



United Nations
Educational, Scientific and
Cultural Organization

Organisation
des Nations Unies
pour l'éducation,
la science et la culture

Organización
de las Naciones Unidas
para la Educación,
la Ciencia y la Cultura

Организация
Объединенных Наций по
вопросам образования,
науки и культуры

منظمة الأمم المتحدة
للتربية والعلم والثقافة

联合国教育、
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**Internal Oversight Service
Audit Section**

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Audit of the UNESCO Dar es Salaam Office

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Auditors:

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EXECUTIVE SUMMARY

Key Results of the Audit

The audit of the UNESCO Dar es Salaam Office has mixed results. The Office was successful in participating during the first two years of the One UN plan and is the managing agent for the joint programme in Education. However, UNESCO's leadership of the Education joint programme will require more capacity. The Office also needs to improve monitoring of programmes and the visibility of operations.

On the administrative side, the overall control environment of the Office was deficient with improvements required in financial control and contracting. With the arrival of new Office Director and Administrative Officer efforts are currently being made to improve these controls.

Background, Scope and Objective

1. UNESCO Dar es Salaam Office was established in 1986 as a representational office. In 2001, it became a cluster office for the United Republic of Tanzania, Seychelles, Mauritius, Madagascar and Comoros Island. The Office Director (D-1) has been in office since December 2009. The Office has established posts of a programme specialist for SHS (P-4), a programme specialist for Education (P-3), a programme specialist for CLT (P-3), a programme specialist for Science (P-3), a National Programme Officer for Education (NOB) and National Programme Officer for CI (NOB). At the time of the audit, the Education specialist post (P-3) was vacant. The Office administration comprised of an Administrative Officer (P-2), who joined the Office in January 2010, and an Administrative Assistant (G6) and one driver (L2). In addition, the Office also had two ALDs (P-3 and P-2) one UNV and 16 Service Contract holders.
2. During the last biennium the Office had a Regular Programme budget for programmes of \$1.62 million, a Running Cost budget of \$0.35 million and extrabudgetary resources of \$2.91 million. The financial summary is attached as an Annex to this report.
3. Tanzania is one of the eight One UN pilots. The One UN programme is the outcome of an effort by the Government of Tanzania and UN agencies to identify results within priority areas that can be jointly achieved. These priority areas for joint intervention are drawn from the broader UNDAF, which is aligned to the National Growth and Poverty Reduction Strategies for mainland Tanzania and Zanzibar. The one UN programme in Tanzania has 11 joint programmes (JP). UNESCO is the managing agent for the JP on Education.
4. The Internal Oversight Service (IOS) audited the UNESCO Dar es Salaam Office in March 2010 to provide assurance on the performance, risk management and controls of the Office. IOS assessed the effectiveness and efficiency of programme implementation, functioning of internal controls and compliance with UNESCO rules and regulations. The scope of the audit included activities undertaken in 2008-09. The Office was last audited by IOS in October 2004.
5. The audit was performed in accordance with the *International Standards for the Professional Practice of Internal Auditing*. The methodology was based on a risk assessment conducted during the planning phase of the audit and included substantive testing of a sample of projects, contracts, travel and financial transactions related to 2008-09. The auditors interviewed other UN agency representatives and discussed the issues with managers and staff in the UNESCO Dar es Salaam Office.

6. Achievements

- A UNESCO country programming document (2008–10) outlining UNESCO's role and proposed areas of intervention has been prepared.
- The Office has successfully participated in the One Plan both in funding its activities and by becoming the lead agency for Education.
- Programme activities are evenly balanced across the cluster countries.
- The new FABS modules for materials management and travel were successfully rolled out to the Office and are progressively being used; as a result, obligation monitoring and cost control have been strengthened.

7. Challenges and Opportunities

- There is a need for a more senior programme specialist in Education to lead the UN joint programme in Tanzania.
- Financial controls need to be strengthened, particularly the segregation of incompatible duties, reducing levels of cash transactions and control of cross-charging between budgets. For the contracting process, competitive selection of vendors is needed.
- Programme monitoring can be improved. The Office has not developed monitoring plans for three of its five largest extrabudgetary projects and most were behind schedule.
- Visibility can be enhanced by establishing an Office website featuring its activities and results.
- The Office needs to improve its security measures in order to comply with UN standards.
- The Office's staff members were not subject to performance assessments for the past biennium. This needs to be addressed, and the Office should strengthen procedures in this regard.

8. Table of recommendations

Key recommendations:

Recommendation 1: Education sector in consultation with the Dar es Salaam Office to upgrade the vacant post of Education specialist in the Office and take necessary action for early recruitment based on open competition.

Recommendation 2: SHS sector to finalize the biennial workplan for the regular programme activity in Dar es Salaam and monitor extrabudgetary fund raising by the programme specialist. If significant extrabudgetary funds do not materialize during the biennium; the sector should consider abolishing the position.

Recommendation 3: Improve financial control by (a) establishing adequate segregation of duties among administrative staff by realigning the job description and assigned tasks; (b) taking effective measures to quickly update the list of authorized signatories upon staff changes; and (c) preparing a check list of controls that should be submitted to the approving officer along with each payment and contract proposal.

Recommendation 4: Inform all programme specialists and the administrative staff about the Organization's policy on competitive selection in procurement and contracting of goods and services and require compliance to the policy.

Recommendation 5: Develop monitoring plans and assign appropriate accountabilities for its major extrabudgetary activities.

Recommendation 6: Enhance Office visibility by developing an Office website in consultation with BFC and BPI.

Other recommendations:

Recommendation 7: Achieve compliance with policy on Financing Activity Contracts: (a) inform all programme specialists and administrative staff about the Organization's policy on Financing Contracting Activity (Administrative Manual item 7.3); and (b) obtain financial statements and supporting documents for the identified contracts.

Recommendation 8: Establish a travel monitoring mechanism to ensure prompt submission of travel records and other supporting documents. The Office should also align travel advance payment practice with those applied at Headquarters.

Recommendation 9: Periodically assess all staff for performance and prior to extension of their contracts or agreements.

Recommendation 10: Implement all mitigating measures recommended in the MOSS review of Office premises.

Recommendation 11: Strengthen controls and monitoring of general and administrative costs. Clear procedures need to be developed to monitor communication and fuel consumption costs. Additionally, the Administrative Officer should supervise a complete inventory of all assets above \$1,000, and small attractive items with a value above \$300. A committee should be organized to evaluate and dispose of obsolete assets. A procurement plan should be developed to help organize the Office's procurement of assets and help maintain low levels obsolete stocks.