



United Nations
Educational, Scientific and
Cultural Organization

Organisation
des Nations Unies
pour l'éducation,
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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、
科学及文化组织

Report by the Director-General on the execution of the programme (34 C/5) (01 January 2008 - 30 June 2009)

Accounting, treasury management and financial control

Part III – Support for Programme Execution and Administration

Paragraph 14005

III.D – Accounting, treasury management and financial control

Regular budget: Activities (rounded to \$ thousand)	
Planned: \$2 660	Actual: \$2 032

34 C/5 Expected Results	Achievement(s)	Challenges/ Lessons Learnt	Cost- Effectiveness	Sustainability
Integrated financial management and reporting systems in place;	<ul style="list-style-type: none"> FABS Go-live at UBO on 1 January 2009 and the start of the roll-out of the MM (materials management) module to the majority of Field Offices. This process represents a step change towards improved use of FABS and is fundamental towards the implementation of IPSAS. 	<ul style="list-style-type: none"> The ability and capacity of staff to take on new ways of working within a short period of time. 		
Risk-based internal control systems established across the Organization;	<ul style="list-style-type: none"> Establishment of “Internal Control Policy” framework and undertaking training initiatives across the Organization to foster the principles of risk based controls. 	<ul style="list-style-type: none"> Within this new approach, the requirement to review policies associated with each financial process so as to introduce a risk-based approach. 		
Financial reporting carried out in a timely manner and audited financial statements produced for certification by the External Auditor;	<ul style="list-style-type: none"> Financial Statements for the accounting period produced within the required timeframe and audited and certified by the External Auditor. 	<ul style="list-style-type: none"> The move to IPSAS will bring about considerable changes to the Financial Statements. 		
Financial resources of the Organization managed in an effective and efficient manner, in line with the Financial Regulations and Financial Rules;	<ul style="list-style-type: none"> The 2008 and the 2009 half year investment performance was in accordance with the set benchmarks. New electronic payment platform implemented allowing more efficient payment process and electronic integration of Field Office bank statements into FABS at Headquarters. 97% of the Headquarters payments have been made “STP” (straight through processing without manual intervention in payment files at Treasury or at banks) - the remaining 3% represents mostly per diem payments by cheque to conference participants. The 50% target for electronic bank tool implementation achieved with offices banking with Citibank. 	<ul style="list-style-type: none"> Ensuring safeguarding of the assets with adequate return in the context of the present financial crisis. 		
Implementation of the IPSAS project prepared, leading to its full adoption by 2010.	<ul style="list-style-type: none"> Major policies have been established, a training package has been produced and delivered to administrative staff including the Field, IT/Systems changes have been identified and a “first draft” set of Financial Statements under IPSAS has been prepared based on 2006-2007. 	<ul style="list-style-type: none"> The ability of the Organization to adapt to and understand the changes resulting from the adoption of IPSAS and accrual based accounting generally. 		