and is then compared to the points rating below and assigned a corresponding risk (i.e., an average of 2.0 would indicate a moderate risk rating for the subject matter section).

Numbers are to be rounded as follows:

- 0.1 to 0.49: Round down to the closest whole number (i.e., an average of 3.3 would be rounded down to 3.0, indicating a 'significant' risk rating);
- 0.5 to 0.99: Round up to the closest whole number (i.e., an average of 1.99 would be rounded up to a 2.0, indicating a 'moderate' risk rating).

The same process is followed for determining the overall risk assessment for the IP once all subject matter sections have been completed.

The overall risk rating is to be determined based on the following matrix:

Average Number of Points	Risk Rating
4	High
3	Significant
2	Moderate
1	Low

SUMMARY OF MICRO-ASSESSMENT FINDINGS

The following table summarises the risk rating for each of the nine sections of the financial management capacity micro-assessment:

Testing Subject Area	Risk Assessment			
	H	S	M	L
Implementing Partner				√
Funds Flow				√
Organizational Structure and Staffing		√		
Accounting Policies and Procedures				√
Internal Audit	√			
Financial Audit				
Reporting and Monitoring			√	
Information Systems				√
Procurement			√	
Overall risk assessment			√	

Summary of Risks Related to the Financial Management Capacity of the Implementing Partner				
Tested subject area (see subsequent pages for details of each subject area summarized below)				
	Total number of risk points	Total number of applicable questions	Overall risk assessment	Comments
1. Implementing Partner:				<p>Strengths: Civil Society Scaling-Up Nutrition in Nigeria (CS-SUN) came into being in 2014 as it was duly registered with Corporate Affairs Commission on 31st day of October, 2014.</p> <ul style="list-style-type: none"> - IP is a well registered corporate body. - IP has received UNICEF resources in the past - IP has reporting requirements and has no legal issue. <p>Weaknesses Nil</p>
	5	5	1	Low Risk

2. Funds Flow:				<p>Strengths:</p> <ul style="list-style-type: none"> - The IP, Civil Society Scaling-Up Nutrition in Nigeria (CS-SUNN) can receive and transfer funds through its Guaranty Trust Bank Plc Account - IP has no issues in the receipt and management of UNICEF resources. - IP can access Counterpart funding. <p>Weaknesses</p> <p>Nil</p>
	6	6	1	Low Risk
3. Organizational Structure and Staffing:				<p>Strengths:</p> <ul style="list-style-type: none"> - The organizational structure of the IP's accounting/finance department is appropriate for the level of financial volume in her control. - Organizational structure clearly defines line and function reporting. <p>Weaknesses</p> <ul style="list-style-type: none"> - The level of posts and competency of staff are inappropriate for the level of financial volume in the accounting/finance department. - The IP's accounting/finance function is not adequately staffed to ensure sufficient controls are in place to manage agency funds as it has only one person with two months experience in its accounting/finance department. - The accounting/finance staff are not familiar with United Nations procedures related to HACT framework - Necessary trainings are not undertaken.
	23	8	2.875	Significant Risk

<p>4. Accounting Policies and Procedures:</p>			<p>1 (Low Risk)</p>	<p>Strengths:</p> <ul style="list-style-type: none"> - Transactions and functions are properly segregated. - Chain of authorization and reporting are in place and abided by. - Budgets are realistic and based on work plan and program activities. - Controls are in place relating to transactions and safeguard of assets. - Work agreements are kept and followed through to completion. - Vouchers are duly stamped paid after payments. <p>Weaknesses:</p> <ul style="list-style-type: none"> - No chart of accounts and accounting manual - General and subsidiary ledgers are not kept. - No policy and procedure for tracking and reporting United Nations resources as required in the HACT framework.
	52	40	1.3	Low Risk
<p>5. Internal Audit:</p>				<p>Strength:</p> <p>Nil</p> <p>Weaknesses:</p> <ul style="list-style-type: none"> - The IP does not have internal audit unit. - The IP does not appear to have strong internal controls.
	20	5	4	High Risk
<p>6. Financial Audit:</p>				<ul style="list-style-type: none"> - The IP is yet to due for external audit as it is barely a year of its existence.
<p>7. Reporting and Monitoring:</p>				<p>Strengths</p> <ul style="list-style-type: none"> - Financial statement is prepared for the IP in timely manner as to enable management decision making - Financial reports are automated. <p>Weaknesses:</p> <ul style="list-style-type: none"> - Non preparation of variance analysis
	14	8	1.75	Moderate Risk

8. Information Systems:				Strengths: - Policies and procedures are in place to restrict access and ensure confidentiality, integrity and availability of data - Automated financial system can generate financial reports. Weakness: Nil
	5	5	1	Low Risk
9. Procurement:				Strengths: - IP written procurement policies and procedures. - Procurement policy specifies authorization limits and threshold to abide by. Weaknesses: - IP has not undertaken procurement exercise with UN agencies in the past. - IP has not been audited by ECHO. - No procurement committee to reviews and approves contracts - No procedures to rotate staff positions for internal control purposes
	51	21	2.42	Moderate Risk
Total:	176	98	1.79 = 2	Moderate Risk

During the performance of the risk consideration procedures, we identified concerns relating to the following key concerns:

- Non existence of internal audit unit;
- Lack of formal training policy and procedures;
- No chart of accounts and accounting manual;
- Absence of procurement committee;
- IP's accounting/finance function is not adequately staffed.

For detail regarding all observations and recommendations specific to this review, refer to Appendix B.



APPENDIX A

MicroAssessment Questionnaire

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
1. Implementing partner						
1.1 Is the IP legally registered? If so, is it in compliance with registration requirements? Please note the legal status/registration of the entity. <i>Retain copies of registration documents if available.</i>	√			IP is registered in the country where the programme operates and is current with registration/reporting requirements.	1	The IP was duly registered in Nigeria with Corporate Affairs Commission on 31 st day of October, 2014.
1.2 Has the IP received United Nations resources in the past? If so, provide details of amounts, from which agency and for what purpose.	√			IP has received United Nations resources in the past and no issues were encountered with utilizing these funds.	1	The IP received the sum of N39,597,521.10 from UNICEF.
1.3 Does the IP have statutory reporting requirements? If so, are they in compliance with such requirements? Please describe.	√			The IP is compliant with applicable statutory requirements.	1	The IP is compliant with applicable statutory requirements.
1.4 Is the governing body for the IP independent from management? If so, please describe.	√			The governing body of the IP is independent from management.	1	The governing body of the IP is independent from management.
1.5 Does the IP have any pending legal actions against it? <i>Confirm this with the IP, and possibly through assessment of the general ledger and confirmation with external legal Counsel provided by the IP. Provide details and actions Taken by the IP to resolve the legal action.</i>		√		The IP does not have any pending legal actions against it.	1	No pending legal actions against the IP
Total number of questions in subject area:	5					
Number of questions marked 'N/A' in subject area:	Nil					
Total number of applicable questions in subject area:	5					
Total number of risk points:					5	

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
<i>Implementing partner overall risk assessment:</i>				Low Risk	1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.
2. Funds Flow						
2.1 Can the IP easily receive and transfer funds? If so, please describe the process.	√			The IP can receive funds directly from the agency.	1	IP has dedicated account with First Bank Plc through which it has received and disbursed funds from
2.2 Are the proposed arrangements to transfer the funds to the IP satisfactory to the funding agency?	√			The proposed arrangements are satisfactory to the funding agency.	1	Dedicated bank account
2.3 Have there been major problems in the past in receipt of funds by the IP, particularly where the funds flow from government ministries (if applicable)? If so, please describe.			√	The IP has not had problems in the past regarding receipt of agency funding.	Nil	
2.4 In the past, has the IP had any problems in the management of funds received? If so, please describe.		√		The IP has not had problems in the management of funds received from the funding agency.	1	None
2.5 Does the IP have capacity to manage foreign exchange risks? (If it is expected to be using funds outside the country.) If so, does the IP have experience managing foreign exchange risk?	√			The IP has capacity and experience in managing foreign exchange risk.	1	The IP has an active and operational domiciliary account
2.6 Does the IP have a process in place to access counterpart funds? Please describe.	√			The IP has capacity and experience in assessing counterpart funds.	1	MPTF funded project

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
2.7 If some activities will be implemented by others, such as civil society groups or non-governmental organizations, does the IP have the necessary reporting and monitoring mechanisms to track the use of funds? Does the IP have experience with implementation of activities by external civil society or non-governmental organizations? If so, please describe.	√			The IP has the necessary reporting and monitoring mechanisms in place to track the use of funds by external organizations. The IP also has experience with this process.	1	The MPTF project is being implemented through 10 different organizational CSOs who report monthly and the IP monitors their activities for compliance.
Total number of questions in subject area:	7					
Number of questions marked 'N/A' in subject area:	1					
Total number of applicable questions in subject area:	6					
Total number of risk points:					6	
Funds flow overall risk assessment:				Low Risk	1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page1 of this checklist and assigned an overall risk rating.
3. Organizational Structure and Staffing						
3.1 Is the organizational structure of the IP's accounting/finance department appropriate for the level of financial volume? Does the organizational structure provide clear lines of reporting and accountability? If so, please describe. <i>Attach an organization chart if available.</i>	√			The organizational structure of the IP's accounting/finance department is appropriate for the level of financial volume (including funding from the agency).	1	The IP has a compact organizational structure with lines reporting and accountability and within the level of financial volume. There is only a single staff in accounts/finance department.
3.2 Are the level of posts and competency of staff appropriate for the level of financial volume in the accounting/finance		√		The level of posts and competency of staff	4	The level of posts and competency of staff are not appropriate for the level

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
department? Identify the staff, including job titles, responsibilities, educational backgrounds and professional experience. <i>Attach job descriptions and CVs of key accounting/finance staff.</i>				appropriate for the level of financial volume in the accounting/finance department.		financial volume..
3.3 Is the IP's accounting/finance function staffed adequately to ensure sufficient controls are in place to manage agency funds? If so, please describe.		√		The IP's accounting/finance function is staffed adequately to ensure sufficient controls are in place to manage agency funds.	4	The IP's accounting/finance function is not staffed adequately as there is only a single staff in accounts/finance department.
3.4 Are accounting/finance staff familiar with United Nations procedures related to cash transfers (specifically the HACT framework)? If so, please provide details.		√		The accounting/finance staff are familiar with United Nations procedures related to cash transfers (specifically the HACT framework).	4	The accounting/finance staff is not familiar with United Nations procedures of HACT framework.
3.5 Are there vacancies in positions considered key? If so, provide the estimated date of appointment.		√		The IP does not have any vacancies in positions considered key.	4	Accounting/finance department needs more hands and there is need for the establishment of audit department as well as its staffing.
3.6 Are staff frequently transferred to other departments, offices, countries, etc.? If so, what is the estimated frequency?			√	IP staff are not frequently transferred to other departments, offices, countries, etc.	Nil	None
3.7 Does the IP have training policies for accounting/finance staff? Are necessary trainings undertaken? If so, please describe.		√		The IP has training policies for accounting/finance staff, which are undertaken as planned.	4	No training policies for accounting/finance staff
3.8 Has there been significant turnover in the past five years? If so, has the rate improved or worsened? Does it appear to be a problem? If so, what is the IP doing to address this			√	The IP has not had significant turnover in the past five years.	Nil	None

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
issue?"						
3.9 Does the IP perform background verification/checks on all new accounting/finance and management positions? If alternative practices for processing new hires are in place, please provide a brief description.	√			The IP performs background verification/checks on all new accounting/finance and management positions.	1	The IP has procedures and policies on recruitment and selection. Finance, administration and resources handbook
3.10 Does the IP have a defined and documented internal control framework? Is this framework consistent with international standards? If so, please describe.	√				1	Finance, administration and resources handbook
Total number of questions in subject area:	10					
Number of questions marked 'N/A' in subject area:	2					
Total number of applicable questions in subject area:	8					
Total number of risk points:					23	
Organizational structure and staffing overall risk assessment:				Significant	2.875	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.
4. Accounting Policies and Procedures						
4a. General						
4.1 Does the IP have an accounting system that allows for proper recording of financial transactions from United Nations agencies, including allocation of expenditures in accordance with the respective components, disbursement categories and sources of funds?	√			The IP has an accounting system that allows for proper recording of financial transactions from United Nations agencies, including	1	IP uses spreadsheet and it promotes proper recording and accounting of financial transactions.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
				allocation of expenditures in accordance with the respective components, disbursement categories and sources of funds.		
4.2 Are controls in place concerning preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained?	√			Controls are in place concerning preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained.	1	Transactions involve initiation, processing and authorizations and these are segregated
4.3 Is the chart of accounts adequate to properly account for and report on activities and disbursement categories?		√		The chart of accounts is adequate to properly account for and report on activities and disbursement categories in accordance with the established agreements.	4	No chart of accounts
4.4 Are controls in place for accurate cost allocations to the various funding sources in accordance with established agreements?	√			Controls are in place for accurate cost allocations to the various funding sources in accordance with established agreements.	1	Expenses are strictly on budgets and agreements
4.5 Are the general ledger and subsidiary ledgers reconciled at least monthly? Are explanations provided for significant reconciling items?		√		The general ledger and subsidiary ledgers are reconciled at least monthly, and explanations are provided for significant reconciling items.	4	IP does not keep ledgers at all.
4.6 Are all accounting and supporting documents retained permanently in a defined system that allows authorized	√			Accounting and supporting documents are retained	1	Vouchers and payments are kept in lockable book shelves.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
users easy access? If so, please describe.				permanently in a defined system that allows authorized users easy access.		
4.7 Does the IP have policies and procedures for tracking and reporting United Nations resources as required in the HACT framework? If so, please describe.		√		The IP has policies and procedures for tracking and reporting United Nations resources as required in the HACT framework.	4	No procedures and policies for tracking and reporting United Nations resources as required in the HACT framework.
4b. Segregation of duties						
4.8 Are the following functional responsibilities performed by different units or individuals: (a) authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction?	√			The following functional responsibilities are performed by different units/individuals: (a) Authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction.	1	Functional responsibilities are performed by different individuals:
4.9 Are the functions of ordering, receiving, accounting for and paying for goods and services appropriately segregated?	√			The functions of ordering, receiving, accounting for and paying for goods and services are appropriately segregated.	1	Yes
4.10 Are bank reconciliations prepared by individuals other than those who make or approve payments?	√			Bank reconciliations are prepared by individuals other than those who make or approve payments.	1	Accountant reconciles while the programme officer verifies and signs off.
4c. Budgeting system						
4.11 Do the IP's budgets lay down physical and financial targets?	√			The IP's budgets lay down physical and financial targets.	1	Yes, in accordance with budget guidelines and work plan activities.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
4.12 Are IP budgets prepared for all significant activities in sufficient detail to provide a meaningful tool for monitoring subsequent performance?	√			IP budgets are prepared for all significant activities in sufficient detail to provide a meaningful tool for monitoring subsequent performance	1	IP monitors projects through budget.
4.13 Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations from the budget?	√			Actual expenditures are compared to the budget with reasonable frequency, and explanations are required for significant variations from the budget.	1	Actual expenditures are compared to the budget on monthly basis.
4.14 Are approvals required prior to significant variations from the budget?	√			Approvals are required prior to significant variations from the budget.	1	Yes, if they occur.
4.15 Does the IP have a designated individual(s) responsible for preparation and approval of budgets related to agency funding?	√			The IP has a designated individual(s) responsible for preparation and approval of budgets related to agency funding.	1	Programme officer prepares and consolidate with Project director and accountant while network coordinator approves
4.16 Are procedures in place to plan activities, collect information from the units in charge of the different components and prepare the budgets? If so, please describe.	√			Procedures are in place to plan activities, collect information from the units in charge of the different components and prepare the budgets.	1	Each unit prepares its budget and collate by programme officer.
4.17 Are the plans and budgets of activities realistic, based on valid assumptions and developed by knowledgeable individuals?	√			The plans and budgets of activities appear to be realistic, based on valid assumptions, and developed by knowledgeable individuals.	1	Yes

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
4d. Payments						
4.18 Do invoice processing procedures provide for: <ul style="list-style-type: none"> Copies of purchase orders and receiving reports to be obtained directly from issuing departments? Comparison of invoice quantities, prices and terms with those indicated on the purchase order and with records of goods actually received? Checking the accuracy of calculations, if any? 			√	Invoice processing procedures are sufficient, including: receiving copies of purchase orders and receiving reports directly from issuing departments; comparing invoice quantities, prices and terms with those indicated on the purchase order and with records of goods actually received; and checking the accuracy of calculations (if any).	Nil	None
4.19 Can the IP identify tax-exempt activities to ensure tax is not paid?	√			The IP has the ability and experience to identify tax-exempt activities and ensure tax is not paid.	1	Yes, the process is in place and sufficient
4.20 Are all invoices stamped 'PAID', dated, reviewed and approved, and clearly marked for account code assignment?	√			Invoices are stamped 'PAID', dated, reviewed and approved, and clearly marked for account code assignment.	1	They are stamped paid but no account code.
4.21 Do controls exist for preparation and approval of payroll expenditures? Are changes properly authorized? If so, please describe.	√			Controls exist for the preparation and approval of payroll expenditures and changes are properly authorized.	1	Prepayment review is done by project director while accountant prepares.
4.22 Do controls exist for expense categories that do not originate from invoice payments, such as DSA, travel, consultancies?	√			Controls exist for expense categories that do not originate from invoice payments, such as	1	As provided in Finance, administration and resources handbook which is complied with.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
				DSA, travel, consultancies.		
4e. Policies and procedures						
4.23 Does the IP have a single stated basis of accounting (e.g., cash or accrual)? If so, please describe.	√			The IP has a single basis of accounting.	1	The IP has a single basis of accounting. Cash basis
4.24 Does the IP have an established accounting manual sufficient to ensure control of assets and proper use of agency funds? Are internationally accepted accounting standards followed? If so, which standard?		√		The IP has an established accounting manual sufficient to ensure control of assets and proper use of agency funds. This manual follows an internationally accepted accounting standard.	4	No accounting manual
4.25 Does the IP have an adequate policies and procedures manual to guide activities and ensure staff accountability? If so, please describe.	√			The IP has an adequate policies and procedures manual to guide activities and ensure staff accountability.	1	IP's Finance, administration and resources handbook
4.26 Do procedures exist to ensure that only authorized persons can alter or establish a new accounting principle, policy or procedure to be used by the IP?	√			The IP has procedures in place to ensure that only authorized persons can alter or establish a new accounting principle, policy or procedure.	1	Management reviews and board of trustees then approves.
4.27 Are there written policies and procedures covering all routine financial management and related administrative activities? Are these accessible? Please describe.	√			There are accessible written policies and procedures covering all routine financial management and related administrative activities.	1	Finance, administration and resources handbook is given to every staff.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
4.28 Do policies and procedures clearly define 'conflict of interest' and 'related party transactions' (real and apparent) and provide safeguards to protect the organization from them? If so, please describe.	√			The IP has well-defined policies and procedures for 'conflict of interest' and 'related party transactions' (real and apparent) that provide adequate safeguards to protect the organization from them.	1	The manual is specific on this.
4.29 Are manuals distributed to appropriate personnel? If so, please describe the manuals and the personnel who receive them.	√			Manuals are distributed to appropriate personnel.	1	Yes
4f. Cash and banks						
4.30 Are there authorized signatories on the bank accounts that will be used for United Nations resources? How many signatories are on the bank account and how many are required to execute transactions? If so, provide names.	√			The IP has signatories on the bank accounts that will be used for United Nations resources and more than one signatory is required for each transaction.	1	The authorized signatory to the dedicated Guaranty Trust Bank Plc account no 0162838788 are: <ul style="list-style-type: none"> • Prof. Ngozi Nnam • Dr David Olayemi • Okoronkwo Sunday Mandate: Any two can sign.
4.31 Does the IP maintain an adequate, up-to-date cash book, recording receipts and payments?	√			The IP maintains an adequate, up-to-date cash book, recording receipts and payments.	1	The cash book is properly up to date.
4.32 Do controls exist for the collection, timely deposit and recording of receipts at each collection location? If so, please describe.	√			Controls exist for the collection, timely deposit and recording of receipts at each collection location.	1	All funds go to the bank directly.

4.33 Are bank balances and cash ledger reconciled monthly and properly approved? Are explanations provided for significant and unusual reconciling items?	√			Bank balances and cash ledgers are reconciled monthly and properly approved. Significant and unusual reconciling items are explained.	1	Monthly
4.34 Are agency resources be placed in a separate bank account?	√			Agency resources are placed in a separate bank account.		Yes, GTB Plc
4.35 Are cash and checks maintained in a secure location? Has access been properly designated and maintained?	√			Cash and checks are maintained in a secure location and access has been properly designated and maintained.	1	Put in safe and the project director is the custodian.
4g. Safeguards for assets						
4.36 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse? If so, tour the facility to ensure the system has been implemented and followed.	√			The IP has a system of adequate safeguards to protect assets from fraud, waste and abuse.	1	There are security personnel, burglary, steel cabinet, safe etc
4.37 Are subsidiary records of fixed assets and inventory kept up to date and reconciled with control accounts? If so, please describe.			√	Subsidiary records of fixed assets and inventory are kept up to date and reconciled with control accounts.	Nil	None
4.38 Are there periodic physical inventories of fixed assets and stocks? If so, please describe.			√	The IP performs periodic physical inventories of fixed assets and inventory.	Nil	None
4.39 Are fixed assets and inventory adequately covered by insurance policies?			√	The IP's fixed assets and inventory are adequately covered by insurance policies.	Nil	None
4h. Other offices or entities²						
4.40 Do any other offices/entities participate in implementation? If so, does the IP have policies and	√			If the IP has other offices/entities participating in	1	Partners organizations for the MPTF project are in 10 states and reports the level of project implemented in their locations periodically.

²This refers to sub-offices of the IPs or other parties.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
process to ensure appropriate oversight and monitoring of implementation?				implementation, there are adequate policies and procedures to ensure appropriate oversight and monitoring of implementation. The IP also has experience with this process.		
4.41 Does information flow among the different offices/entities in an accurate and timely fashion? If so, please describe.	√			Information flows among the different offices/entities in an accurate and timely fashion.	1	Yes, via e-mail and phone calls
4.42 Does the IP have a process in place to evaluate the impact of any deficiencies or negative findings identified through reporting or discussions with the other offices/entities? If so, describe the process.	√			The IP has a process in place to evaluate the impact of any deficiencies or negative findings identified through reporting or discussions with the other offices/entities. The IP also has experience with this process.	1	Timely reporting and monitoring of activities related to the MPTF project
4.43 Does the IP maintain contractual agreements with other offices/entities?	√			The IP maintains current contractual agreements with other offices/entities.	1	The IP maintains contract agreement with CSOs.
4.44 Does the IP have a process to ensure expenditures of other offices/entities are in compliance with the work plan and/or contractual agreement noted in item 4.43?	√			The IP has a process to ensure expenditures of other offices/entities are in compliance with the work plan and/or agreements.	1	Through proper monitoring and supervision of their activities
4i. Other						
4.45 Has the IP advised employees, beneficiaries and other recipients to whom they should report if they suspect fraud, waste or misuse of agency			√	The IP has advised employees, beneficiaries and other recipients to whom they	Nil	None

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
property?				should report if they suspect fraud, waste or misuse of agency resources or property.		
4.46 If yes to item 4.45, does the IP have a policy against retaliation for those who report fraud, waste or misuse of agency resources or property?			√	The IP has a policy against retaliation for those who report fraud, waste, or misuse of agency resources or property.	Nil	None
Total number of questions in subject area:	46					
Number of questions marked 'N/A' in subject area:	6					
Total number of applicable questions in subject area:	40					
Total number of risk points:					52	
Accounting policies and procedures overall risk assessment:				Low Risk	1.3	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.
5. Internal Audit						
5.1 Is the internal auditor sufficiently independent to make critical assessments? To whom does the internal auditor report?		√		The internal auditor is sufficiently independent to make critical assessments.	4	The IP has no internal audit unit.
5.2 Does the IP have stated qualifications and experience requirements for internal audit department staff? If so, please describe.		√		The IP has stated qualifications and experience requirements for internal audit department staff.	4	None

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
5.3 Will the activities financed by the agencies be included in the internal audit department's work programme?		√		The activities financed by agency funds will be included in the internal audit department's work programme.	4	None
5.4 Does the internal auditor have policies and procedures to take action on findings identified?		√		The internal auditor has policies and procedures to take action on findings identified, if any.	4	None
5.5 Does the IP appear to have strong internal controls to ensure funds are expended for the intended purpose, to discourage and prevent improper use of funds, and to safeguard assets? If so, please describe.		√		The IP appears to have strong internal controls to ensure funds are expended for the intended purpose, discourage and prevent improper use of funds, and safeguard assets.	4	None
Total number of questions in subject area:	5					
Number of questions marked 'N/A' in subject area:	0					
Total number of applicable questions in subject area:	5					
Total number of risk points:					20	
Internal audit overall risk assessment:				High Risk	4	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page1 of this checklist and assigned an overall risk rating.
6. Financial Audit						
6.1 Are the IP's specific financial statements audited regularly			√	The IP's specific financial	Nil	Not due for external audit as it is barely a

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
by an independent auditor? If so, please describe the auditor.				statements are audited regularly by an independent auditor.		year of its existence.
6.2 Are there any delays in audit of the IP? When are the audit reports issued?			√	There are no delays in audits of the IP's financial statements, and the financial statements are issued within a reasonable amount of time.	Nil	None
6.3 Is the audit of the IP's financial statements conducted according to the International Standards on Auditing?			√	The audits of the IP's financial statements are conducted according to the International Standards on Auditing.	Nil	None
6.4 Were there any major accountability issues brought out in audit reports of the IP over the past three years?			√	No major accountability issues were brought out in audit reports of the IP over the past three years.	Nil	None
6.5 Will the auditor audit the accounts related to the work plan or other contractual agreements with the agency? If not, will a separate auditor be appointed to audit the work plan financial statements?			√	The auditor will audit the accounts related to the work plan or other contractual agreements with the agency.	Nil	None
6.6 Have any recommendations made by auditors in the prior three audit reports and/or management letters not yet been implemented?			√	All recommendations made by the auditor in the prior three audit reports and/or management letters have been implemented.	Nil	None
6.7 Historically, has the IP prepared audit plans?			√	The IP has historically prepared audit plans.	Nil	None
Total number of questions in subject area:	7					

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
<i>Number of questions marked 'N/A' in subject area:</i>	7					
<i>Total number of applicable questions in subject area:</i>	0					
<i>Total number of risk points:</i>					0	
<i>Financial audit overall risk assessment:</i>						Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page1 of this checklist and assigned an overall risk rating.
7. Reporting and Monitoring						
7.1 Are financial statements prepared specifically for the IP?	√			Financial statements are prepared specifically for the IP.	1	Yes
7.2 What is the frequency of preparation of the financial statements mentioned in 7.1? Are the reports prepared in a timely fashion so they are useful to management for decision-making?	√			Financial statements of the IP are prepared on a frequent basis so they are useful to management for decision-making.	1	Monthly and quarterly for management decisions. Specifically reports are done quarterly for ongoing UNICEF projects.
7.3 Does the reporting system have the capacity to link the financial information with the work plan's physical progress? If separate systems are used to gather and compile physical data, what controls are in place to reduce the risk that the physical data may not synchronize with the financial data?	√			The reporting system has the capacity to link the financial information with the work plan's physical progress.	1	Strictly on planned activities and work plan
7.4 Does the IP have established financial management reporting responsibilities that specify what reports are to be prepared, what they are to contain and how they are to		√		The IP has established financial management reporting responsibilities that	4	No specific reporting responsibility on ground.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
be used? If so, please describe.				specify what reports are to be prepared, what they are to contain and how they are to be used.		
7.5 Does the IP have financial reports that compare actual expenditures with budgeted and programmed allocations?		√		The IP has financial reports that compare actual expenditures with budgeted and programmed allocations.	4	No variance analysis
7.6 Are financial reports prepared directly by the automated accounting system or are they prepared using spread sheets or some other means?	√			Financial reports are prepared directly by the automated accounting system or using spread sheets (or some other means) that are properly reviewed and approved.	1	Using programmed spreadsheet.
7.7 Does the IP appear to have been solvent (i.e. total assets greater than total liabilities) for the past three fiscal years? Are there any unexplained or ongoing inconsistencies? Provide the amount of total assets and total liabilities for the current and prior fiscal year.	√			The IP appears to have been solvent (i.e. total assets greater than total liabilities) for the past three fiscal years.	1	Not up to three years
7.8 Do the IP's total revenues/contributions exceed its total expenditures over the past three fiscal years? Have the IP's contributions been contracting (i.e. dwindling) over the past three years? If so, why and how will the organization address this issue? Provide the amount of total revenues/contributions and total expenditures for the current and prior fiscal year.	√			The IP's total revenues/contributions exceed its total expenditures in the past three fiscal years, and its contributions have not been contracting in the past three fiscal years.	1	Not up to three years
Total number of questions in subject area:	8					
Number of questions marked 'N/A' in subject area:	0					

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
<i>Total number of applicable questions in subject area:</i>	8					
<i>Total number of risk points:</i>					14	
<i>Reporting and monitoring overall risk assessment:</i>				Moderate Risk	1.75	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page1 of this checklist and assigned an overall risk rating.
8. Information Systems						
8.1 Is the financial management system computerized? If so, does the IP have policies and procedures to maintain this system?	√			The financial management system is computerized and properly maintained.	1	It is computerized and adequately maintained.
8.2 Does the IP have policies and procedures to restrict access to the computerized financial management system to appropriate personnel? If so, please describe them.	√			The IP has policies and procedures to restrict accesses to the computerized financial management system to the appropriate personnel.	1	Through the use of administrator, access code and access rights etc.
8.3 Can the computerized financial management system produce the necessary financial reports?	√			The computerized financial management system can produce the necessary financial reports.	1	Computerized financial reports through automated spreadsheet can be generated
8.4 Are IP staff adequately trained to maintain the computerized financial management system?	√			IP staff are adequately trained to maintain the computerized financial management system.	1	Key functionary is IT literate, maintains good functioning of the automated system.
8.5 Does the IP have appropriate safeguards to ensure the confidentiality, integrity and availability of the data? If so,	√			The IP has appropriate safeguards to ensure the	1	Via password and access restrictions

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
please describe them.				confidentiality, integrity and availability of the data.		
Total number of questions in subject area:	5					
Number of questions marked 'N/A' in subject area:	0					
Total number of applicable questions in subject area:	5					
Total number of risk points:					5	
Information systems overall risk assessment:				Low Risk	1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page1 of this checklist and assigned an overall risk rating.
9. Procurement						
9a. General						
9.1 Has the IP undertaken a procurement exercise with United Nations/World Bank/European Union resources in the past? If so, please describe it.		√		The IP has undertaken a procurement exercise with UN/WB/EU resources in the past.	4	Not at all
9.2 Has the IP been audited by ECHO and selected as a Framework Partnership Agreement partner as per: http://ec.europa.eu/echo/files/partners/humanitarian_aid/fpa_partners.pdf		√		The IP has been audited by ECHO and selected as a Framework Partnership Agreement partner.	4	Not at all
9.3 Has the IP been audited by ECHO and selected as a Humanitarian Procurement Centre partner as per:		√		The IP has been audited by ECHO and selected as a	4	Not at all

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
http://ec.europa.eu/echo/files/partners/humanitarian_aid/HP_C-register_en.pdf				Humanitarian Procurement Centre partner.		
9b. Procurement principles, policies and procedures						
9.4 Does the IP follow acceptable United Nations procurement principles? Do these principles promote broad participation from potential bidders? If so, please describe them.	√			The IP follows acceptable United Nations procurement principles.	1	IP's Finance, administration and resources handbook contains procurement principles and procedures
9.5 Does the IP have written procurement policies and procedures? <i>If yes, please provide a copy. If no, please attach an outline of the tender procedures specifying the different procurement procedures, related thresholds and methodology for the assessment of tenders.</i>	√			The IP has written procurement policies and procedures.	1	Procurement policies as contained in IP's financial policy.
9.6 Does the IP have a specific code of procurement ethics? <i>Please attach copy of the code.</i>		√		The IP has a specific code of procurement ethics.	4	No code of procurement ethics
9.7 Does the IP have a specific anti-fraud and corruption policy? If so, please describe it.		√		The IP has a specific anti-fraud and corruption policy.	4	No specific anti-fraud and corruption policy.
9.8 Do the IP's procurement rules and regulations contemplate a fair and impartial mechanism for revision of procurement protests?	√			The IP's procurement rules and regulations contemplate a fair and impartial mechanism for revision of procurement protests.	1	Yes it does.
9.9 Does the IP frequently override purchasing procedures without proper authorization?		√		The IP does not frequently override the purchasing procedures without proper authorization.	1	Principles and procedures are obeyed.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
9.10 Are exceptions to procedures documented and sent to management for approval? Are the exceptions periodically analysed and corrective actions taken?	√			Exceptions to procedures are documented and sent to management for approval. Exceptions are periodically analysed and corrective actions are taken.	1	Exceptions are handled by the management.
9c. Internal control system						
9.11 Does the IP have a procurement committee for review and approval of contracts? If so, please specify composition of committee.		√		The IP has a procurement committee that reviews and approves contracts.	4	No procurement committee
9.12 Does the IP identify the requested authorizations for each value level of purchases? At what value does the IP require written authorization of senior management for a purchase (value in US dollars)?	√			The IP has defined authorization guidance and policies and procedures to ensure they are properly applied.	1	All payments are duly authorized except petty cash which receives monthly approvals.
9.13 Does the IP use standard bidding documents and contracts?		√		The IP utilizes standard bidding documents and contracts.	4	Standard bidding documents and contracts are not in use.
9.14 Do the procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria?		√		The procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria.	4	No procurement procedures and templates of contracts
9.15 Does the IP obtain sufficient approvals before signing a contract, executing a purchase, or a payment? How many people give their approval before signing a contract or executing a purchase or a payment?	√			The IP obtains sufficient approvals before signing a contract executing a purchase or a payment.	1	The IP obtains sufficient approvals before signing a contract executing a purchase or a payment.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
9.16 Does the IP rotate staff positions for internal control purposes? If yes, how often?		√		The IP has procedures to rotate staff positions for internal control purposes.	4	No staff rotation
9.17 Does the IP have formal guidelines and procedures in place to assist in identifying, monitoring and dealing with potential conflicts of interest with potential suppliers/procurement agents? If so, how does the IP proceed in cases of conflict of interest?	√			The IP has formal guidelines and procedures in place to assist in identifying, monitoring and dealing with potential conflict of interests with potential suppliers/procurement agents.	1	Not available
9e. Procurement process						
9.18 Does the IP have a well-defined process for sourcing/pre-qualification of suppliers? Do formal procurement methods include broadly broadcasting procurement opportunities? <i>Please attach methodology for the assessment of suppliers.</i>	√			The IP has a well-defined process for sourcing/pre-qualifying suppliers.	1	The IP advertised in National Dailies in line with threshold of purchase.
9.19 Does the IP under take regular market surveys? If so, describe the process.		√		The IP undertakes regular market surveys.	4	IP did not undertake any market surveys.
9.20 Does the IP have a database of active suppliers? If so, please describe the process for maintaining this database.			√	The IP has a database of active suppliers.	Nil	None
9.21 Does the IP keep track of past performance of suppliers? If so, describe the process.			√	The IP keeps track of past performance of suppliers.	Nil	None
9.22 Does the IP regularly check 'market' prices for goods and services purchased? If so, describe the frequency and process.			√	The IP regularly checks 'market' prices of goods and services purchased.	Nil	None

9.23 Does the IP conduct public bid opening for formal procurement methods (invitation to bid and proposal)? What is the composition of public bid opening committees?			√	The IP conducts public bid opening for formal procurement methods.	Nil	None
Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
9.24 Does the IP have a well-defined process in place to ensure a secure and transparent bid and evaluation process? If so, describe the process.	√			The IP has a well-defined process in place to ensure a secure and transparent bid and evaluation process.	1	No formal system in place
9.25 Does the IP establish long-term agreements with suppliers based on a tender process?			√	The IP establishes long-term agreements with suppliers based on a tender process.	Nil	None
9.26 Are long-term agreements reviewed/retendered? If so, how frequently? Please describe.			√	Long-term agreements are reviewed and retendered.	Nil	None
9f. Awarding of contracts						
9.27 When a formal invitation to bid has been issued, does the IP award the procurement contract to the qualified bidder whose bid substantially conforms to requirements set forth in the solicitation documentation and offers the lowest cost?			√	The IP awards procurement contracts to qualified bidders whose bids substantially conform to requirements set forth in the solicitation documentation and offer the lowest cost.	Nil	None
9.28 When a formal request for proposal has been issued, does the IP award the procurement contract to the qualified proposer whose proposal, all factors considered, is the most responsive to the requirements set forth in the solicitation documentation?			√	The IP awards procurement contracts to qualified proposers whose proposals, all factors considered, are the most responsive to the requirements set forth in the solicitation process.	Nil	None

9g. Reporting and monitoring

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
9.29 Are procurement reports prepared for the IP? If so, describe the preparation and frequency of these reports.			√	Procurement reports are prepared frequently for the IP.	Nil	None
9h. Information system						
9.30 Is the procurement system computerized? If so, is the system adequately maintained?			√	The procurement system is computerized and adequately maintained.	Nil	None
9.31 Can the procurement system produce the necessary reports?			√	The procurement system is capable of preparing the necessary reports.	Nil	None
9i. Verification of procurement capacity						
9.32 Is the IP's procurement unit properly resourced in terms of number of staff and their qualifications?			√	The IP's procurement unit is properly resourced in terms of number of staff and their qualifications.	Nil	None
9.33 Is the structure of the IP's procurement unit clear, with defined reporting lines that foster efficiency and accountability?			√	The structure of the IP's procurement unit is clear, with defined reporting lines that foster efficiency and accountability.	Nil	None
9.34 Does the IP have a procurement strategy and appropriate tools and mechanisms to conduct procurement activities? If so, please describe.			√	The IP has a procurement strategy and appropriate tools and mechanisms to conduct procurement activities.	Nil	None
9.35 Does the IP verify that established procedures for handling complaints are implemented? If so, please describe.			√	The IP verifies that established procedures for handling complaints are implemented.	Nil	None

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
9.36 Does the IP manage the procurement cycle following the established policies and procedures? If so, how do they verify this?			√	The IP manages the procurement cycle per established policies and procedures.	Nil	None
9.37 Does the IP consistently apply transparency and integrity in the procurement process?	√			The IP consistently applies transparency and integrity in the procurement process.	1	As specified by IP's Finance, Administration and Human Resources Handbook.
Total number of questions in subject area:	37					
Number of questions marked 'N/A' in subject area:	16					
Total number of applicable questions in subject area:	21					
Total number of risk points:					51	
Procurement overall risk assessment:				Moderate Risk	2.42	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page1 of this checklist and assigned an overall risk rating.



APPENDIX B

1. Non existence of internal audit unit

Observation

During our review we noted that the IP does not have internal audit department.

Risk/Implication

The IP's internal controls are impaired.
This makes pre-payment audit almost impossible.

Recommendation

It is recommended that the IP should establish internal audit department and staff it with qualified personnel.

Management Comments

The IP is barely a year in existence.

Name: Okoronkwo Sunday
Designation: Program Officer
Date: 7 September 2015

2. Lack of formal training policy and procedures.

Observation

We noted that the CS-SUNN does not have any formal accounting/finance training policies and procedures in place.

Risk/Implication

The lack of formal approved policies will result in lack of structured training opportunities for staff. This could impair staff performance.

Staff will not be up to date with latest developments and skills will not be upgraded. This could impact on staff morale and staff retention.

Recommendation

It is recommended that a formal training policy and plan should be developed for each staff member to ensure that adequate training is afforded to staff. HACT training is recommended for accounting/finance staff.

Management Comments

Name: Okoronkwo Sunday
Designation: Program Officer
Date: 7 September 2015

3. No chart of accounts and accounting manual

Observation

We observed that CS-SUNN does not have chart of accounts accounting manual.

Risk/Implication

Proper account for and report on activities and disbursement categories will be difficult if not impossible.

Recommendation

It is recommended that management should ensure that chart of accounts and accounting manual are developed.

Management Comments

Name: Okoronkwo Sunday
Designation: Program Officer
Date: 7 September 2015

4. Absence of procurement unit

Observation

It is observed that IP has no procurement unit.

Risk/Implication

Non compliance with procurement principles, policies and procedures
Inability to use standard bidding documents and contracts
A secured and transparent bid and evaluation process would hardly be achieved.

Recommendation

We recommend that IP should establish procurement unit and equipped it with experienced and qualified staff.

Management Comments

Name: Okoronkwo Sunday
Designation: Program Officer
Date: 7 September 2015

5. Staff strength

Observation

We observed that the IP is not adequately staffed as many units were staffed with only one person.

Risk/Implication

Segregation of duties will be difficult to achieve.
It would bring about weak internal controls.
Impossibility of job rotation

Recommendation

IP should employ more experienced and qualified hands.

Management Comments

Name: Okoronkwo Sunday
Designation: Program Officer
Date: 7 September 2015



APPENDIX C

Organisational Chart

