

Oppdragsbeskrivelsen

GGGI oppdraget inneholder følgende delprosjekter og avtalte kontrollhandlinger:

Delprosjekt 1: Seoul/Sør Korea

Hovedprodukt vil være en rapport på engelsk som evaluerer GGGIs system for økonomiforvaltning, herunder forbedringer på områder hvor det tidligere er påvist svakheter

Rapporteringsfrist 30. November 2013

Agreed-upon procedure on the review of follow-up measures by GGGI over BAI's audit findings

Work plan for the review of follow-up measures by GGGI over BAI's audit findings.

1) GGGI compensation regulations

Area of audit findings	Work plan
Housing allowance	<ul style="list-style-type: none">- Confirm renewal of staff regulations has been appropriately approved at the Council- Review that revised staff regulations are adequately implemented by using sampling technique
Subsidy for child education expenses and	<ul style="list-style-type: none">- Confirm renewal of staff regulations has been appropriately approved at the Council- Review that revised staff regulations are adequately implemented by using sampling technique
Allowance for participation of meeting	<ul style="list-style-type: none">- Inquire of any instances of payment- Review the G/L related to transportation, meeting and etc. for any exception
Seconded allowances	<ul style="list-style-type: none">- Review the status of development of the secondment policy- Confirm the new policy (if developed) has been reviewed and approved, any exception is managed according to the policy

2) Corporate vehicle management regulations

Area of audit findings	Work plan
Inappropriate dispatch (or use) of vehicle	<ul style="list-style-type: none">- Confirm that the related regulation is setup and approved- Review that vehicle usage log is maintained appropriately

3) Corporate credit card regulation

Area of audit findings	Work plan
Inappropriate use of corporate credit card	<ul style="list-style-type: none">- Confirm that the corporate credit card guidelines are setup and approved- Obtain the corporate card usage status and review the usage has been adequately accounted for and be reconciled against the budget on a sample basis

4) GGGI procurement regulation

Area of audit findings	Work plan
Inappropriate management of procurement.	<ul style="list-style-type: none"> - Confirm procurement regulations & guidelines have been appropriately reviewed and approved at the Council - Review the status of hire of procurement officer - Confirm the standard contract form is used on a sample basis, for any exception, confirm that legal department reviewed and approved the exception - Review the procurement officer's monitoring activities and the track records of such activities - Review how M&E system works in GGGI

5) Business management method

Area of audit findings	Work plan
Inappropriate management of projects.	<ul style="list-style-type: none"> - Inquire the current process of project management - Review the PMU organization and its control activities - Review the appropriateness of COP review by taking samples - Review the CRC's activities and the track records of such activities - Review how M&E system works in GGGI

6) Reinforcement of internal control system

Area of audit findings	Work plan
Inappropriate internal control system	<ul style="list-style-type: none"> - Review the hire process of internal auditor - Review the works and organization (the job description, recent activities and any internal audit reports) of internal auditor - Inquire the current stage of various policies development and its adoption in ERP (high level inquiries)

Delprosjekt 2 Etiopia og delprosjekt 3) Indonesia

Hovedprodukt vil være en rapport på engelsk som omfatter:

- 1) Funn mht prosjekt revisjon av GGGI regnskapsrapport/financial statement for gjeldende prosjektet
- 2) vurdering av eksisterende system og rutiner i bruk for forvaltningen av ambassadens bidrag til prosjektet og forslag til evt sikringstiltak inntil GGGIs nye generelle finansforvaltningssystem er på plass.

Rapporteringsfrist 22. Desember 2013

A. Budgeted versus actual amounts and activities

1. Obtain the following documentation/reports
 - a) Agreement between the Norwegian MFA and GGGI
 - b) half year accounts/financial statements,
 - c) approved budget and
 - d) budget versus actual analysis for the period in scope
2. Reconcile amounts included in the budget versus actual analysis to half year accounts/financial statements and approved budgets for the period in scope.
3. Conduct a variance analysis of budgeted versus actual amounts/utilization and
 - a) Determine the causes of the significant variances by conducting interview with relevant person and documentation review
 - b) Determine whether all budgeted activities have been performed based on interview with relevant project/program manager and budget versus actual assessment
 - c) Determine the causes of why budgeted activities have not been performed based on interview with relevant person and validate by conducting applicable follow-up procedures
4. Assess the adequacy of the internal control procedures regarding:
 - a) Budget management including: communication, approvals, documentation, monitoring and reporting including reporting of weaknesses and recommended improvement points
 - b) Procurement including: appropriateness of supplier choice, procurements are project related, approvals, documentation etc.
 - c) Cash management including: bank accounts in use for funded project, authorized persons, reconciliations and reviews performed, approval procedures, cash handling etc.
 - d) Other relevant internal controls

B. Adequacy of accounting function and internal control systems

1. Obtain an organizational chart of GGGI including a detailed overview of the accounting/finance organization
2. Assess the adequacy of segregation of duties within the accounting/finance function
3. Assess whether the accounting/finance function includes adequate competence to perform required tasks.
4. Identify the accounting systems determine whether these systems are commonly used accounting systems that are considered to be more than able to perform the accounting tasks required.
5. Obtain half year accounts/financial statements, trial balance, general ledger and main sub-ledgers
6. Reconcile the half year accounts/financial statements, trial balance, general ledger and main sub-ledgers to determine internal consistency.

C. Overview of income received

1. Request list of bank accounts used for the for the donor funded project.
2. Obtain bank account statements for the bank accounts used for the project.
3. Scan bank account statements to determine and report whether the project funded by the MFA has its own separate program bank account or if the accounts are used for multiple projects/purposes
4. Scan income/revenue account details and identify and list all donors related to the donor funded project.

D. Review of expenses and balance sheet accounts

1. Based on professional judgment, select relevant expense and balance sheet accounts for detail testing
2. Perform an analysis of relevant expenses and balance sheet items through reconciliation with relevant supporting documents (invoices, receipts, bank statements, observation etc)