Internal Audit of WFP's Ebola Virus Disease Response

Office of the Inspector General
Internal Audit Report AR/15/12

WFP

World Food Programme

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Internal Audit of WFP's Ebola Virus Disease Response

I. Executive Summary

Introduction

1.   As part of its annual work plan for 2015, the Office of Internal Audit conducted an audit of World Food Programme's (WFP) Ebola Virus Disease (EVD) Response, focusing on the period 13 August 2014 to 30 June 2015. The audit team visited Sierra Leone during the audit planning phase, from 22 to 26 June 2015, and then conducted the in-country fieldwork from 6 to 31 July 2015; the in-country fieldwork included on-site visits to various locations in the Ebola-affected countries (EACs) of Liberia and Guinea, on-site visits to the West Africa Regional Bureau in Senegal, an on-site visit to the FITTEST base in Dubai and a review of related corporate processes that impact across WFP. The management of the Ebola Virus Disease Response construction projects was reviewed and will form part of a thematic audit of WPF's construction projects.

2.   The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

Audit Conclusions

3.   Based on the results of the audit, the Office of Internal Audit has come to an overall conclusion of **partially satisfactory**. Conclusions are summarised in Table 1 by internal control component:

Table 1: Summary of conclusions by Internal Control Component

Internal Control Component	Conclusion	
1. Internal environment	Medium	🟨
2. Risk management	Low	🟩
3. Control activities	Medium	🟨
4. Information and communication	Low	🟩
5. Monitoring	Low	🟩

Key Results of the Audit

Positive practices and initiatives

4.   The audit noted some positive practices and initiatives. These included: the building of new partnerships and new donor relationships; the formation of a regional compliance team whose missions enabled compliance issues to be rapidly identified and addressed; the set-up of multi-country UNHAS operations and the development of a specific medical-aviation protocol in coordination with ICAO Chief Medical Office in Montreal and WHO in Geneva; the deployment of health advisors to strengthen country capacity to deal with the effects of the EVD; and the deployment of national staff from other WFP offices and experienced emergency experts.

Audit conclusion

5.   This outbreak of the Ebola Virus Disease has been the most significant ever reported. Since the beginning of the outbreak, the World Food Programme has delivered emergency food assistance to patients and survivors and provided extensive logistical support to the humanitarian community in all affected countries.

6.   WFP's response to the EVD has been unprecedented, in terms of both the nature and scale of its intervention; it has been a response to health issues rather than the effects of conflict and natural disaster and has involved delivery of expanded common services support to the logistics backbone of the Ebola response. Under the United Nations System umbrella, WFP has played the role of enabler, providing logistics and infrastructure support, emergency telecommunications, logistics coordination and humanitarian air services, at times (such as in the case of construction of Ebola Treatment Centres), stretching its traditional areas of support and expertise. WFP has responded both flexibly and effectively.

7.   WFP's contribution to the EVD response has been a key element of the successful emergency response, both in terms of food distribution and provision of common services. WFP's specific emergency expertise has been recognised by governments, resource partners and other UN organizations, including WHO. The audit identified evidence of strong partnership with all stakeholders.

8.   At a corporate level, the EVD response operations highlighted strengths and opportunities to reinforce capacity and expertise and gain visibility. While recognising overall effective delivery, review of the governance, risk management and internal control system of the EVD response identified certain weaknesses that have resulted in audit observations. The audit also identified certain areas where tools or processes could be improved to provide a more effective emergency response in the future. In particular, the deployment of staff has been challenging for several reasons, including multiple concurrent Level III Emergencies stretching the availability of candidates and the risk of contracting Ebola leading to strict pre and post-deployment procedures. The process to ensure appropriate and flexible delegation of authority in an emergency context also needs to be reviewed. Asset management, purchase orders and payments, commodity tracking, risk management, and donor reporting were also areas where the audit made observations.

Audit observations

9.   The audit report contains 9 medium-risk observations.

Actions agreed

10. Management has agreed to take measures to address the reported observations and work is in progress to implement the 9 agreed actions.

11. The Office of Internal Audit would like to thank managers and staff for their assistance and cooperation during the audit.

David Johnson
Inspector General

II. Context and Scope

Ebola Virus Disease

12. The outbreak of the Ebola Virus Disease (EVD) in West Africa began in Guinea in December 2013, but was not detected until March 2014. The number of cases and affected areas increased rapidly in Guinea, Liberia, and Sierra Leone and the outbreak became the largest ever reported. On 8 August 2014, the World Health Organization (WHO) declared the situation an International Public Health Emergency.

WFP's EVD Response

13. Since the beginning of the outbreak, the World Food Programme (WFP) has delivered both emergency food assistance to patients and survivors and extensive logistical support to the humanitarian community in all affected countries. Such support was initially provided under the country-specific immediate response operations launched in the three EVD affected countries (in April 2014 in Guinea and June 2014 in Liberia and Sierra Leone).

14. With a view to ensuring the basic needs of populations following restrictions in movement and disruption to livelihoods, WHO and the Governments of Guinea, Liberia and Sierra Leone requested WFP to scale up its food and nutrition assistance and logistics support in the three countries.

15. In order to rapidly scale up assistance and address the complex operating environment, on 13 August 2014, WFP management elevated the EVD crisis to a WFP Corporate Level III Emergency. The emergency response was provided under the following projects:

* *EMOP 200761 Support to Populations in Areas Affected by the Ebola Outbreak in Guinea, Liberia and Sierra Leone*. This Regional Emergency Operation was launched on 25 August 2014 with the objective of supporting the health response to the Ebola Virus Disease outbreak by delivering food and nutrition assistance to care for those infected and contain the spread of the virus. It replaced earlier country-specific immediate response operations in Guinea, Liberia and Sierra Leone and extended coverage. This project was aimed at meeting the urgent food and nutrition needs of up to 1.3 million vulnerable people in areas affected by the outbreak in Guinea, Liberia and Sierra Leone, including: a) confirmed/suspected cases in Ebola Treatment Units (ETUs) receiving medical care and their caregivers; b) patients discharged from ETUs after receiving medical care; c) suspected contact cases in quarantine/observation; and d) communities in "hot zones" to limit population movement.

* *SO 200773 Logistics Common Services for the Humanitarian Community's Response to the Ebola Virus Disease Outbreak in West Africa.* Following establishment of the United Nations Mission for Ebola Emergency Response (UNMEER) by the UN Secretary-General in September 2014, WFP was requested to provide logistics support to the EVD response. To ensure coherent and harmonized service provision, WFP launched Regional Special Operation 200773 which consolidated, expanded and superseded two earlier Special Operations dedicated to air operations (SO 200760) and logistics and telecommunications services (SO 200767). The project was established to leverage WFP expertise to support the EVD response in containing and stopping the further spread of EVD, with WFP taking on the role of enabler under the United Nations System umbrella, providing logistics and infrastructure support, emergency telecommunications, logistics coordination and humanitarian air services.

WFP's response: budget and funding

16. The initial project budgets, totalling approximately USD 70 million for the EMOP 200761 and USD 87 million for the SO 200773, were determined on the basis of requests from WHO and UNMEER respectively to expand WFP operations for food distribution and logistics support in partnership with the Ebola response.

17. The projects were then developed following a phased approach, involving various budget revisions (four for the EMOP and three, one of which was ongoing at the time of the audit, for the SO). Such approach allowed WFP to scale up operations rapidly and flexibly in line with the evolution of the virus and the needs of the response.

18. As of August 2015, WFP had received US$335 million in contributions for its Ebola response. A further USD 78 million are required to continue providing food and logistical services to the wider humanitarian community and reach zero Ebola cases. Project budgets and funding, as of August 2015, are detailed in the figure below.

WFP Operations			
	Project Duration	**Total requirements** (in US$)	**Total received** (in US$)
Regional EMOP200761	25.08.2014 — 30.09.2015	$ 208,133,000	$ 145,698,933
Regional SO200773	15.10.2014 — 31.12.2015	$ 205,030,000 *	$ 188,747,654

* Revised budget under approval.

WFP's response: the 4 pillars

19. WFP's response to the EVD was unprecedented, in terms of both the nature and scale of its intervention. Traditional food security support was replaced by an operation where food had to follow the virus. The rapidly evolving dynamics of the outbreak, differing government policies and containment approaches, varying partner commitments and capacities and the specific contexts of the affected countries required that the WFP response be planned and implemented with the utmost flexibility.

20. In order to address the scale and complexity of the operations, WFP was required to reinforce its on the ground presence significantly. To this end:
   – approximately 620 staff were deployed to the EVD response operations, including more than 140 national staff from other WFP country offices;
   – experienced, senior emergency experts were deployed to complement less experienced, lower-level professionals in skilled and dynamic teams.

21. Operations were organised in four pillars:
   1. Delivering food and nutrition support alongside the health response;
   2. Mitigating the impact of the health emergency on food security;
   3. Ensuring the movement of partner staff and materials; and
   4. Providing common services and infrastructure support for health partners.

22. The emergency response was articulated in two work streams:
   - **Food assistance (EMOP) -** providing food assistance to patients receiving treatment and their caretakers, isolated households and hot-spot communities; providing continued support to discharged survivors and their households; and promoting access to food during the lean season, restoring access to services, and protecting vulnerable groups; and
   - **Common Services (SO) -** setting up a logistic network; flying aid workers and cargo through the United Nations Humanitarian Air Service (UNHAS) linking Dakar, Accra, Freetown, Monrovia and Conakry, and connecting these destinations with field locations; sending supplies and equipment through the United Nations Humanitarian Response Depot (UNHRD); coordinating logistics for the humanitarian community, as lead of the Logistics Cluster; providing logistics infrastructure and supply chain augmentation - upon request from partners and/or the government- including, *inter alia*, the construction of Ebola treatment centres and the procurement and delivery of ambulances and burial vehicles; and providing telecommunication infrastructure – through the Emergency Telecommunication Cluster.

WFP's response in numbers

Food assistance

23. Under the EMOP 200761, as of June 2015, WFP had reached more than 3.2 million beneficiaries with food and cash assistance in Guinea, Liberia and Sierra Leone and distributed food worth US$37 million, including food produced in the affected countries worth US$2 million. The breakdown of targeting data per country is illustrated below.

Guinea:
- **678,488** beneficiaries from Aug 14 to June 15
- 35,763 in June 2015

Sierra Leone:
- **1,614,195** beneficiaries from Aug 14 to June 15
- 140,520 in June 2015

Liberia:
- **992,381** beneficiaries from Aug 14 to June 15
- 57,031 in June 2015

Common services

24. WFP's global logistics response under Special operations 200773, as of July 2015, may be summarized as follows:

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World Food Programme
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Logistics: *we deliver*

- Facilitated across Guinea, Sierra Leone and Liberia:
  - ✓ the transportation of over **107,600m3** of cargo on behalf of 103 organisations;
  - ✓ the storage of over **157,700m3** of cargo on behalf of over 77 organisations.
- Delivered construction works and built over **30.000m2** of facilities to house critical medical supplies and protection gear, including:
  - ✓ **Ebola Treatment Centres** in Guinea (5) and Liberia (2);
  - ✓ an **Air Terminal** at Dakar to support UNHAS air operations into the three affected countries;
  - ✓ **forward logistics bases** in the three affected countries.

WFP | UNHAS
Humanitarian Air Service
wfp.org

- Completed **4,171** flights, transporting **22,290** passengers & **170 mt** of light cargo within the affected areas.
- The fleet consists of fixed-wing aircraft and helicopters, including some specially equipped for in-country medevac of EVD-symptomatic health and humanitarian personnel.

WFP | UNHRD *Humanitarian Response Depot*
wfp.org

Dispatched **2,244 mt** of relief items from UNHRD depots to Ebola Affected Countries (EACs).

etc
emergency telecommunications

Provided internet connectivity to over **3,300** humanitarian responders in 115 locations.

25. Although this unprecedented Ebola epidemic has now slowed down, its effects continue to be felt, not only on public health but also in terms of major social and economic crises. WFP continues to support health efforts to achieve zero Ebola cases across all affected countries, while also supporting recovery efforts.

26. Under government leadership, WFP has started recovery initiatives centred on human development, livelihoods and preparedness. This includes investing in education and nutrition; supporting recovery of local economies; and building government and partner capacity in emergency preparedness and response.

Objective and scope of the audit

27. The objective of the audit was to evaluate and test the adequacy and effectiveness of the processes associated with the internal control components of WFP's Ebola Virus Disease Response. Such audits are part of the process of providing an annual and overall assurance to the Executive Director on governance, risk management and internal control processes.

28. The audit was carried out in accordance with the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors. It was completed in line with the approved planning memorandum and took into consideration the risk-assessment exercise carried out prior to the audit.

29. The scope of the audit covered WFP's Ebola Virus Disease Response for the period from 13 August 2014 to 30 June 2015. Where necessary, transactions and events pertaining to other periods were reviewed. The audit team visited Sierra Leone during the audit planning phase, from 22 to 26 June 2015, and then conducted the in-country fieldwork from 6 to 31 July 2015; the in-country fieldwork included on-site visits to various locations in the Ebola-affected countries (EACs) of Liberia and Guinea, on-site visits to the West Africa Regional Bureau in Senegal, an on-site visit to the FITTEST base in Dubai, and a review of related corporate processes that impact across WFP. The review of the management of the Ebola Virus Disease Response construction projects was conducted as part of a thematic audit of WPF's construction projects; results will be included in the relative report.

III. Results of the audit

30. In performing the audit, the following positive practices and initiatives were noted:

Table 2: Positive practices and initiatives

1. Internal environment

- The Ebola response was the first time WFP had partnered on such a scale with WHO and WFP's areas of responsibility expanded significantly over time, leading to a corporate agreement for operational support and paving the way for future emergency response collaboration and support. WFP also embraced new responsibilities and activities in an emergency context.
- The formation of a regional compliance team and performance of extensive compliance monitoring throughout the emergency response enabled compliance issues to be identified and addressed on a timely basis.

2. Risk management

- Risks were identified, escalated and discussed in the Strategic Task Force and with WFP Senior Management throughout the emergency in a proactive manner.

3. Control activities

- The implementation of regional UNHAS operations mitigated the impact of the cessation of commercial flights to Ebola-affected countries and facilitated transport within the region, thereby aiding the emergency response. UNHAS operations were implemented in coordination and cooperation with UNMEER. Approximately 22,000 passengers had been transported up to the time of the audit.
- More than 140 national staff were deployed from other WFP offices and experienced, senior emergency experts were deployed to complement less experienced, lower-level professionals. Performance review feedback will provide useful information in relation to future deployment opportunities.
- Health advisors were deployed to EACs, strengthening country capacity to deal with the effects of EVD and assisting in the development of standard operating procedures.
- The Relief Item Tracking Application (RITA) team in Liberia prepared a standardized list of NFI categories which made it easier for partners and WFP to categorize items in RITA. The team also carried out a lessons learned exercise and documented key lessons to be implemented in future emergencies.

4. Information and communication

- Relevant information, including progress reports, was communicated to all internal and external teams on a systematic and timely basis to ensure the sharing of information and experiences across the countries and inform the operational response.

5. Monitoring

- Post distribution monitoring was carried out using tablets in Liberia. The questionnaires included mandatory questions and GPS tracking for monitoring of enumerators; this eliminated the need for separate data entry exercises.
- The roll-out of Mobile Vulnerability Analysis Mapping (mVAM) was scaled up for use in the emergency in a structured manner, representing the first time it had been used in this way.

Having evaluated and tested the controls in place, the Office of Internal Audit has come to the following conclusions on the residual risk related to the processes:

Table 3: Conclusions on risk, by internal control component and business process

Internal Control Component/Business Process	Risk
1. Internal environment	
Strategic planning and performance	Low
Organisational structure and delegated authority	Medium
Internal oversight	Low
Ethics	Low
2. Risk management	
Enterprise risk management	Low
Emergency preparedness and response	Low
3. Control activities	
Finance and accounting	Medium
Programme management – EMOP 200761	Medium
Programme management – UNHAS	Low
Programme management – construction[1]	N/A
Programme management – common services	Low
Procurement	Medium
Human resources	Medium
Travel and administration	Low
Security	Low
Property and equipment	Medium
Information and communications technology	Low
Resource mobilisation	Low
4. Information and communication	
FITTEST	Low
5. Monitoring	
Programme monitoring and evaluation	Low

31.   Based on the results of the audit, the Office of Internal Audit has come to an overall conclusion of **partially satisfactory**[2].

32.   The audit made 9 medium-risk observations, which are presented in Table 4 below.

Actions agreed

33.   Management has agreed to take measures to address the reported observations and work is in progress to implement the agreed actions[3].

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[1] The review of the EVD response construction projects conducted will form part of the audit of WFP's Construction Projects, ongoing at the time of this audit report finalization.
[2] See Annex A for definitions of audit terms.
[3] Implementation will be verified through the Office of Internal Audit's standard system for monitoring agreed actions.

Table 4: Medium-risk observations

	Observation	Agreed action	Risk categories	Underlying cause category	Owner	Due date
Internal Environment						
1	**Organisational structure and delegated authority:** Issues regarding contracting and agreements with third parties – Although delegated authorities had been amended at the onset of operations to align them with the requirements of the EVD response, the audit noted a number of instances where contracts or agreements with external third parties had been entered into or signed by staff acting beyond their delegated authority levels. This was in part due to the need for rapid action in the context of the emergency and in part to unavailability of the individual designated to approve the transactions in WFP's systems. While post-factum approvals were issued for the cases in question, the organisation was at risk of being inappropriately committed to contracts or agreements. The Corporate Response Director informed the audit that the volume of contracting/procurement was very limited at the stage of the emergency at the time of the audit report finalization.	Considering the very limited volume of contracting/procurement at the time of the audit report finalization, the Regional Bureau will review the implementation of the amended delegated authorities in the EVD Response with a view to assess effectiveness, flexibility and adequacy to the emergency context and provide lessons learned to HQ for future emergencies.	Compliance Accountability & Funding Institutional	Compliance	RBD	31 March 2016

Observation	Agreed action	Risk categories	Underlying cause category	Owner	Due date
Risk management					
2 **Enterprise risk management:** Risk management and monitoring of mitigating actions – The audit noted that effective and proactive risk identification, escalation and solution-oriented mitigation was in place for the EVD response at the corporate and regional level, involving multiple risk assessments and discussions at various levels within the organisation. In such a volatile context as the EVD, the identification of new risks, changes to existing ones and effective risk mitigation leading to changes in the risks previously identified require solid articulation, aggregation and correlation of input from various sources, tools and systems to provide a clear and timely presentation of risks. That articulation however did not take place. The emergency response risk register rolled out in quarter three of 2014, and used in parallel with the risk registers of the three EAC COs, did not integrate changes to the risks, the responses developed to manage exposure to risks, or add or remove risks as the situation changed. Clear accountability to track progress on mitigation activities was not in place as completion dates were not allocated in the emergency response risk register or in the EAC CO risk registers for 2014 and 2015.	The Regional Bureau and EAC COs will update their risk registers in line with corporate procedure, taking into consideration new risks identified, revision of assessment of other risks and the effectiveness of risk mitigation actions; as well as defining specific target dates for implementation of identified mitigating actions.	Strategic Processes & Systems Institutional	Guidance	RBD and EAC COs	31 March 2016

Observation	Agreed action	Risk categories	Underlying cause category	Owner	Due date
Control Activities					
3 **Finance and accounting:** Long-outstanding open items – The audit noted that as at the end of June 2015 there were numerous long-outstanding open items in the financial records of the EAC COs, primarily relating to accounts receivable. Such outstanding balances included amounts due from staff in relation to an (ED approved) salary advance, granted at the beginning of the crisis to local staff in the three EAC COs, that had not yet been fully recovered in Sierra Leone and Guinea notwithstanding the fact that certain staff members had left the organization in the meantime.	The EAC COs will: (a) Clear the long-outstanding open items, liaising with other WFP units as necessary, and ensure these are prevented in the future and, (b) In line with guidance provided by HQ, continue efforts to recover salary advances, including implementation of systematic check-out procedures to ensure recovery of such advances prior to separation. The Regional Bureau will continue implementing procedures regarding follow-up of the monthly monitoring of outstanding open items in the financial records of all COs to ensure the COs define and implement appropriate corrective actions.	Compliance Processes & Systems Institutional	Compliance	EAC COs RBD	31 December 2015 31 December 2015
4 **Finance and accounting:** Weaknesses in the payment process – The audit noted several exceptions in its review of payments processed in Guinea. In certain cases, VAT had been included in payments made to suppliers and no reimbursement had been sought, even though exemption from VAT is officially in place; the audit noted that systematic exemption of VAT was an issue common to the UN system in-country. Two instances were also noted of double payments having been made to suppliers in Guinea. At the time of the audit, the surplus payments had not been fully recovered.	The Guinea CO will: (a) Track all VAT to support submission of claims and reimbursement; (b) Formalise repayment plans with the suppliers who received surplus payments; and (c) Strengthen controls regarding the recording of expenses and payments to vendors.	Compliance Processes & Systems Institutional	Compliance	Guinea CO	31 December 2015

Observation	Agreed action	Risk categories	Underlying cause category	Owner	Due date
5 **Programme management - EMOP:** Commodity distribution tracking and reconciliation – The audit noted instances of missing or incomplete reconciliations between commodities dispatched to cooperating partners (CPs), commodities reported as distributed to beneficiaries by CPs and physical commodity quantities on hand in CP warehouses. In particular: • In Liberia, for one region no reconciliation had been completed for the duration of the emergency response. Initial reconciliations being performed at the time of the audit indicated differences between physical inventories and expected commodity quantities. • In Guinea, differences were also noted between expected and actual commodities on hand. • In Sierra Leone, management reported difficulties in tracking dispatched food t.	The EAC COs will: (a) Ensure, as a matter of priority, that all outstanding reconciliations for the emergency response are completed and take steps to complete all future reconciliations on a timely basis; (b) Pursue identified commodity discrepancies with relevant CPs; and (c) Ensure that distribution figures are amended in line with reconciliations.	Compliance Processes & Systems Programmatic	Compliance	EAC COs	29 February 2016
6 **Procurement:** Post factum purchase orders – During the emergency response a number of purchase orders (POs) were only created following receipt of the related invoices (corresponding to approximately 4% of total EVD response purchase orders at the time of the audit). Accordingly, the financial obligations relating to such transactions were only recognised upon receipt of the invoices, thereby undermining budget controls in place.	The EAC COs will: (a) Implement procedures to ensure that POs are raised when entering into purchase agreements; and (b) Carry out a review to identify any outstanding unrecognised obligations and account for such obligations in WINGS.	Compliance Processes & Systems Institutional	Compliance	EAC COs	31 December 2015

Observation	Agreed action	Risk categories	Underlying cause category	Owner	Due date
7 **Procurement:** FITTEST shipments – The audit analysed a sample of internal purchase orders (POs) raised by EAC COs for IT equipment and services from WFPFITTEST. Instances were noted where Goods Received Notes (GRN) had not been processed and where fulfilment of purchases had taken a considerable length of time; it was observed that such delays were linked to the process of creating and releasing internal POs and the tracking of items received from FITTEST. In one instance in Liberia, a GRN had not been processed as the related items had been lost upon arrival in the country; the loss had not been accounted for in WFP corporate systems. The audit also noted that, although FITTEST had a database for warehouse item management, there was no system functionality to track the dates and the means by which items had been shipped to the customers, and that such tracking was performed using excel files shared with the COs.	The EAC COs will: (a) Liaise with the FITTEST office to perform a reconciliation of the items that have been shipped and process corresponding Goods Received Notes in WINGS as appropriate. (b) The Liberia CO, in particular, will liaise with the Regional Bureau and with RMF in order to account for lost equipment. FITTEST will: (c) Explore the possibility of simplifying the procurement/ shipment process by creating pro-forma invoices directly in WINGS that could then be released by the recipient CO; and (d) Improve its tracking of items shipped to clients, including identification of shipments that have been delayed due to customs-related matters.	Compliance Processes & Systems Institutional	Compliance	EAC COs FITTEST	31 December 2015 31 December 2015

Observation	Agreed action	Risk categories	Underlying cause category	Owner	Due date
8 **Human resources:** Staff deployment, the Emergency Response Roster (ERR) and handover processes – The audit noted that significant efforts had been made to deploy staff to the Ebola emergency and that such deployment had been particularly challenging given the multiple concurrent Level III Emergencies stretching WFP's resources, the limited knowledge of the EVD and the significant health risks associated with it. As a result of the above, the process was characterised by strict pre- and post-deployment procedures, as well as short-term Temporary Duty Assignments that added to the challenge of deploying staff resources to the EACs. Building on this experience, the audit identified certain areas for improvement aimed at ensuring more effective and transparent deployment of staff and maintaining consistent and accountable delivery in the field through more effective handover processes.	HRM will: (a) Ensure that the ongoing call for applications for the ERR addresses the issue of availability of staff at more senior levels; (b) Improve existing processes and tools (e.g. by introducing a corporate external emergency response roster of consultants to ensure that certain defined senior/core resources are identified on a timely basis and allocated to emergency positions for periods longer than 2 or 3 months, in order to retain key knowledge); (c) Work with business partners to improve assignment planning procedures, by introducing adequate handover periods, where possible, and a requirement to complete handover notes as part of the separation clearance process in order to provide a basic level of handover information for incoming staff; and (d) Consider the option of developing the capacity of national staff to take on the duties typically carried out by staff on rotating temporary assignment positions (in the event of future protracted emergencies such as the EVD response)	Strategic People Institutional	Guidelines	Human Resources HRM	31 December 2016
9 **Property and equipment:** Tracking of property and equipment – The audit noted that during the emergency response assets and equipment were neither consistently nor promptly tracked/recorded in the corporate asset management system (GEMS). At the time of the audit, an exercise was being carried out with the support of HQ Asset Management Unit, to identify and track assets located in the three EACs in the corporate systems, and had identified significant differences between records of property and equipment purchased and related asset records. Instances were also noted (in particular with regard to Terminal H) of items of equipment valued at less than USD 50 being labelled; such practice may not be cost-efficient.	The EAC COs will: (a) Complete the asset tracking exercise, with the support of the HQ Asset Management Unit, to ensure all items are identified and recorded in corporate systems; and (b) Clearly define roles, responsibilities and tasks for the timely recording of assets. The Regional Bureau will identify, with the support of HQ Asset Management Unit as necessary, all assets relating to Terminal H and record them in GEMS prior to handover.	Operational Accountability & Funding Institutional	Guidance	EAC COs RBD	31 December 2015 31 December 2015

Annex A – Definition of Audit Terms

1. WFP's Internal Control Framework (ICF)

A 1.   WFP's Internal Control Framework follows principles from the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) Integrated Internal Control Framework, adapted to meet WFP's operational environment and structure. The Framework was formally defined in 2011.

A 2.   WFP has defined internal control as a process designed to provide reasonable assurance regarding the achievement of objectives relating to (a) effectiveness and efficiency of operations; (b) reliability of reporting; and (c) compliance with WFP rules and regulations. WFP recognises five interrelated components (ICF components) of internal control, which need to be in place and integrated for it to be effective across the above three areas of internal control objectives. The five ICF components are (i) Internal Environment, (ii) Risk Management, (iii) Control Activities, (iv) Information and Communication, and (v) Monitoring.

2. Risk categories

A 3.   The Office of Internal Audit evaluates WFP's internal controls, governance and risk management processes, in order to reach an annual and overall assurance on these processes in the following categories:

Table A.1: Categories of risk – based on COSO frameworks and the Standards of the Institute of Internal Auditors

1	Strategic:	Achievement of the organisation's strategic objectives.
2	Operational:	Effectiveness and efficiency of operations and programmes including safeguarding of assets.
3	Compliance:	Compliance with laws, regulations, policies, procedures and contracts.
4	Reporting:	Reliability and integrity of financial and operational information.

A 4.   In order to facilitate linkages with WFP's performance and risk management frameworks, the Office of Internal Audit maps assurance to the following two frameworks:

1 A.2.1: Categories of risk – WFP's Management Results Dimensions

1	People:	Effective staff learning and skill development – Engaged workforce supported by capable leaders promoting a culture of commitment, communication & accountability – Appropriately planned workforce – Effective talent acquisition and management.
2	Partnerships:	Strategic and operational partnerships fostered – Partnership objectives achieved – UN system coherence and effectiveness improved – Effective governance of WFP is facilitated.
3	Processes & Systems:	High quality programme design and timely approval – Cost efficient supply chain enabling timely delivery of food assistance – Streamlined and effective business processes and systems – Conducive platforms for learning, sharing and innovation.
4	Programmes:	Appropriate and evidence based programme responses – Alignment with Government priorities and strengthened national capacities – Lessons learned and innovations mainstreamed – Effective communication of programme results and advocacy.
5	Accountability & Funding:	Predictable, timely and flexible resources obtained – Strategic transparent and efficient allocation of resources – Accountability frameworks utilised – Effective management of resources demonstrated.

Table A.2.2: Categories of risk – WFP's Risk Management Framework

1	Contextual:	External to WFP: political, economic, environmental, state failure, conflict and humanitarian crisis.
2	Programmatic:	Failure to meet programme objectives and/or potential harm caused to others though interventions.
3	Institutional:	Internal to WFP: fiduciary failure, reputational loss and financial loss through corruption.

3. Causes or sources of audit observations

A 5.   Audit observations are broken down into categories based on causes or sources:

Table A.3: Categories of causes or sources

1	Compliance	Requirement to comply with prescribed WFP regulations, rules and procedures.
2	Guidelines	Need for improvement in written policies, procedures or tools to guide staff in the performance of their functions.
3	Guidance	Need for better supervision and management oversight.
4	Resources	Need for more resources (funds, skills, staff, etc.) to carry out an activity or function.
5	Human error	Mistakes committed by staff entrusted to perform assigned functions.
6	Best practice	Opportunity to improve in order to reach recognised best practice.

4. Risk categorisation of audit observations

A 6.   Audit observations are categorised by impact or importance (high, medium or low risk) as shown in Table A.4 below. Typically, audit observations can be viewed on two levels: (1) observations that are specific to an office, unit or division; and (2) observations that may relate to a broader policy, process or corporate decision and may have broad impact.[4]

Table A.4: Categorisation of observations by impact or importance

High risk	Issues or areas arising relating to important matters that are material to the system of internal control. The matters observed might be the cause of non-achievement of a corporate objective, or result in exposure to unmitigated risk that could highly impact corporate objectives.
Medium risk	Issues or areas arising related to issues that significantly affect controls but may not require immediate action. The matters observed may cause the non-achievement of a business objective, or result in exposure to unmitigated risk that could have an impact on the objectives of the business unit.
Low risk	Issues or areas arising that would, if corrected, improve internal controls in general. The observations identified are for best practices as opposed to weaknesses that prevent the meeting of systems and business objectives.

A 7.   Low risk observations, if any, are communicated by the audit team directly to management, and are not included in this report.

5. Monitoring the implementation of agreed actions

A 8.   The Office of Internal Audit tracks all medium and high-risk observations. Implementation of agreed actions is verified through the Office of Internal Audit's system for the monitoring of the implementation of agreed actions. The purpose of this monitoring system is to ensure management

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[4] An audit observation of high risk to the audited entity may be of low risk to WFP as a whole; conversely, an observation of critical importance to WFP may have a low impact on a specific entity, but have a high impact globally.

actions are effectively implemented within the agreed timeframe so as to manage and mitigate the associated risks identified, thereby contributing to the improvement of WFP's operations.

6. Rating system

A 9.   Internal control components and processes are rated according to the degree of related risk. These ratings are part of the system of evaluating the adequacy of WFP's risk management, control and governance processes. A rating of satisfactory, partially satisfactory or unsatisfactory is reported in each audit. These categories are defined as follows:

Table A.5: Rating system

Engagement rating	Definition	Assurance level
Satisfactory	Internal controls, governance and risk management practices are adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited entity.	Reasonable assurance can be provided.
Partially Satisfactory	Internal controls, governance and risk management practices are generally established and functioning, but need improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.	Reasonable assurance is at risk.
Unsatisfactory	Internal controls, governance and risk management practices are either not established or not functioning well. The issues identified were such that the achievement of the overall objectives of the audited entity could be seriously compromised.	Reasonable assurance cannot be provided.

Annex B – Acronyms

CO	Country Office
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CD	Country Director
CP	Cooperating Partner
DCD	Deputy Country Director
EACs	Ebola-affected countries
EVD	Ebola Virus Disease
FITTEST	Fast IT and Telecommunications Emergency and Support Team
FLA	Field Level Agreement
GEMS	Global Equipment Management System
M&E	Monitoring and Evaluation
PO	Purchase Order
RB	Regional Bureau
RBD	Regional Bureau for West Africa
UN	United Nations
UNHAS	United Nations Humanitarian Air Service
WFP	World Food Programme
WINGS	WFP's Information Network & Global System