RESOURCE, FINANCIAL AND BUDGETARY MATTERS

Agenda item 6

For consideration

ANNUAL REPORT OF THE WFP INSPECTOR GENERAL

E

NOTE TO THE EXECUTIVE BOARD

This document is submitted to the Executive Board for consideration

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal point indicated below, preferably well in advance of the Board's meeting.

Inspector General and Director, OS*:	Mr S. Sharma	tel.: 066513-2700
Inspections Officer, OS:	Ms J. de Groot	tel.: 066513-3082

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact Ms I. Carpitella, Administrative Assistant, Conference Servicing Unit (tel.: 066513-2645).

* Oversight Office

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EXECUTIVE SUMMARY

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In accordance with Article VI (2) (b) (viii) of the WFP General Regulations, this annual report of the Inspector General covering January to December 2011 is presented to the Board for consideration. It gives an oversight perspective on governance, risk management and control in the World Food Programme and an overview of the work undertaken by the Oversight Office.

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DRAFT DECISION[*]

The Board takes note of "Annual Report of the WFP Inspector General" (WFP/EB.A/2012/6-E/1) and notes that:

- ➢ the oversight work performed and reported did not disclose any significant weaknesses in the internal control, governance or risk management processes in place across WFP that would have a pervasive effect on the achievement of WFP's objectives (paragraph 7);
- ➢ WFP's internal audit function was certified as conforming to the Institute of Internal Auditors standards at the highest level (paragraph 3); and
- ➢ the charter of the Oversight Office was updated to conform to the highest standard (paragraph 2).

The Board encourages management to take advantage of the opportunities for further improvement highlighted in the report.

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[*] This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.

A. BACKGROUND

1.   The Office of the Inspector General was established in 1994; its first report to the Board was made in 1996. This annual report of the Inspector General covers the period January to December 2011.

2.   The Oversight Office (OS) is established by the Executive Director under Financial Regulation 12.1, and is regulated by a Charter approved by the Executive Director. The Charter forms an annex to the Financial Rules and is communicated to the Executive Board. The current Charter, updated in March 2012, is attached as Annex I.

3.   OS carries out its audit function in compliance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA); and its investigation function in conformity with the Uniform Standards for Investigations. The Director of OS performs the functions of Chief Audit Executive and Inspector General. In 2011, OS's audit function underwent an external quality assessment, carried out by the IIA. The assessment evaluated conformance with the IIA's International Standards for the Professional Practice of Internal Auditing, reviewed the internal audit activity's effectiveness in carrying out its mission, and identified opportunities for improving internal audit performance and services. WFP's internal audit was certified as conforming to the IIA standards at the highest level.

4.   The Director of OS submits quarterly reports to the Executive Director and the Audit Committee, and this annual report to the Executive Board.

5.   This report provides the oversight perspective regarding WFP's governance, risk management and control, and provides overviews of the activities of the Office of the Inspector General, the Office of Internal Audit (OSA) and the Office of Inspection and Investigation (OSI).

6.   During 2011 there was no management interference in work planning or reporting, and no resourcing constraints or other issues affected the independence of oversight activities and the assurance opinion.

B. GOVERNANCE, RISK MANAGEMENT AND CONTROL IN WFP – AN OVERSIGHT PERSPECTIVE

Introduction

7.   The results of OS's work provide support to enable the Inspector General to express an opinion as to whether WFP's internal controls, governance and risk management processes provide reasonable assurance that WFP's objectives will be achieved. In 2011, as in previous years, the oversight work performed and reported did not disclose any significant weaknesses in the internal control, governance and risk management processes in place across WFP that would have a pervasive effect on the achievement of WFP's objectives. The oversight work performed concluded that there is a sufficient framework of essential controls to achieve objectives, but that this framework could be stronger. Annex II provides the complete assurance statement for 2011.

8.   In addition to leading OS, the Inspector General proffered advice to management on specific issues, including through participation in various internal committees. An overview of the activities undertaken by the Office of the Inspector General is provided in section C.

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9.   In 2011, OSA consolidated its approach to supporting management through the identification of opportunities for improving internal controls, governance and risk management, and the development of practical solutions. This partnership has borne fruit, and internal audits have noted particular attention in field offices to implementing internal audit recommendations, thereby improving systems and processes. Internal audit recommendations on corporate-level issues have raised the profile of important governance improvements. An overview of the activities undertaken by OSA is provided in section D.

10.   The existence of OSI is itself a deterrent control to potential misconduct. The work done by OSI provides immediate resolution of problems arising from staff behaviour or the understanding and application of controls in a country office or Headquarters unit. OSI's work contributes to minimizing or eliminating risks, and containing costs. An overview of the activities undertaken by OSI is provided in section E.

Improvements Achieved

11.   There have been significant improvements over the years in the governance and internal control systems within WFP. These include adoption of International Public Sector Accounting Standards (IPSAS), implementation of the second generation of enterprise resource planning systems – the WFP Information Network and Global System II (WINGS II) –   establishment of the Management Information Systems Steering Committee, and preparation of an assurance statement by each business unit and field office. In human resources, important initiatives include the introduction of a new career framework in 2011, a global orientation programme for new staff, and significant improvement in the reassignment process through the provision of more and better information to the staffing committee, for decision-making.

12.   Owing to improvements in the infrastructure, many weaknesses in control systems identified in previous reports have been addressed. The 2011 audit results show that compared with 2010, risks have decreased in the areas of support services, external relations, information technology (IT) applications/networks, and IT projects. The decreased risk in IT applications and projects reflects management's increased focus on IT governance and risk management. Other improvements seen in 2011 are better corporate commodity reconciliation between the Commodity Movement Processing and Analysis System (COMPAS) and WINGS II, improved aspects of commodity distribution in some country offices, and mitigation of the risk of inadequate cooperating-partner capacity. Nevertheless, there are opportunities for further improvements in some areas.

Opportunities for Further Improvements

13.   Internal audit, inspection and investigation work performed by OS, and observations made by the Inspector General and other senior OS staff, point out the scope for further improvements described below.

14.   *Strengthening governance throughout WFP.* There are opportunities to improve the effectiveness of WFP by strengthening governance through better planning, organization and coordination at different levels.

➤   The many initiatives that WFP takes to improve its functioning could be made more effective by applying a systematic approach to ensure cohesion. Adoption of a comprehensive blueprint for creation, consolidation and relocation of organizational entities would contribute to fuller understanding by all concerned and maximize the benefits of organizational change.

  ➢ WFP could benefit from the development of guidelines for Country Directors to manage the fluctuating funding levels available for operations, which should include triggers to take action, and recommendations of actions to take, in the event that insufficient funds are available. Such guidelines could include budgets with the flexibility to change according to shifting demands, along with staffing review exercises, to guide country offices in adjusting to new scenarios in an appropriate manner.

  ➢ A WFP-wide information strategy could be formalized, to guide other IT-related practices and standards.

15. *Improving the internal organization and management function.* There is opportunity to improve the efficiency of WFP by improving the internal organization and management function.

  ➢ The hierarchy for decision-making, roles of management at various levels, and segregation of responsibilities could be clarified so that staff know who is responsible for what, and managers can be held accountable.

  ➢ The adoption of an Anti-Fraud and Anti-Corruption Policy has increased awareness of what constitutes fraudulent and corrupt practices, but managers must raise awareness among staff and ensure that risk-control mechanisms are in place and are being used.

  ➢ A well-articulated WFP-wide responsibility and function matrix could allow the institution of − for example − profile management in WINGS II at a level that establishes proper segregation of duties and avoids conflict of interest, improper work flow and the potential for fraud.

16. *Improving human resource management at all levels.* There is opportunity to enhance the productivity of WFP by further improving various aspects of human resource management at all levels.

  ➢ Selection and recruitment of professional staff could be more transparent and competitive, and be subject to a peer review similar to practices for Headquarters general service staff and national staff.

  ➢ Staff joining WFP for the first time could be given mandatory orientation training that sensitizes them to various functions and activities of the WFP; such orientation would also help prepare consultants hired for their specialist skills to assume other positions in WFP.

  ➢ The performance management system could be further developed to function as a feedback system to staff members for improving their understanding of their strengths and weaknesses, and to management for making reassignment or promotion decisions.

C. OVERVIEW OF ACTIVITIES OF THE OVERSIGHT OFFICE

17. The services provided by OS include internal auditing, investigation, inspection and advisory services as summarized in Table 1. The scope of work includes all systems, processes, operations and activities undertaken by WFP.

TABLE 1: OVERSIGHT OFFICE ACTIVITIES					
	Internal Audit			Investigation		Inspections
Year	No. of reports issued	No. of audit missions completed	Advisory services	No. of registered cases	No. of completed cases (at 31 Dec. 2011)	No.
2009	20	22	36	64	60	1
2010	31*	24	22	89	55	2
2011	23*	25	30	76	142	1

* Includes one pre-audit risk assessment report.

18.   In 2011, OS continued its work to improve the transparency of WFP and took the lead in developing the oversight framework and reports disclosure policy, which the Board approved at its 2011 Annual Session.

Resources

19.   The budget allocation for OS increased from US$11.6 million in 2008–2009 to US$12.4 million in 2010–2011.

TABLE 2: OVERSIGHT OFFICE BUDGET *(US$ thousand)*			
	2008–2009	**2010**	**2011**
Budget allocation	11 652	5 818	6 592
Actual expenditures	9 598	5 816	6 532

20.   Staff numbers increased gradually from 28 in 2008 to 31 in 2009 and 33 in 2010; they remained the same in 2011.

TABLE 3: NUMBERS OF OVERSIGHT OFFICE STAFF				
	2008	**2009**	**2010**	**2011**
Professional	20	23	25	25
General service	8	8	8	8
TOTAL	**28**	**31**	**33**	**33**

21.   There has been significant turnover of staff in OS in the last three years. Against a total of 37 positions − 33 regular and four funded from additional resources − 15 professional staff were recruited externally and 5 from within WFP, while 12 professional staff left OS, signifying a 14 percent annual turnover. At the end of 2011 one junior professional officer joined the office.

Coordination, Liaison and Outreach

22. The Oversight Office undertook various coordination, liaison and outreach activities as part of its efforts to identify emerging trends, develop innovative practices, promote transparency and facilitate knowledge transfer.

23. Communications are maintained with all relevant divisions at Headquarters. OSI collaborates with the Ombudsman, the Staff Relations Branch of the Human Resources Division, the Ethics Office and the Legal Office. OSA collaborates with the Office of Evaluation, by sharing its work plan and relevant results; the Performance and Accountability Management Division, by sharing information on risks and following up on recommendations; and the External Auditor, by sharing its audit strategy, work plan and internal audit reports.

24. There are regular meetings with the Audit Committee at which OS shares its annual work plan, quarterly reports and internal audit reports.

25. Meetings attended by OS outside WFP include those of the Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions, those of the Conference of International Investigators of United Nations Organizations and Multilateral Financial Institutions, and the joint session of internal oversight functions of Rome-based agencies, the aim of which was to share insights and methods and discuss opportunities for cooperation. OS also provided IT audit training for auditors from other United Nations agencies.

26. The Inspector General is an observer on the Investment Committee, the Staffing Committee, the Management Information Systems Steering Committee, the Committee on Commodities, Transport and Insurance, and the Policy Committee. He attends the meetings of the Finance Committee of the Food and Agriculture Organization of the United Nations and the Advisory Committee on Administrative and Budgetary Questions.

27. In 2011, OS started awareness-raising sessions on the Anti-Fraud and Anti-Corruption Policy (WFP/EB.A/2011/5-C/1) aimed at increasing staff's understanding of what types of behaviour and activities are not acceptable and underlining the obligation of all staff to report such behaviour and activities. Sessions were held for executive, procurement, human resources and oversight staff, and for Country Directors during their annual regional meetings in southern Africa, West Africa and Latin America. A total of 159 senior staff have taken the awareness training.

Disclosure of Oversight Reports

28. The policy for disclosure of internal audit reports, approved in November 2010, and the policy for disclosure of investigation reports, approved in June 2011, set out the conditions under which WFP's internal audit and investigation reports are made available to permanent representatives. Table 4 shows the requests for disclosure received in 2011. All requesting Permanent Representatives confirmed their adherence to the principle of confidentiality of the information disclosed. There were no requests for clarification of the contents of the disclosed reports.

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TABLE 4: REQUESTS FOR DISCLOSURE OF OVERSIGHT REPORTS			
Date of request	Report no.	Report title	Date report provided
15 June 2011	AR/10/31	WFP operations in Burundi	25 August 2011
15 June 2011	AR/10/28	WFP operations in Afghanistan	30 August 2011
15 June 2011	AR/10/23	WINGS II post-implementation	25 August 2011
22 July 2011	AR/10/18	WFP operations in Haiti	12 September 2011
22 July 2011	AR/11/04	Ocean transportation operations	12 September 2011
22 July 2011	AR/10/26	WFP operations in Yemen	12 September 2011
22 July 2011	AR/10/19	Office of the Executive Director	25 August 2011
28 September 2011	AR/10/19	Office of the Executive Director	6 October 2011

D. OVERVIEW OF ACTIVITIES OF THE OFFICE OF INTERNAL AUDIT

Internal Audit

29.   Internal audits provide the Executive Director with independent and objective assurance and consultation services. These are designed to improve WFP's operations and help WFP accomplish its objectives by applying a systematic, disciplined approach to evaluating and suggesting improvements to risk management, control and governance processes.

30.   As part of the OS process for providing assurance to the Board and the Executive Director, OSA examines and evaluates the adequacy and effectiveness of WFP's internal control, governance and risk management processes overall and the quality of performance in carrying out assigned responsibilities to achieve WFP's stated goals and objectives. OSA aims to provide assurance that:

➢   resources are utilized as intended by donors and management;

➢   resources are used efficiently and effectively;

➢   assets are adequately safeguarded; and

➢   corporate information is accurately processed and reported.

31.   Internal audits are conducted in accordance with the International Standards for the Professional Practice of Internal Auditing. In 2011, OSA underwent an external quality assessment of the internal audit activity, which was carried out by IIA and confirmed that WFP conforms to the standards and definition of internal audit. The assessment noted clear improvements in several areas since the last review in 2006. It awarded the highest rating of conformity in 38 areas (88 percent), and recommended that improvements are desirable in five areas (12 percent). The executive summary of the assessment is provided as Annex III.

32.   OSA carries out internal audits in WFP country offices, regional bureaux, Headquarters units and liaison offices. In 2011, OSA completed 25 audit assignments in field and Headquarters offices (Annex IV). OSA made recommendations and management agreed to take action to address all risks identified during the audits.

⇒ *Information technology audit*

33.   In 2011, OSA strengthened its IT audit team and sharpened its focus on IT auditing. As IT becomes increasingly important to WFP's business and operations, and technology grows in complexity and sophistication, OSA is well placed to address the challenges and opportunities. Significant IT audit activities included:

➢   consolidating the higher-risk areas noted from various country office audits by theme, and highlighting these for prioritization by the Chief Information Officer;

➢   sharing good practices observed in country offices with other country offices that need them;

➢   holding discussions with the IT Division (ODI) in the 2010 WINGS II post-implementation audit, which led to WFP's acquisition of 1,500 WINGS II user licences on 31 December 2010 at an estimated one-time cost saving of Euro 2.4 million and a recurring saving of Euro 400,000 on yearly maintenance fees in 2011 and beyond;

➢   assisting the many United Nations system entities that are in the course of implementing IPSAS-compliant enterprise resource planning systems, by sharing technology audit skills with their internal audit services.

⇒ *Audit results*

34.   OSA's work is planned according to a risk-based methodology, which is continually adjusted to emerging risks. OSA completed 67 percent of the initial internal audit work plan for 2011 and 96 percent of the adjusted work plan. The work plan was adjusted to address emerging risks, and the Audit Committee was fully briefed on this. OSA also carried out two corporate emergency pre-audit risk assessments.

35.   Nine process areas were defined, encompassing the full range of WFP's processes. OSA reported on these areas in 22 internal audit reports covering activities in 14 countries and at eight Headquarters offices. Table 5 shows the number of processes covered and the average risk rating, by process, for 2011 compared with 2010.

TABLE 5: AUDIT PROCESS COVERAGE AND RISK RATINGS				
Process areas	**2010**		**2011**	
	No. of audits covering process area	Average risk rating[1]	No. of audits covering process area	Average risk rating*
Governance	17	2.2	15	2.0
Risk management	14	1.7	12	1.8
Financial management and reporting	23	1.8	19	1.7
Operations and programme management	24	2.0	16	2.0
Support services	16	2.1	19	1.6
External relations	3	2.3	3	1.5
IT applications/networks	5	2.4	5	2.0
IT infrastructure	4	2.0	6	2.0
IT projects	2	2.5	3	2.0
TOTAL	**108**		**98**	

* Low risk = 1; medium risk = 2; high risk = 3.

36.   Each audit is rated in accordance with harmonized ratings in the United Nations funds and programmes. The results reported in 2011 (Table 6) show the number of audit reports issued at each rating. As the number of audit reports does not fully reflect the overall risk coverage – an audit of a small operation brings a lower corporate level of assurance than an audit of a significant operation or a corporate emergency – Table 6 also provides the total audit-assessed risk, according to the risk measurement methodology used for the 2012 work plan. Ratings for each audit report issued in 2011 are provided in Annex IV.

TABLE 6: RESULTS OF 2011 AUDIT ENGAGEMENT RATINGS			
Rating	**Definition**	**No. of reports issued**	**% of audit-assessed risk coverage**
Satisfactory	Internal control, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect achievement of the objectives of the audited entity.	2	1.2
Partially satisfactory	Internal control, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that might negatively affect achievement of the objectives of the audited entity.	17	25.7
Unsatisfactory	Internal control, governance and risk management processes were either not established or not functioning well. The issues identified might seriously compromise achievement of the objectives of the audited entity.	3	10.7
TOTAL		**22**	**37.6**

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⇒ *Audit recommendations*

37.   Internal audits issue recommendations for overcoming weaknesses found in different processes in the audited entity. These recommendations are addressed to the entity's manager or corporate director, as appropriate. The numbers and ratings of 2011 audit recommendations are provided in Table 7.

TABLE 7: NUMBERS AND RATINGS OF 2011 AUDIT RECOMMENDATIONS		
Rating	**Definition**	**No. of recommendations**
Low risk	Issues or areas that if corrected would improve internal controls. Recommendations relate to best practices as opposed to weaknesses that prevent systems and business objectives from being met.	Low-risk issues are brought to management's attention but no recommendation is issued.
Medium risk	Issues or areas regarding matters that have an important effect on controls but that may not require immediate action. These matters may prevent a business objective from being achieved, or may leave unmitigated risk that would have an impact on an entity's objectives.	214
High risk	Issues or areas regarding important matters that are material to the internal control system. These matters may prevent a corporate objective from being achieved, or may leave unmitigated risk that would have a high impact on WFP's objectives.	7
TOTAL		**221**

38.   Managers are expected to implement accepted recommendations within an agreed timeframe, which is generally 12 months. However, only 125 (51 percent) of the 247 recommendations made in 2010 were implemented by the end of 2011. The status of implementation of audit recommendations issued in 2011 and those outstanding from prior years is provided in Table 8.

TABLE 8: STATUS OF AUDIT RECOMMENDATIONS								
	Prior audits		**2010 reports**		**2011 reports**		**Total**	
Risk rating	High	Medium	High	Medium	High	Medium	High	Medium
Outstanding at 1 Jan. 2011	2	153	18	151	0	0	**20**	**304**
Issued in 2011	0	0	0	0	7	214	**7**	**214**
Total	**2**	**153**	**18**	**151**	**7**	**214**	**27**	**518**
Implemented in 2011	1	75	11	36	1	27	**13**	**138**
Outstanding at 31 Dec. 2011	**1**	**78**	**7**	**115**	**6**	**187**	**14**	**380**

⇒ *Strengths and good practices observed in audits*

39.   Internal audits noted the following strengths and good practices in the various processes:

  ➢ *risk management:* increased awareness by staff and management of risk management; better implementation of corporate risk management processes;

  ➢ *financial management:* improved corporate commodity reconciliation between COMPAS and WINGS II, which improved financial information;

  ➢ *operations and programme management:* Improved practices at some country offices in aspects of commodity distribution and in mitigating the risk of inadequate

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cooperating-partner capacity; preparation of detailed standard operating procedures for various processes, and development and roll-out of monitoring and evaluation toolkits and database systems;

➢ *support services:* provision of specialized engineering and administrative support to corporate emergencies and office relocations; good support provided by Headquarters field security to field operations;

➢ *IT process areas:* good information technology (IT) infrastructure at some country offices; timely implementation of corporate initiatives; growing recognition of the importance of disaster recovery plans.

⇒ *Areas for improvement observed in audits*

40. Internal audits noted the following areas requiring improvement in various processes:

➢ WFP's insurance function lacks clear and effective governance and could benefit from interdepartmental supervision, which would bring multiple perspectives to mitigate the risk of ineffective and inefficient insurance coverage, financial loss and the potential for fraud.

➢ Another governance weakness is the lack of guidance on the development of IT applications and related project management practices. This brings the risks of delayed project implementation, cost overruns, sub-optimal prioritization and improper change management practices. Management must put in place corporate guidance on methodology for developing applications, including project management and governance practices.

➢ Audits noted challenges in inter-agency coordination in some complex emergencies, pointing to a need to institutionalize support for the transition to the recovery phase following emergencies.

➢ In IT governance, inadequate controls in the WINGS II release strategy allowed staff to approve transactions relating to offices in which they had no entitlements or responsibilities, and led to a large number of super users and an excess of critical authorizations in WINGS II, bringing conflicting segregations of duties. This generates the risks of an improper work flow and, ultimately, of fraud. Management needs to address the issue of profile management and segregation of duties.

➢ Audits observed inadequate recruiting of external staff in emergencies.

Advisory Services

41. As part of its mandate, OSA provides advisory services to management. A total of 30 such services were provided in 2011. Main services included: i) review of circulars, procedures and draft manuals; ii) advice to ODI on its internal Control Objectives for Information and Related Technology self-assessment; iii) advice to the Logistics Division on the Committee on Commodities, Transport and Insurance quarterly reports; iv) participation in investment-manager due-diligence visits, in partnership with the Treasury and Financial Risk Management Service; v) advice to management on third-party verification requests and information requests; vi) review of the country strategy process; and vii) in partnership with ODI, technical advice to the Somalia country office on IT security for a vendor database used by the United Nations country team.

E. OVERVIEW OF ACTIVITIES OF THE OFFICE OF INSPECTIONS AND INVESTIGATIONS

42. The Office of Inspections and Investigations mission is to provide independent and objective inspection and investigation services that strengthen WFP's functioning by safeguarding its assets and promoting an ethical working environment. OSI has two functions for this: investigations and inspections.

Investigations

43. An investigation is a legally based, analytical process designed to gather information to determine whether misconduct or wrong-doing has occurred and, if so, the persons or entities responsible.

44. OSI investigates reports of violations of WFP Rules and Regulations, policies, procedures, and other administrative issuances; instances of fraud or corruption are analysed under criminal law concepts in the administrative context. The scope of OSI's work includes allegations of irregularities – fraud, theft, harassment, sexual harassment/exploitation, abuse of authority, etc. Cases are prioritized as high, medium, and low based on the seniority of staff, potential value of loss, or the nature of the allegation, e.g. allegations of sexual exploitation and abuse and corruption are of high priority. Based on its investigative findings, OSI is responsible for making recommendations regarding administrative or disciplinary action or for highlighting control weaknesses (Table 11). Management decides whether to pursue administrative or disciplinary proceedings, and responsibility for implementation rests exclusively with management. When an investigation results in evidence of criminal conduct, OSI may recommend that the case be referred to the appropriate national authorities.

45. OSI received 169 complaints in 2011, up from 151 in 2010. After a preliminary review, 78 complaints were found to have substance, and were therefore converted into investigation cases. While the number of complaints increased, the number of cases decreased, which shows that fewer complaints reach the threshold that necessitates an investigation. OSI enhanced the information provided to staff on when and how to submit complaints. A trend analysis of the numbers of complaints and subsequent investigations is shown in Figure 1.

Figure 1: Numbers of complaints and cases during 2007–2011
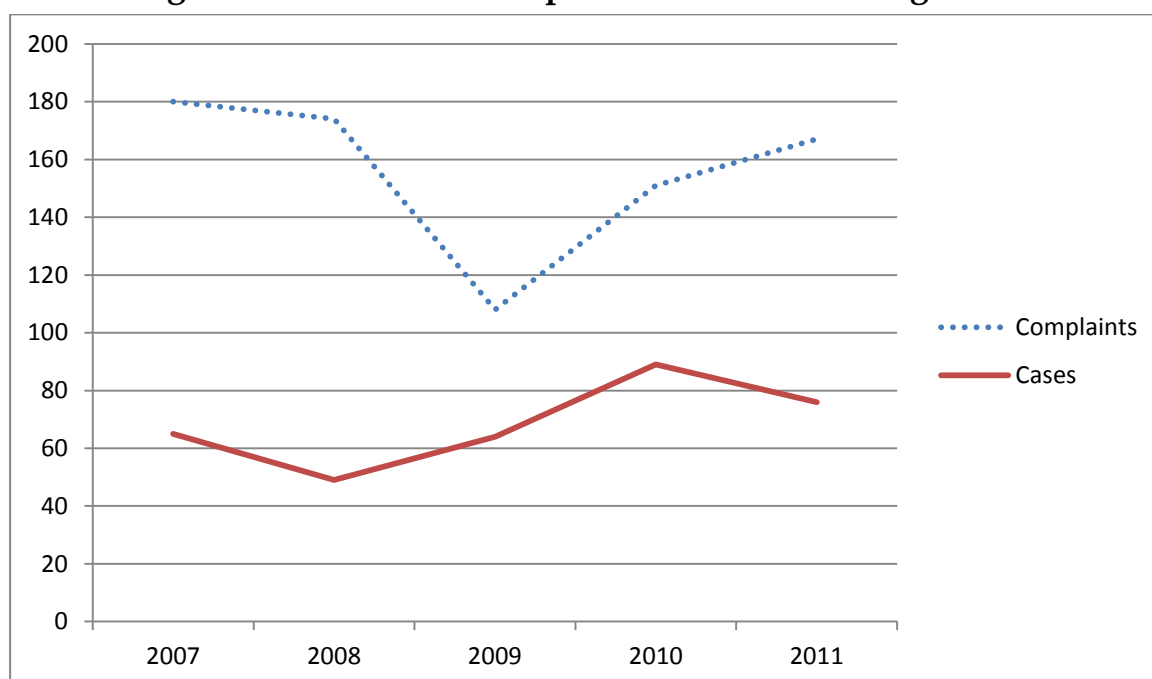
46. Complaints relating to IT, harassment, sexual harassment and abuse of power remained at similar levels; complaints relating to food diversions decreased by 45 percent in 2011 compared with 2010, when there was a 33 percent decrease compared with 2009. During 2011, a formal intake committee was established to review all received complaints. This resulted in more complaints being referred to management – from 20 in 2010 to 58 in 2011 – as they concerned management or operational issues rather than cases for investigation.

47. The total loss from cases investigated in 2011 was US$38,951, of which US$1,280 was recovered in 2011.

48. Table 9 shows the status of cases in 2011, compared with 2010.

TABLE 9: STATUS OF INVESTIGATION CASES		
	2010	**2011**
Outstanding cases carried over from previous period	69	103
Cases registered during the year	89	76
TOTAL	**158**	**179**
Cases closed during the year	55	142
Outstanding cases at year end	**103**	**37**
➢ **of which outstanding for more than 6 months**	**58**	**15**

49. In 2011, OS handled 179 cases and completed 142 – either registered in 2011 or outstanding from previous years. Of these, 53 were substantiated and recommendations for administrative or disciplinary action were proposed. OSI aims to complete all investigations within six months on average, but for various reasons, such as complexity of the case or availability of witnesses, some cases take longer. Of the 37 cases outstanding at year end, 7 relate to cases registered in 2010. A list of reports issued and available to Member States on request is attached in Annex V.

50. Numbers of cases brought forward and registered in 2011 and of cases completed, outstanding and substantiated[1] – by category – at the end of 2011 are shown in Table 10.

TABLE 10: 2011 CASE STATUS, BY CATEGORY						
Category	Outstanding at 1 Jan. 2011	Registered in 2011	Total	Completed		Outstanding 2012
				Total	Substantiated	
Harassment/sexual harassment/abuse of power	13	11	**24**	17	8	7
Sexual exploitation	5	1	**6**	5	3	1
Conflict of interest/ bribery	2	3	**5**	3	1	2
Food diversion	19	10	**29**	22	7	7
Other fraud	18	14	**32**	26	14	6
Financial fraud	4	5	**9**	7	4	2
Procurement fraud	10	10	**20**	15	2	5
Entitlement fraud	2	0	**2**	2	0	0
Theft	8	9	**17**	16	3	1
IT	5	7	**12**	9	4	3
Mismanagement	1	1	**2**	1	0	1
Miscellaneous	16	4	**20**	18	7	2
Retaliation/whistle-blower	0	1	**1**	1	0	0
TOTAL	**103**	**76**	**179**	**142**	**53**	**37**

⇒ *Results of investigative work*

51. OSI's investigative work provides it with an overview of WFP's "behavioural health" – of what has become normal or acceptable in the WFP culture and working environment. Managers are the first line of defence in tackling misconduct; they are responsible for setting a good example, and for taking action to prevent and stop misconduct.

52. Too often investigations are a consequence of weaknesses in performance management at all levels, and to inadequate consideration given when matching personnel management to operational requirements. Attention must be given to placing the right staff, with proven experience, in the right place. Leaving inexperienced staff without adequate supervision and guidance exposes WFP to unnecessary risks, both financial and reputational.

53. Investigation reports include recommendations related to control weaknesses. Recommendations for administrative or disciplinary action are addressed to the relevant Country or Regional Director or the Director of the Human Resources Division who, in consultation with general counsel and senior managers, determines any action to be taken; the staff member then has the right to due process. Of the 84 investigation recommendations issued by OS during the year, 33 had been implemented by 31 December 2011. The status of investigation recommendations is given in Table 11.

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[1] A case is classified as substantiated when a preponderance of the evidence indicates that at least some of the allegations are valid.

TABLE 11: STATUS OF INVESTIGATION RECOMMENDATIONS								
	Administrative/disciplinary action				Control weakness			
	2009	**2010**	**2011**	**Total**	**2009**	**2010**	**2011**	**Total**
Issued	54	55	61	**170**	65	26	26	**117**
Implemented at 31 Dec. 2011	33	41	18	**92**	63	14	13	**90**
Closed without implementation	8	2	0	**10**	0	0	0	**0**
Outstanding at 31 Dec. 2011	**13**	**12**	**43**	**68**	**2**	**12**	**13**	**27**

54.   The Human Resources Division reports on the implementation of recommendations for administrative or disciplinary action in its annual report on disciplinary matters.

Inspections

55.   An inspection is a proactive review of systems and processes that assists management in making more effective and efficient use of physical, financial and human resources.

56.   In 2011, one inspection was undertaken, which looked into the reimbursement of private telephone calls made with official mobile telephones by staff based in Headquarters. Findings of the inspection led to changes in the billing system, which in turn resulted in reduced mobile telephone costs.

57.   The inspection checklists were updated in the areas of human resources, the United Nations Humanitarian Air Service, security management and programme management, with support from the relevant business owners.

Executive Director's Circular
(Inspector General & Oversight Office)

Date:	15.03.2012
Circular No.:	EDD2012/002
Supersedes:	ED2001/009
	ED2005/007
	ED2009/002

Charter of the Oversight Office

Establishment

1. The Executive Board establishes Financial Regulations to govern the management of the WFP Fund under General Regulation XIV.5. The Oversight Office (OS) is established by the Executive Director under Financial Regulation 12.1. The Oversight Office comprises two units: the Office of Internal Audit (OSA), and the Office of Inspections and Investigation (OSI). The Director of OS performs the role of Chief Audit Executive as well as of Inspector General.

Purpose

2. The mission of the Oversight Office is to provide assurance to the Executive Director on governance, policy, risk, resources, operations and accountability through independent and objective oversight services; and to facilitate WFP's adoption and implementation of best United Nations and private-sector practices to enable managers to provide assurance on their work to the Executive Director.

Organization

3. The Director of OS reports and is accountable to the Executive Director.

4. The Executive Director takes all decisions regarding the appointment and removal of the Director of OS, on advice of the Audit Committee and with prior consent of the Executive Board. Termination should be for just cause, as per established procedures for WFP staff, and subject to the Board's review and consent. The Inspector General's tenure will be of a four-year term, renewable once, without the possibility of further employment within WFP at the end of the term.

Authority

5. OS, with strict accountability for confidentiality and safeguarding records and information, has full, free and unrestricted access to any and all WFP records, physical properties, and personnel considered by the Director of OS to be pertinent to the work of OS. All personnel are, within the framework of due process rights applicable to WFP employees, required to assist OS in carrying out its activities.

6. OS has full, free and unrestricted access to the Executive Board (in a manner consistent with the Rules of Procedure of the Executive Board) and the Audit Committee.

Professionalism

7. The Director of OS may delegate authority to OS staff to carry out oversight work, but may not delegate the responsibility to achieve the OS mandate.

8. The Director of OS is responsible for ensuring that policies, procedures and practices are established and applied for all OS activities in order that OS may operate efficiently and effectively and its services contribute to improving the Programme's operations and administration.

9. The Director and staff of OS shall abide by the Standards of Conduct for the International Civil Service and shall at all times maintain and safeguard their independence, objectivity, and professionalism in fulfilling the responsibilities assigned under this Circular.

10. Oversight activities carried out by OS staff, including its consultants, are performed in accordance with the Institute of Internal Auditors' mandatory guidance (including the Definition of Internal Auditing, the Code of Ethics and the Standards), the Uniform Principles and Guidelines for Investigations adopted by the Conference of International Investigators, this Circular and OS policies, practices and procedures.

Independence and objectivity

11. The oversight activity of OS will remain free from interference by any element in WFP, including matters of engagement selection, scope, procedures, frequency, timing or report content.

12. The Executive Director will ensure that OS is provided with the necessary resources in terms of appropriate staffing, adequate funds and appropriate training to achieve its mission and maintain its independence. To ensure independence, the Director of OS has managerial responsibility and control over the human and financial resources of the Division while abiding by WFP's rules and regulations.

13. OS will have no direct operational responsibility or authority over any of the activities reviewed. OS will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair oversight staff's judgement.

14. The reviews, appraisals and advice provided by OS do not in any way substitute or relieve management of WFP of the responsibilities assigned to them.

Responsibility

15. The oversight services provided by OS include internal auditing, investigation, inspection and advisory functions. The scope of work includes all systems, processes, operations and activities undertaken by WFP.

16. The Director of OS will verify and report on the integrity, efficiency and effectiveness of WFP's management, administration and operations.

17. The Director of OS is responsible for issuing reports on the results of audit, investigation, and inspection work as soon as practicable after the audit, investigation, or inspection work has been completed.

18. The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the entirety of WFP's internal control, governance and risk management processes as well as the quality of performance in carrying out assigned responsibilities to achieve WFP's stated goals and objectives.

19. The scope of investigations encompasses a legally based and analytical process designed to gather information in order to determine whether a wrongdoing has occurred and, if so, the persons or entities responsible. Investigations are conducted in response to allegations of violations of rules, regulations, policies, standards and other issuances.

20. The scope of inspections encompasses the provision of objective information to management about field offices, units in Headquarters and processes, in order to assist management in ensuring optimal use of resources and compliance with regulatory instruments and Executive Board decisions, to facilitate accountability and ensure effective monitoring systems, and to recommend actions to promote effectiveness, efficiency and integrity.

21. OS provides advisory services, which are principally initiated by management requests and relate to advice on development and review of policies, guidance, systems and work processes.

22. OS work seeks to determine whether WFP's network of internal control, governance, and risk management processes, as designed and represented by management, is adequate and functioning in a manner to ensure that:
    a. Risks to achieving Programme-wide objectives, results and outcomes are appropriately identified, analysed, managed, including through interaction with the various governance groups;
    b. Significant financial, managerial, and operating information is accurate, reliable and timely;
    c. Staff and management's actions are in compliance with policies, procedures, standards, guidelines, and applicable rules and regulations;
    d. Resources are acquired economically, used efficiently, and adequately protected;
    e. Continuous qualitative improvements are fostered in the Programme's control processes; and
    f. Allegations of irregularities (fraud, waste, malfeasance, abuse of authority, etc.) are investigated and that efforts are made to promote an ethical working environment.

23. Opportunities for improving management control, cost effectiveness and the Programme's image identified through OS's work are communicated to the appropriate level of management.

Responsibilities of WFP management and staff members

24. WFP managers and staff members must, within the framework of due process rights applicable to WFP employees:
    a. Cooperate fully with OS inspections, internal audits, investigation and other reviews and provide support, as required, at all levels;
    b. Provide prompt and unrestricted access to all WFP records (paper and electronic), documents, personnel, premises and physical assets and timely responses to all queries and requests made by OS;
    c. Provide a response to OS reports and recommendations in a timely manner and implement oversight recommendations, as agreed;

    d. Seek the agreement of OS before carrying out activities for securing external services that fall within the OS mandate of internal audit, inspection and investigation; and

    e. Inform OS of known significant failures of the Programme's internal control systems, any fraud or weakness that would permit fraud, and significant issues relating to the efficient and effective use of resources.

25. Management shall implement oversight recommendations as appropriate, and shall in all cases provide timely information to OS on the implementation status of recommendations. Should the responsible manager not agree with an oversight recommendation, OS may escalate the matter to a senior manager, up to and including the Executive Director, and if required to the Audit Committee.

26. When the Director of OS believes that senior management has accepted a level of residual risk that may be unacceptable to the organization, the Director of OS must discuss the matter with senior management. If the decision regarding residual risk is not resolved, the Director of OS must report the matter to the Executive Director for resolution.

Work planning

27. At least annually, the Director of OS will submit a work plan to the Executive Director for approval after receiving comments thereon from the Audit Committee. The work plan will include a flexible internal audit work plan developed based on appropriate risk-based methodology.

Reporting and monitoring

28. The Director of OS is responsible for preparing an annual report of OS activities, including a summary of significant oversight findings and the implementation status of recommendations, and confirmation of the organizational independence of OS activities, and submitting this report to the Executive Board in accordance with General Regulation VI.2 (b) (viii).

29. The Director of OS is responsible for expressing an annual assurance opinion on the adequacy and effectiveness of internal controls, governance and risk management processes in achieving WFP's objectives.

30. The Director of OS is responsible for preparing summary periodic reports of OS activities including significant oversight findings and implementation status of recommendations, and submitting these reports to the Executive Director and the Audit Committee.

31. The Director of OS will submit internal audit, inspection and investigation reports to the Executive Director, and appropriate senior management. The Director of OS will submit these reports to the Audit Committee, External Auditor and other parties upon their request and in line with WFP policies.

32. OS will be responsible for appropriate follow-up and reporting on internal audit, investigation and inspection recommendations.

Amendments to this Circular and related Directives

33. The Director of OS is responsible for applying this Circular, reviewing it periodically and proposing changes to keep it up-to-date to the Executive Director. The Director of OS is requested to issue the necessary directives to accomplish its mission.

34. This Circular, approved by the Executive Director taking into consideration comments of the Audit Committee, shall form an annex to the Financial Rules and be communicated to the Executive Board. Amendments to this Circular are subject to the approval of the Executive Director taking into consideration the comments of the Audit Committee.

35. This Circular supersedes ED Circulars ED2001/009, ED2005/007 and ED2009/002.

36. This Circular is effective immediately.

Josette Sheeran
Executive Director

<div align="right">**ANNEX II**</div>

Assurance Statement

1. The mission of OS is to provide assurance to the Executive Director on governance, policy, risk, resources, operational and accountability issues through independent and objective oversight services; and to facilitate WFP's adoption and implementation of best United Nations and private-sector practices to enable managers to provide assurance on their work to the Executive Director.

2. WFP management is responsible for establishing and maintaining effective internal controls, governance and risk management processes to ensure WFP objectives are achieved, OS is responsible for providing an opinion on the adequacy and effectiveness of these processes in achieving WFP's strategic and operational objectives.

3. The OS annual work plan is intended to provide sufficient and broad coverage of WFP's key business processes to enable OS to form an assurance opinion on whether internal controls, governance and risk management processes provide reasonable assurance in achieving WFP's strategic and operational objectives. OS's annual opinion is formed on the basis of internal audit, investigation and inspection results for the year. OS also takes into account the results of other WFP review and control groups and external assurance providers. OS's long-term objective is to plan for and conduct sufficient oversight work to inform an annually expressed "positive assurance" opinion on the overall adequacy and effectiveness of internal controls, governance and risk management processes in achieving WFP's strategic and operational objectives. Until OS reaches this long-term objective, it will provide an alternative appropriate annual assurance opinion.

4. For the purposes of informing an annual assurance opinion on internal controls, governance and risk management processes, OS organises its assurance strategy and work plan using a risk-based approach. This involves obtaining audit assurance on the processes and sub-processes put in place to manage risks and achieve the organisation's objectives. As WFP is a decentralised global organisation, obtaining cost-effective and reliable audit assurance requires a risk assessment methodology that encompasses the processes in each organizational entity throughout the world. OS then rates and selects the entities and the processes to audit within each one in order to provide the overall assurance required.

5. OSA's 2011 work plan was based on the results of a risk assessment exercise carried out in 2010. Risks identified in WFP's enterprise risk management are considered in the audit risk assessment, and audit assurance feeds back into enterprise risk management. Individual audits assess the implementation of enterprise risk management, and once it is fully implemented OS will provide independent assurance on the appropriateness of risk-management processes, the effectiveness and efficiency of risk responses and related control activities, and the completeness and accuracy of risk-management reporting.

6.   OS's long-term objective is to plan for and conduct sufficient oversight work to inform a positive assurance opinion. Positive assurance provides a significantly higher level of assurance than the currently provided limited assurance, as it expresses an opinion on the whole scope. Pre-requisites for positive assurance include the need for the opinion to be premised on sufficient elements of the internal control, governance and risk management processes to be able to express an opinion on the whole scope. Limited assurance indicates that the auditor has no evidence to indicate whether significant deficiencies or exceptions exist in areas beyond the scope of specifically reported audit engagements during the period under review.

7.   The 2011 work plan foresaw audit coverage of 41 percent of WFP's total audit-assessed risk in 2011, when analysed according to the updated risk measurement methodology used in 2012. Audit work carried out in 2011, based on this risk measurement methodology, covered 36 percent of WFP's total audit-assessed risk. Audit results reported in 2011 (including four audits carried out in 2010 and reported in 2011) covered 37.6 percent of WFP's total audit-assessed risk and gave unsatisfactory ratings for 10.7 percent of WFP's total audit-assessed risk, and allowed to provide the following assurance opinion:

> As in previous years, the oversight work performed and reported in 2011 did not disclose any significant weaknesses in the internal control, governance and risk management processes in place across WFP that would have a pervasive effect on the achievement of WFP's objectives. Accordingly, the oversight work performed concluded that there is a sufficient framework of key controls to achieve objectives, but the controls framework could be stronger

<div align="right">**ANNEX III**</div>

External Quality Assessment of the Internal Audit Activity at WFP

The Institute of Internal Auditors

EXECUTIVE SUMMARY

As requested by the chief audit executive (CAE), the Institute of Internal Auditors, Inc. (IIA) conducted an external quality assessment (QA) of the Office of Internal Audit (OSA) activity at the United Nations World Food Programme (UN WFP). The principal objectives of the QA were to assess the internal audit (IA) activity's conformance to The IIA's *International Standards for the Professional Practice of Internal Auditing (Standards)*, evaluate the IA activity's effectiveness in carrying out its mission (as set forth in its charter and expressed in the expectations of UN WFP's management), and identify opportunities to enhance its management and work processes, as well as its value to UN WFP.

OPINION AS TO CONFORMANCE TO THE *STANDARDS*

It is our overall opinion that the IA activity generally conforms to the *Standards and Definition of Internal Audit*. For a detailed list of conformance to individual *Standards*, please see Attachment A. The QA team identified opportunities for further improvement, details of which are provided in this report.

The IIA *Quality Assessment Manual suggests a scale of three ratings, "generally conforms," "partially conforms," and "does not conform."* "Generally Conforms" is the top rating and means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the *Standards*. "Partially Conforms" means deficiencies in practice are noted that are judged to deviate from the *Standards*, but these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner. "Does Not Conform" means deficiencies in practice are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

SCOPE AND METHODOLOGY

As part of the preparation for the QA, the IA activity prepared an advanced preparation document with detailed information and sent out surveys to its staff and a representative sample of UN WFP executives. A summary of the survey results (without identifying the individual survey respondents) have been furnished to the IA activity. Prior to commencement of the onsite work by the QA team on July 7, 2011, the team leader conducted a preliminary meeting with the OSA Director to gather additional background information, select executives for interviews during the onsite field work, and finalize planning and administrative arrangements for the QA. As a part of the review, extensive interviews were held with two Executive Board members, an Audit Committee representative, the WFP Executive Deputy Directors, other executives, the external auditor and several IA activity staff. Also reviewed were the IA activity's risk assessment and audit planning processes, audit tools and methodologies, engagement and staff management processes, and a representative sample of the IA activity's working papers and reports.

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OBSERVATIONS AND POSITIVE ATTRIBUTES

The IA activity environment where the review was performed is progressive, the *Standards* are understood and management is endeavoring to provide useful audit tools and implement appropriate practices. Some successful practices observed were:

- Introduction of a well developed and comprehensive, high level Audit Guide.
- Ongoing efforts to build a positive and professional rapport with headquarter and country directors.
- Peer review process carried out before the end of each audit engagement, which proves to be a valuable exercise in knowledge sharing, and learning from one audit to another.
- Audit issues raised, are generally well received by Management.

Consequently, the recommendations below are intended to build on this foundation already in place within the IA activity.

RECOMMENDATIONS

Highlights of the more significant recommendations are set forth below, with other recommendations and details in the main body of the report.

1. **Annual Audit Plan**

   Expand the contents of the annual plan submitted to the Executive Director and the Audit Committee for review and approval, to enable them to better understand OSA's complete audit universe, the proposed coverage and the adequacy of existing resources. *(Standard 2020)*

2. **Quality Assurance and Improvement Program (QAIP)**

   Expand and formalize the current monitoring activities to form a comprehensive QAIP Program. Use it as a management tool to identify "quality" exceptions and/or potential deviations from the IPPF, as well as opportunities for improvement in the audit process. Define the scope, periodicity and reporting mechanisms of these internal assessment activities. *(Standards 1311 & 1320)*

3. **Timeliness of audit reports**

   Improve the timeliness of audit reports allowing for a prompt issuance and an effective corrective action to commence. *(Standard 2420)*

4. **Monitoring progress**

   Introduce a uniform procedure for monitoring the implementation of audit recommendations, and make sure that the activity is properly budgeted for and executed on a timely basis. The procedure should define the steps the auditors should follow to verify the adequacy, effectiveness and timeliness of management actions. *(Standard 2500)*

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Thank you for the opportunity to be of service to UN WFP. The QA team will be pleased to respond to further questions concerning this report and to furnish any desired information.

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Team Leader
The Institute of Internal Auditors

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ANNEX IV

2011 AUDITS, REPORTS AND RATINGS				
Audit engagement	**Fieldwork completed**		**Report issued**	**Rating***
	2010	**2011**	**2011**	
1 WFP's insurance function	V		V	U
2 Field verification of WFP operations in Benin	V		V	P
3 WFP operations at Sudan Regional Bureau	V		V	P
4 WFP ocean transport operations	V		V	P
5 WFP operations in Kyrgyzstan		V	V	P
6 WFP operations in Democratic Republic of the Congo		V	V	P
7 Pakistan corporate emergency pre-audit risk assessment		V	V	N/A
8 WFP operations in Guinea		V	V	P
9 WFP's resource allocation process		V	V	P
10 WFP operations in Kenya		V	V	P
11 WFP operations in Ethiopia		V	V	P
12 WFP operations in the Philippines		V	V	P
13 WFP operations in Pakistan		V	V	U
14 WFP operations in Sri Lanka		V	V	P
15 Headquarters facilities management		V	V	P
16 Latin America and the Caribbean Regional Bureau		V	V	P
17 Interim financial statements for the six months ended 30 June 2011		V	V	P
18 WFP's field security management		V	V	P
19 Implementation of spouse employment policies		V	V	S
20 Southern Africa Regional Bureau		V	V	S
21 WFP operations in Chad		V	V	U
22 Payroll function		V	V	P
23 WFP operations in Cameroon		V	V	P
24 ODI: applications development, internal controls		V		
25 WFP operations in Afghanistan		V		
26 WFP operations in South Sudan		V		
27 Office of the Executive Director		V		
28 Horn of Africa corporate emergency pre-audit risk assessment		V		
29 Country Office Liberia IT operations		V		
TOTAL	**4**	**25**	**23**	

* S = satisfactory; P = partially satisfactory; U = unsatisfactory.

ANNEX V

Tables A and B show reports that were issued after the Board approved the policy for disclosure of investigation reports and that can therefore be requested by Permanent Representatives. Each request for disclosure will be reviewed in accordance with the policy to ensure that the confidentiality, safety and security of any individual, and the due process rights of individuals are appropriately considered before a report is made available to a Permanent Representative.

TABLE A: 2011 INVESTIGATION REPORTS ON CONTROL WEAKNESSES			
	Report no.	Report name	Issue date
1	OSI/33/11	CO DRC – control weaknesses	10 June 2011
2	OSI/26/11	CO Sudan – control weaknesses	21 June 2011
3	OSI/27/11	CO Sudan – control weaknesses	21 June 2011
4	OSI/60/11	CO Nicaragua – control weaknesses	23 November 2011

CO = country office

TABLE B: 2011 INVESTIGATION REPORTS ON MISCONDUCT			
	Report no.	Report name	Issue date
1	OSI/38/11	CO Uganda – ICT/harassment – longer-term staff	8 June 2011
2	OSI/30/11	CO DRC – fraud/harassment – longer-term staff	10 June 2011
3	OSI/31/11	CO DRC – fraud/harassment – longer-term staff	10 June 2011
4	OSI/25/11	CO Sudan – fraud – short-term contractor	21 June 2011
5	OSI/19/11	CO Sudan – harassment – longer-term staff	30 June 2011
6	OSI/46/11	CO Sudan – harassment/abuse of power – longer-term staff	8 August 2011
7	OSI/48/11	Headquarters – harassment – longer-term staff	8 August 2011
8	OSI/49/11	CO Sudan – harassment/abuse of power – longer-term staff	8 August 2011
9	OSI/47/11	CO Somalia – retaliation, whistle-blower/fraud – short-term contractor	24 August 2011
10	OSI/52/11	CO DRC – sexual exploitation – longer-term staff	1 September 2011
11	OSI/51/11	CO Kenya – fraud – short-term contractor	13 September 2011
12	OSI/53/11	CO Sudan – harassment – longer-term staff	26 September 2011
13	OSI/06/11	CO Haiti – sexual exploitation – short-term contractor	27 September 2011
14	OSI/55/11	CO Mozambique – financial fraud – short-term contractor	31 October 2011
15	OSI/56/11	CO Democratic People's Republic of Korea – ICT – short-term contractor	31 October 2011
16	OSI/63/11	CO Algeria – abuse of power/harassment – longer-term staff	11 November 2011
17	OSI/50/11	CO DRC – abuse of power – longer-term staff	18 November 2011
18	OSI/58/11	CO Nicaragua – fraud – short-term contractor	23 November 2011
19	OSI/59/11	CO Nicaragua – fraud – short-term contractor	23 November 2011
20	OSI/61/11	CO Kenya – fraud – short-term contractor	25 November 2011

		TABLE B: 2011 INVESTIGATION REPORTS ON MISCONDUCT	
	Report no.	**Report name**	**Issue date**
21	OSI/65/11	CO Colombia – procurement fraud – short-term contractor	1 December 2011
22	OSI/66/11	CO Colombia – fraud – short-term contractor	1 December 2011
23	OSI/67/11	CO Ethiopia – fraud – longer-term staff	7 December 2011
24	OSI/54/11	CO Kenya – ICT – short-term contractor	16 December 2011
25	OSI/18/11	CO Ethiopia – fraud – short-term contractor	20 December 2011
26	OSI/38/11	CO Uganda – ICT/harassment – longer-term staff	21 December 2011
27	OSI/57/11	CO Cameroon – financial fraud/mismanagement – longer-term staff	21 December 2011
28	OSI/64/11	CO DRC – financial fraud – longer-term staff	21 December 2011
29	OSI/68/11	CO China – ICT – longer-term staff	21 December 2011
30	OSI/69/11	CO Lao People's Democratic Republic – ICT – short-term contractor	22 December 2011

ACRONYMS USED IN THIS DOCUMENT

CO	country office
COMPAS	Commodity Movement Processing and Analysis System
DRC	Democratic Republic of the Congo
ICT	information and communications technology
IIA	Institute of Internal Auditors
IPSAS	International Public Sector Accounting Standards
IT	information technology
ODI	Information Technology Division
OS	Oversight Office
OSA	Office of Internal Audit
OSI	Office of Inspections and Investigations
WINGS II	WFP Information Network and Global System II