

# UNITED NATIONS HACT FRAMEWORK

## Spot Check Report

29 June 2022

<b>UN entity:</b>	<b>UNICEF SOMALIA</b>
<b>Implementing partner:</b>	<b>Africa Youth Development Association-(AYODA)</b>
<b>Project:</b>	<b>Education in Emergency Response to drought impact on learning SOM/PCA20211308/PD2021429</b>
<b>Period:</b>	<b>1 October 2021 to 22 February 2022</b>

This report is confidential and only for the use of those for whom it is intended.



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Charles Opikoli Lolika,  
Deputy Representative (Operations)  
UNICEF Somalia,  
P.O. Box 44145 - 00100  
Nairobi, Kenya

Dear Sir,

We have performed the procedures agreed with you and enumerated below with respect to the actual programme expenditures related to UNICEF'S project titled "Education in Emergency Response to drought impact on learning", reference no SOM/PCA20211308/PD2021429 for the period from 1 October 2021 to 22 February 2022, submitted by Africa Youth Development Association-(AYODA) on the Financial report attached at Annex IV. Our engagement was undertaken in accordance with International Standards on Related Services ('ISRS') 4400 *Engagements to perform Agreed – upon Procedures regarding Financial Information* as promulgated by the International Federation of Accountants ('IFAC'). The procedures were performed solely to assist you in evaluating the validity of accounting records that support cash transfers from UNICEF and are summarized as follows:

1. Compare documentation obtained describing the IP's financial management internal controls against the most recent micro assessment from the corresponding programme cycle. Document any changes or inconsistencies.
2. Inquire from the IP management whether there have been any changes to internal controls since the prior micro assessment from the current programme cycle. Document any changes identified (Annex V).
3. Obtain a listing of all programme related expenditures that support the actual programme expenditures submitted by Africa Youth Development Association (AYODA) on the financial report attached at Annex IV for the agreed upon-procedures engagement and performs the following:

Select a sample of expenditures amounting to 80% percent of the actual programme expenditures submitted on the FACE forms.

For each sample selection perform the following procedures:

- Verify that documentation exists to support the expenditure in accordance with the IP's rules and procedures and agreements with the agency.
- Verify that the activity related to the expenditure is in accordance with the work plan.
- Verify that the expenditure has been reviewed and approved in accordance with the IP's rules and procedures and agreements with the agency.
- Verify that the expenditure was reflected on a certified FACE form submitted to the agency.
- Verify that the expenditure was reflected in the IP's accounting records and bank statement.
- Verify that supporting documents are stamped 'PAID from UNICEF grant' or coded to and recorded in a separate fund, indicating which agency funded the transaction. As per UNICEF procedures, 2020 failure to comply will result in the cost being considered ineligible

- Verify that the FACE forms were submitted consistent with the periodicity-of-disbursement requirement in the HACT framework (within two weeks).
- Verify the price paid for goods or services against United Nations agreed to standard rates (if readily available).
- Verify that all payments above US\$250 were done only by cheque or bank transfer or through the mobile payment as per UNICEF HACT procedures 2020. Failure to comply will result in the cost being considered ineligible.
- Verify all salaries are paid via mobile or banking payment regardless of the value as per UNICEF HACT procedures 2020.

4. If separate bank accounts are maintained for agency-granted funds, perform the following procedures:

- Verify that the activity per the bank statements agrees with that reflected in the accounting records. Document any variances noted; and
- Confirm that bank reconciliation was completed, and the balance has been reconciled to the accounting records. Document any variances noted.

5. For UNICEF partners with projects in 2020 verify compliance with the UNICEF HACT procedures 2020 circular reference SOM/REP/2020-002-1 dated March 28, 2020.

We report our findings in the attached schedules specified by UNICEF:

- Annex 1 Spot check checklist – “Annex A”
- Annex 2 Spot check reports – “Annex B”
- Annex 3 Expense testing worksheet – “Annex C”
- Annex 4 Testing on compliance of UNICEF HACT procedures 2020
- Annex 5 FACE form(s) / financial report subject to spot check
- Annex 6 Findings and recommendations
- Annex 7 Micro-assessment follow up
- Annex 8 Audit follow up
- Annex 9 Spot check follows up

Because these procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the actual programme expenditures submitted on the FACE forms attached at Annex IV.

Had we performed additional procedures, or had we performed an audit or review of the financial statement in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information. It is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the items specified above and does not extend to any financial statement of the implementing partner, taken as a whole.

Yours sincerely,

**CPA John Mucheru**  
**Partner**  
**Baker Tilly**  
**Practising Certificate No. 1854**  
**Date: 29 June 2022**

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**Rhapta Road, Westlands**  
**P. O. Box 67486 – 00200**  
**Nairobi, Kenya**

## ANNEX 1: SPOT CHECK CHECKLIST – “ANNEX A”

#	Activity	Remark	Performed by Date												
<b>Preparation (to be done at least one week before the visit to the IP IP)</b>															
1	Review the findings and recommendation included in the micro assessment	We have reviewed the findings and recommendation included in the recent previous micro assessment report commissioned by the UN and signed on May 2021.	Baker Tilly Kenya 18 May 2022												
2	Review the programme document or work plan	We obtained and reviewed the UNICEF project PD.	Baker Tilly Kenya 18 May 2022												
3	Review the latest programme visit and progress reports	Program visit and progress reports reviewed.	Baker Tilly Kenya 18 May 2022												
4	Select the FACE form for which the spot check will be performed	See table below for the FACE forms subjected to the Spot: <table border="1" style="margin: 10px auto; width: 60%;"> <thead> <tr> <th>Period</th> <th>Date Approved</th> <th>Amount USD</th> </tr> </thead> <tbody> <tr> <td>October 2021</td> <td>10 Nov 2021</td> <td>298,500</td> </tr> <tr> <td>Nov 2021</td> <td>21 Nov 2021</td> <td>145,940</td> </tr> <tr> <td><b>Totals</b></td> <td></td> <td><b>444,440</b></td> </tr> </tbody> </table>	Period	Date Approved	Amount USD	October 2021	10 Nov 2021	298,500	Nov 2021	21 Nov 2021	145,940	<b>Totals</b>		<b>444,440</b>	Baker Tilly Kenya 18 May 2022
Period	Date Approved	Amount USD													
October 2021	10 Nov 2021	298,500													
Nov 2021	21 Nov 2021	145,940													
<b>Totals</b>		<b>444,440</b>													
5	Contact the IP Management to inform them of the spot check and agree on the date	The IP was notified on the spot check on 8 May 2022 by UNICEF and the same day Baker Tilly communicated AYODA with a proposed start date of 18 May 2022 and the IP confirmed availability and preparedness.	UNICEF Somalia and Baker Tilly Kenya 8 May 2022												
6	Obtain from the IP the detailed transaction listing of actual programme expenditure supporting the FACE form	We obtained a detailed transaction listing and reconciled to the FACE form.	Baker Tilly Kenya 15 May 2022												
7	Reconcile the total amount in the report to the amounts reported on the FACE form	The total amount reported in the FACE forms reconciled to the transaction's ledger.	Baker Tilly Kenya 15 May 2022												
8	Select and document a sample and provide it to the IP	A sample was selected and shared to AYODA. Sample selected was (US\$ 438,440) 99% of the total FACE form value US\$ 444,440.	Baker Tilly Kenya 16 May 2022												
9	Complete the spot check <b>Background information</b> in section B.	Section B completed	Baker Tilly Kenya 18 May 2022												
<b>Fieldwork (to be completed at the location where the IP maintains its records)</b>															
10	Conduct an interview with the IP management on changes to the internal controls and the implementation of the recommendations from the micro assessment and previous assurance activities.	Interview conducted on changes in the internal controls and follow up on the micro-assessment.	Baker Tilly Kenya 18 May 2022												
11	Document the results of the interview in the <b>Internal Controls</b> section	Interview results documented and retained as a working paper.	Baker Tilly Kenya 18 May 2022												
12	Test the selected sample (sample should range between 20-80% based on the financial	A sample was selected and shared to AYODA. Sample selected was (US\$	Baker Tilly Kenya 18 May 2022												

	risk rating) and document the test in the <b>Test of Expenditures</b> in section C	438,440) 99% of the total FACE form value US\$ 444,440.	
13	Document any findings in Appendix D: Findings and recommendations	We have documented our findings in Appendix D of this report.	Baker Tilly Kenya 19 May 2022
14	Discuss the findings with the IP management and document their response	Findings discussed with management and initial comments obtained.	Baker Tilly Kenya 19 May 2022
15	Agree on corrective or remedial actions with the IP management and document them in Appendix D: Findings and Recommendations	Agreed remedial action and documented in the report.	Baker Tilly Kenya 19 May 2022
16	Where separate bank accounts are maintained by the agency – granted funds perform the following procedures <ul style="list-style-type: none"> <li>• Verify that the activity per the bank statements agrees with that reflected in the accounting records.</li> <li>• Confirm that bank reconciliation was completed, and the balance has been reconciled to the accounting records. Document any variances noted.</li> </ul>	AYODA uses a separate bank account for the UNICEF projects. <ul style="list-style-type: none"> <li>• Activities as per the bank statement were found to agree with the accounting records.</li> <li>• Bank reconciliations were confirmed to be completed and the balances reconciled to the accounting records.</li> </ul>	Baker Tilly Kenya 19 May 2022
<b>Discussion and follow-up (to be conducted immediately after the spot check visit is completed)</b>			
17	Follow-up on any outstanding items	To be performed by UNICEF Somalia.	TBD
18	Discuss the findings with the UNICEF Programme officer responsible for the programme implementation and the HACT focal point	To be performed by UNICEF Somalia.	TBD
19	Determine the priority of the recommendations and document them in Appendix D: Findings and Recommendations	To be performed by UNICEF Somalia.	TBD
20	Complete the spot check documentation	To be performed by UNICEF Somalia.	TBD
21	Determine on follow-up actions	To be performed by UNICEF Somalia.	TBD
22	Determine if escalation is needed	To be performed by UNICEF Somalia.	TBD
23	Adjust the HACT plan	To be performed by UNICEF Somalia.	TBD

## ANNEX 2: SPOT CHECK REPORT – “ANNEX B”

Annex B: Spot-check Report Template		
BACKGROUND INFORMATION		
Name of IP Organization:	Africa Youth Development Association (AYODA)	
Programme Title (section)	Education in Emergency Response to drought impact on learning	
AWP/PCA Reference:	SOM/PCA20211308/PD2021429	
Location where spot check took place	AYODA Boroma-Office	
IP Contact person and position:	Ziad Omer Ali- Executive Director	
Date(s) of Spot check:	18-19 May 2022	
Period covered by FACE form(s) selected for spot check	1 October 2021 to 22 February 2022	
Total value of selected FACE form(s)	USD 444,440	
IP staff whom the spot check team met and worked with during the spot check (names & titles)	Ziad Omer Ali- Executive Director Abdirizak Mohamed Muse- Grant accountant	
Date of report	29 June 2022	
INTERNAL CONTROLS		
<p>Inquire of IP management whether there have been any changes to internal controls since the prior micro assessment (or similar capacity assessment) from the current programme cycle.</p> <p>Inquire whether the high priority recommendations from the micro assessment (or similar capacity assessment) and previous assurance activities have been implemented.</p> <p><i>Document any changes identified</i></p>	<p><u>Changes in the organization structure and key programme or finance management positions.</u></p> <p>There have been no changes to the structure and key programme or finance management positions.</p>	
	<p><u>Changes to internal policies and procedures</u></p> <p>There have been no changes to the internal policies and procedures.</p>	
	<p><u>Changes to financial management processes</u></p> <p>There have been no changes to the financial management processes.</p>	
	<p><u>Changes in the accounting and reporting systems</u></p> <p>There have been no changes to the accounting and reporting systems.</p>	
	Previous Finding	Current Status
	Lack of financial stability	Implemented
	Lack of risk management policy and processes	Implemented
	Weaknesses in staff management	Implemented
	Failure to conduct background checks	Implemented
	Lack of a cost allocation policy	Implemented
Weakness in asset management	Implemented	
Weaknesses in inventory management	Implemented	
Weaknesses in financial reporting	Implemented	
Weaknesses in procurement process	Partially-Implemented	
Insufficient supporting Documentation.	Implemented	

	No competitive procedures for the award of contracts.	Implemented
	Expenditure not recorded in the correct period or FACE form.	Implemented

### SUMMARY OF HIGH PRIORITY FINDINGS AND RECOMMENDATIONS FOR IP

No	Finding	Recommendation	Agreed Action by IP and deadline
1	<p><b>Weakness in procurement.</b></p> <p><b>Financial impact: Nil</b></p> <p>We noted inadequacies in the procurement process as follows:</p> <ul style="list-style-type: none"> <li>• The PO issued before the bid analysis date, request for quotations issued a date after the deadline of submission of quotations.</li> <li>• Arithmetic errors noted in supplier BOQs.</li> <li>• Lack of evidence that AYODA was advertised procurement opportunities in the local newspapers and radio stations.</li> <li>• Executive Director participates in procurement process, ideally, he should offer oversight.</li> </ul>	<p>AYODA should adequately review the procurement documents and the entire process to ensure that there is a logical flow event and that all records are maintained to support the procurement process.</p> <p>The Executive Director should offer oversight of the organisational and hence should not be involved in the procurement bid analysis.</p>	<p><b>Agreed Action:</b></p> <p>ED will oversee the procurement process. Also, we agreed to re-correct the QRF submission date and deadline for QRF date making it</p> <p>Issued date: 15<sup>th</sup> Sept 2021.</p> <p>Deadline date: 25<sup>th</sup> Sept,2021</p> <p><b>Responsible person:</b> Executive Director and Mubarik Mohamoud</p> <p><b>Deadline:</b> Immediately.</p>
2	<p><b>Failure to implement prior year audit recommendations</b></p> <p>In the micro assessment report for year 2021 management control findings was raised in regard to weakness in procurement. We have raised a similar finding in the current year UNICEF spot check report.</p>	<p>Management should ensure that all prior year audit recommendations are acted upon and relevant changes to the systems and controls are implemented where necessary.</p>	<p><b>Agreed Action:</b></p> <p>See comments in the procurement finding.</p> <p><b>Responsible person:</b></p> <p>Mubarik Mohamoud</p> <p><b>Deadline:</b> 15 June 2022</p>

### UNICEF FOLLOW-UP ACTIONS

No	Follow up action	Responsible UNICEF officer	Expected completion date
1			

**ANNEXES**

1	Expense Testing Worksheet
2	Detailed findings and recommendations

**SIGNATURES OF SPOT CHECK TEAM MEMBERS**

<b>Name and title</b>	<b>Signature</b>	<b>Date</b>
Elijah Kyalo Musee- BT Auditor	EKM	29 June 2022
Gertrude Mirenja- BT Audit Manager	GMN	29 June 2022

**SIGNATURES OF PARTNER STAFF MEMBERS**

<b>Name and title</b>	<b>Signature</b>	<b>Date</b>
Ziad Omer Ali-AYODA Executive Director		29 June 2022
Abdirizak Mohamed- Grant Accountant		29 June 2022
Suldan Mohamed- Project Manager		29 June 2022



### ANNEX 3: EXPENSE TESTING WORKSHEET – “ANNEX C”

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless of the value	Comments and /Or Findings
30/09/2021	6974	31,250	Y-Purchase of 25 plastic water tanks at a rate of US\$ 1,250, Verified to Payment voucher, Supply request form number 1559, Payment request form, Quotation request form, Purchase order, AYODA receiving report, Invoice number 2021.2131, Copy of Dahab Pay cheque deposit slip, Copy of cheque, Quotation request form, Minutes of the procurement committee, Summary of bid analysis approved on 30 September 2021, Cost of distribution of 15 water tanks (PV7000), Invoice from Ibrahim transportation (at a rate of US\$250), Cash receipt, Copy of cheque, Cheque deposit slip,	Y-Budget line 1.1.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshiiil bank cheque	N/A- This expenditure is not salary related.	<b><u>Inconsistencies in procurement documentation dating.</u></b>  Purchase order issued on 28 September 2021 before the bid analysis was approved on 30 September 2021.
30/09/2021	6999	2,500	Y-Cost of transporting plastic tanks, Payment voucher, Cash receipt, Invoice, Dahabshiiil cash deposit slip, copy of cheque, Payment request form, Quotation request form, Contract for transportation services, Delivery receipt forms (Xaasi Saalax school, Dugsiga horse, Harag waafi, Beerato, cali cawaad, Beeyo khadar, hoose dhere, jire, hargaisa,) Minutes of the procurement committee, Bid analysis	Y-Budget line 1.9.8	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshiiil bank cheque	N/A- This expenditure is not salary related.	

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless of the value	Comments and /Or Findings
					posted by the project accountant	the bank account.		FACE form				
30/09/2021	7000	3,750	Y-Cost of transporting plastic tanks, Payment voucher, Cash receipt, Invoice, Dahabshii cash deposit slip, copy of cheque, Payment request form, Quotation request form, Contract for transportation services, Delivery receipt forms for various schools Minutes of the procurement committee, Bid analysis	Y-Budget line 1.9.8	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	
30/09/2021	6984	3,000	Y- Cost of safe drinking water for schools, verified to PV, bilal water trucking company receipt number 14, Invoice number 009, Dahab cheque deposit slip, Payment request, Quotation for water trucking services, Service contract, Minutes of the procurement committee, Comparative bid-analysis, Water trucking delivery forms for various schools (Signed stamped by the vendor, AYODA, The head teacher of the school 200 Barrells each school)	Y- Budget line 1.3.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	
30/09/2021	6970	84,000	Y- Cost of emergency school feeding programme, verified to Payment voucher, Invoice number 7505 (GUL	Y- Budget line 1.4.1	Y- The expenditure has been reviewed and approved in	Y-The expenditure is	Y-The expenditure support	Y-The expenditure has	Y-The cost incurred is in	Y-This payment was done	N/A- This expenditure is not	<b>Inconsistencies in</b>

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless the value	Comments and /Or Findings
			ALLA Store), Receipt voucher, Copy of Dahabshiiil cheque 30 September 2021, Dahab pay receipt, AYODA Supply request form, AYODA payment request form, Invitation to bid notice (Deadline for submission 15 September 2021 at 5pm), Quotation request form, Purchase order 28 September 2021, receiving report, 30 September 2021, Minutes of the procurement committee 28 September 2021, Bid analysis, Supplier contract agreement, Delivery receipt forms for 10 various schools, Various school feeding attendance sheet,		accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	documents are stamped paid by UNICEF.	been recorded in the Ips accounting system and reflected in the certified FACE form	agreement with the UNICEF agreed budget and the workplan for the activity	via Dahabshiiil bank cheque	salary related	<b><u>procurement document s dating.</u></b>  Quotation request form to GUUL ALLA Store, Mire store and SAME general store, was issued on 25 September 2021 however the deadline for submission for Quotations was om 15 September 2021
30/09/2021	6971	42,000	Y- Cost of emergency school feeding programme in Brco, Togdheer for 5 Schools, verified to Payment voucher, Invoice number 38998 (Affah Store), Receipt voucher number 812, Copy of Dahabshiiil cheque 8 Nov 2021, Dahab pay receipt, AYODA Supply request form number 15555, AYODA payment request form, Invitation to bid notice, Quotation request form, Purchase	Y- Budget line 1.4.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshiiil bank cheque	N/A- This expenditure is not salary related	

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless the value	Comments and /Or Findings
			order, receiving report, Minutes of the procurement committee, Bid analysis, Supplier contract agreement, Delivery receipt forms for 10 various schools, Various school feeding attendance sheet,		by the project manager, and posted by the project accountant	traced to the bank account.		certified FACE form				
30/09/2021	6972	42,000	Y- Cost of emergency school feeding programme in Sool, Lascanod district for 5 Schools, verified to Payment voucher, Invoice number 6042 (Xayuuke general trading company), Receipt voucher number 1061, Copy of Dahabshiiil cheque, Dahab pay receipt, AYODA Supply request form number 15555, AYODA payment request form, Invitation to bid notice, Quotation request form, Purchase order, receiving report, Minutes of the procurement committee, Bid analysis, Supplier contract agreement, Delivery receipt forms for 10 various schools, Various school feeding attendance sheet,	Y- Budget line 1.4.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshiiil bank cheque	N/A- This expenditure is not salary related	
30/09/2021	6983	84,000	Y- Cost of emergency school feeding programme in Brco, Togdheer for 10 Schools, verified to Payment voucher, Invoice number 184 (DOOG Store), Receipt voucher number 26, Copy of Dahabshiiil cheque 30 September 2021, Dahab pay receipt, AYODA Supply request form, AYODA payment request form, Invitation to bid notice (Deadline for submission 15 September 2021 at 5pm), Quotation request form,	Y- Budget line 1.4.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshiiil bank cheque	N/A- This expenditure is not salary related	<b><u>Inconsistencies in procurement documentation dating.</u></b>  Quotation requests

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless of the value	Comments and /Or Findings
			Purchase order 28 September 2021, receiving report, 30 September 2021, Minutes of the procurement committee 28 September 2021, Bid analysis, Supplier contract agreement, Delivery receipt forms for 10 various schools, Various school feeding attendance sheet,		manager, and posted by the project accountant	the bank account.		FACE form				<p>were issued on 25 September 2021 however the deadline for submission for Quotations was on 15 September 2021.</p> <p>Lack of evidence that AYODA was advertising procurement opportunities in the local newspapers and radio stations.</p> <p>All the pages of the school; feeding programme attendance sheets are not marked as paid by UNICEF</p>

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless the value	Comments and /Or Findings
2/11/2021	7053	7,760	Y- Cost verified to PV, Mubaarak construction company receipt voucher, Invoice, Cheque deposit slip, Copy of cheque, Payment request form, BOQ, Contract agreement for rehabilitation of Beerato Primary school, BOQ analysis, Completion certificate	Y-Budget line 1.1.3	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshil bank cheque	N/A- This expenditure is not salary related	<b><u>Inconsistencies in procurement documentation dating.</u></b>  The BOQ has unexplained arithmetic error of US\$ 104.
2/11/2021	7054	7,760	Y- Cost of classroom repairs, verified to Payment voucher, JAMLE MASON SERVICES receipt number 60, Invoice number 208, Dahab pay receipt, Payment request form, Completion certificate, Bill of Quantities, Summary of BoQ analysis 30 September 2021,	Y-Budget line 1.1.3	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshil bank cheque	N/A- This expenditure is not salary related	
5/11/2021	7055	7,760	Y- Cost of classroom repairs, verified to Payment voucher, Onkod construction company receipt number 08, Invoice number 69,	Y-Budget line 1.1.3	Y- The expenditure has been reviewed and approved in accordance with	Y-The expenditure is reflected	Y-The expenditure support documents	Y-The expenditure has been	Y-The cost incurred is in agreement	Y-This payment was done via	N/A- This expenditure is not	

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless of the value	Comments and /Or Findings
			Dahab pay receipt, copy of cheque, Payment request form, Completion certificate, Bill of Quantities, Summary of BoQ analysis 30 September 2021, Contract agreement,		AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	in the FACE forms submitted to UNICEF and has been traced to the bank account.	are stamped paid by UNICEF.	recorded in the Ips accounting system and reflected in the certified FACE form	with the UNICEF agreed budget and the workplan for the activity	Dahabshii bank cheque	salary related	
9/11/2021	7061	7,760	Y- Cost of classroom repairs, verified to Payment voucher, Halsan construction company receipt number 203, Invoice number 204, Dahab pay receipt, copy of cheque, Payment request form, Completion certificate, Bill of Quantities, Summary of BoQ analysis 30 September 2021, Contract agreement,	Y-Budget line 1.1.3	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	
10/11/2021	7062	7,760	Y- Cost of classroom repairs, verified to Payment voucher, Jisxilqaan construction company receipt number 50, Invoice number 15, Dahab pay receipt, copy of cheque, Payment request form, Completion certificate, Bill of Quantities, Summary of BoQ analysis 30	Y-Budget line 1.1.3	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected	Y-The cost incurred is in agreement with the UNICEF agreed budget and the	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless the value	Comments and /Or Findings
			September 2021, Contract agreement,		manager, approved by the project manager, and posted by the project accountant	been traced to the bank account.		in the certified FACE form	workplan for the activity			
12/11/2021	7063	12,000	Y- Cost of safe drinking water for schools, verified to PV, Bilal water trucking company receipt, Dahab cheque deposit slip, Payment request, Quotation for water trucking services, Service contract Minutes of the procurement committee, Comparative bid-analysis, Water trucking delivery forms for various schools (Signed stamped by the vendor, AYODA, The head teacher of the school 400 Barrells each school)	Y- Budget line 1.3.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshil bank cheque	N/A- This expenditure is not salary related	
12/11/2021	7064	6,000	Y- Cost of safe drinking water for schools, verified to PV, Barwaaqo water trucking company receipt number 27, Invoice number 21, Dahab cheque deposit slip, Payment request, Quotation for water trucking services, Service contract, Minutes of the procurement committee, Comparative bid-analysis, Water trucking delivery forms for various schools (Signed stamped by the vendor, AYODA, The head teacher of the school 400 Barrells each school)	Y- Budget line 1.3.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshil bank cheque	N/A- This expenditure is not salary related	



Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless of the value	Comments and /Or Findings
13/11/2021	7065	6,000	Y- Cost of safe drinking water for schools, verified to PV, Biyo Same water trucking company receipt, Dahab cheque deposit slip, Payment request, Quotation for water trucking services, Service contract, Minutes of the procurement committee, Comparative bid-analysis, Water trucking delivery forms for various schools (Signed stamped by the vendor, AYODA, The head teacher of the school 400 Barrells each school)	Y- Budget line 1.3.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	
13/11/2021	7066	6,000	Y- Cost of safe drinking water for schools, verified to PV, Nugaal water trucking company receipt, Dahab cheque deposit slip, Payment request, Quotation for water trucking services, Service contract, Minutes of the procurement committee, Comparative bid-analysis, Water trucking delivery forms for various schools (Signed stamped by the vendor, AYODA, The head teacher of the school 400 Barrells each school)	Y- Budget line 1.3.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	
14/11/2021	7067	6,000	Y- Cost of safe drinking water for schools, verified to PV, Baraaqwo water trucking company receipt, Invoice number 613, Dahab cheque deposit slip, Payment request,	Y- Budget line 1.3.1	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures,	Y-The expenditure is reflected in the	Y-The expenditure support documents are	Y-The expenditure has been recorded	Y-The cost incurred is in agreement with the	Y-This payment was done via Dahabshii	N/A- This expenditure is not salary related	

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless of the value	Comments and /Or Findings
			Quotation for water trucking services, Service contract, Minutes of the procurement committee, Comparative bid-analysis, Water trucking delivery forms for various schools (Signed stamped by the vendor, AYODA, The head teacher of the school 400 Barrells each school)		Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	FACE forms submitted to UNICEF and has been traced to the bank account.	stamped paid by UNICEF.	in the Ips accounting system and reflected in the certified FACE form	UNICEF agreed budget and the workplan for the activity	bank cheque		
5/11/2021	7056	55,000	Y-Cost of girls hygiene kits, verified to payment voucher, Supplier (Hodan Khayr) receipt voucher, Invoice, Dahab pay receipt (Cheque deposit slip), Copy of cheque, Payment request form, Supply request form, Supplier contract agreement 26 October 2021, Supplier ethical standard declaration, Request for quotation, price quotation forms, purchase order, Receiving report, Signed conflict of interest and impartiality, Minutes of the procurement committee, summary bid analysis, Request for Quotations issued out on 15 October 2021 (Deadline 30 October 2021), AYODA Delivery receipt form 5 November 2021 (18 Various schools each receiving similar items), List of distribution by various schools to the learners	Y-Budget line 1.5	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshil bank cheque	N/A- This expenditure is not salary related	<b>Inconsistencies in procurement documents dating.</b>  The minutes of the procurement committee are prepared on 25 October 2021 before the deadline of submission of Quotes 30 October 2021.
8/11/2021	7057	12,840	Cost of Purchase of sanitation hand tools, verified to Payment voucher, Invoice 7 November 2021 (Khayraad store), Cash receipt 8 November	Y-Budget line 1.9	Y- The expenditure has been reviewed and approved in accordance with	Y-The expenditure is reflected	Y-The expenditure support documents	Y-The expenditure has been	Y-The cost incurred is in agreement	Y-This payment was done via	N/A- This expenditure is not	

Date	Reference	Sample amount reported (USD)	Documentation exists to support expenditure in accordance with IP's applicable rules and procedures and agreements with the agency. (Y/N) – document the evidence reviewed	Activity is related to expenditure in accordance with work plan. (Y/N) – document the line item in the budget or work plan	Expenditure has been reviewed and approved in accordance with IP's applicable rules and procedures and agreements with the agency? (Y/N) – document the level of review and approval	Expenditure was reflected on a certified FACE form submitted to the agency and in IP's accounting records and bank statement. (Y/N)	Supporting documents are stamped 'PAID from UNICEF grant', indicating which agency funded the transaction or coded to and recorded in a UNICEF specific fund? (Y/N)	Expenditure was recorded in the IP's accounting records and reflected in a certified FACE form in the period in which it was incurred (Y/N)	Price paid for goods or services against United Nations agreed standard rates (if readily available) and according to budget	Payments above US\$250 were done only by cheque or bank transfer or through mobile payment	Salaries are paid via mobile or banking payment regardless of the value	Comments and /Or Findings
			2021, copy of cheque 8 November 2021 US\$ 12,840, Cheque deposit slip, Supply request form, Payment request form, Quotation request form, Purchase order, Receiving report, Procurement committee minutes for bid opening, Comparison bid-analysis		AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	in the FACE forms submitted to UNICEF and has been traced to the bank account.	are stamped paid by UNICEF.	recorded in the Ips accounting system and reflected in the certified FACE form	with the UNICEF agreed budget and the workplan for the activity	Dahabshii bank cheque	salary related	
8/11/2021	7058	900	Y- Cost of IEC materials verified to, Payment voucher, Cash receipt voucher, Invoice, Office supply request form, copy of cheque, Cheque deposit slip, Payment request form, Quotation request form, Purchase order 6 November 2021, goods receiving note, Minutes of the procurement committee 5 November 2021, Summary of the bid analysis.	Y-Budget line 1.9.8	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	
8/11/2021	7059	850	Y-Cost of transporting tools and covid 19 prevention materials to various schools in Burco, Ainabo and Lascanod district, verified to Payment voucher, Ibrahim transportation and logistics receipt, invoice, Copy of cheque, payment request, Quotation request form, Service contract, minutes of the procurement committee, Summary	Y-Budget line 1.9	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected	Y-The cost incurred is in agreement with the UNICEF agreed budget and the	Y-This payment was done via Dahabshii bank cheque	N/A- This expenditure is not salary related	

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			bid analysis, Delivery notes for various schools,		manager, approved by the project manager, and posted by the project accountant	been traced to the bank account.		in the certified FACE form	workplan for the activity			
8/11/2021	7060	1,550	Y-Cost of transporting tools and covid 19 prevention materials, verified to Payment voucher, GEEDI transportation and logistics receipt, invoice, Copy of cheque, payment request, Quotation request form, Service contract, minutes of the procurement committee, Summary bid analysis, Delivery notes for various schools,	Y-Budget line 1.9	Y- The expenditure has been reviewed and approved in accordance with AYODA procedures, Payment voucher is prepared by the Finance officer, reviewed by the project finance manager, approved by the project manager, and posted by the project accountant	Y-The expenditure is reflected in the FACE forms submitted to UNICEF and has been traced to the bank account.	Y-The expenditure support documents are stamped paid by UNICEF.	Y-The expenditure has been recorded in the Ips accounting system and reflected in the certified FACE form	Y-The cost incurred is in agreement with the UNICEF agreed budget and the workplan for the activity	Y-This payment was done via Dahabshil bank cheque	N/A- This expenditure is not salary related	
<b>Total sample expenditures:</b>		<b>438,440</b>										
<b>Total expenditures reported on FACE form:</b>		<b>444,440</b>										
<b>Percentage coverage:</b>		<b>99%</b>										

## ANNEX 4: TESTING ON COMPLIANCE OF UNICEF HACT PROCEDURE 2020

No.	HACT assurances measures and processes	Comment and/or finding
1.	Each partner must register with their details at the United Nations Partners Portal (UNPP) on or before 31 January 2019, UNPP will contribute to harmonization, simplification and reduction of time for partnership processing.	African Youth Development Association (AYODA) has registered their details at the United Nations Partners Portal (UNPP)
2.	All CSOs are requested to send updated address of the main office where the related financial documents are located. (SOMcsopartners@unicef.org), latest 30 April 2020.	AYODA send the official address of their office in Somalia to UNICEF after issuance of the circular
3.	Any change in authorized personnel (programme or finance staff authorized to handle cash and supplies provided by UNICEF) must be promptly communicated with UNICEF Somalia office. Failure to provide this information by 30 April 2020 will mean that the PCA is invalid as well as the PD signed with the partner and the fund transfer will be suspended till when the new signatories are cleared and registered in the system.	There were no changes in the authorized personnel in requesting or liquidating funds.
4.	Expiring government registration certificate (RC) must be extended promptly and share with the UNICEF Somalia partnership team. If RC is not extended it will affect the subsequent transfer of funds to CSOs.	AYODA is registered with the ministry of planning and national development for the current period. We verified that AYODA has a valid registration certificate. The current registration certificate was shared to the UNICEF Somaliland Office.
5.	ALL payments above USD \$250 must be paid by either Cheque, Bank Transfer or through mobile money transfer ONLY. Failure to comply with this; any cost incurred will be considered ineligible and a refund will be requested from the CSO.	All payments are made through Dahabshill bank cheques.
6.	ALL staff salaries regardless of the amount are to be paid via mobile money transfer or through bank transfer. The payment must be supported by a valid contract where the names of the staff member, telephone and payment details and the monthly amount are clearly indicated among other details.	All payments are made through Dahabshill bank cheques and Dahabshill money transfer agents in Boroma town.
7.	DCTs must be cleared and liquidated before any new PD is signed and if DCTs above (6) months are still pending, no further advance will be processed in the system.	No exceptions noted, all DCTs cleared before the signing of the PDs.
8.	All payment vouchers, receipts or payment sheets must be stamped with UNICEF PAID stamp, failure to comply with this will result in the expense being considered ineligible and costs will be refunded by IP.	AYODA records are not stamped with UNICEF PAID stamp. However, we have recommended that AYODA to stamp paid all the pages of the attendance and distribution sheets and not only the last page.

No.	HACT assurances measures and processes	Comment and/or finding
9.	Any FACE form submission request for payment must be provided with Itemized Cost Estimate (ICE-Budget) and the Quarterly Progress Report. Sample of FACE/ICE and Quarterly Progress Reports are attached.	All advance requests submitted together with the budget, progress report, and face form and payment request.
10.	As per the PCA requirements, Quarterly Reports which include Financial Reporting using FACE forms and Progress Reports should be submitted on time and at the end of every quarter. The reporting periods is as follows; Quarter One (1 January to 31 March), Quarter Two (1 April to 30 June), Quarter Three (1 July to 31 September) and Quarter Four (1 October to 31 December). At the end of every quarter CSO's are provided with 15 days to submit the final signed report. Any delays in reporting should be approved by UNICEF through a request from the CSO explaining the circumstances.	We noted an instance of delays in submitting Q3 face form. We have recommended that AYODA to strictly adhere the reporting guidelines as per the PCA and in case of deviations, this should be agreed with UNICEF and documented.
11.	Expenditure reporting should reflect realities on the ground. Take note that over/under expenditure within 10 per cent in certain budget lines is subject to consultation and approval by the concerned UNICEF program section(s).	The expenditure reported by AYODA reflects realities on the ground, i.e. The support documents provided for audit. We have not noted any over/under expenditure above 10 per cent in the specific category lines.
12.	Itemized Cost Estimate (ICE) – reports submitted should be within the approved ICE and the approved FACE forms for both DCT's and Reimbursements. All budget requirements should be adhered to.	The itemized cost estimate (Budgets) submitted are within the approved ICE and are both approved.
13.	Partners are expected to provide programme progress and financial liquidation reports within 15 days after end of each quarter. Delay in direct cash transfer reporting beyond the deadline requires strong justification letter from the partner.	We noted an instance of delays in submitting Q3 face form. We have recommended that AYODA to strictly adhere the reporting guidelines as per the PCA and in case of deviations, this should be agreed with UNICEF and documented.
14.	Partners to request UNICEF to share final approved FACE forms for filing as the approved FACE Forms will be provided to auditors when requested for verification purposes. It is partners' responsibility to request UNICEF the final approved form.	AYODA has already received approved FACE Forms from UNICEF Somaliland office.
15.	Where applicable IP should sign only one PD per UNICEF programme section. If there is an active ongoing PD with the section that PD will	Only a single PD signed for the project

No.	HACT assurances measures and processes	Comment and/or finding
	be amended accordingly to including new intervention as the situation demands	

# ANNEX 5: FACE FORMS/FINANCIAL REPORT SUBJECT TO SPOT CHECK

**Funding Authorization and Certificate of Expenditures**

UN Agency: UNICEF

Date: 30-Oct-21

Country: SOMALILAND  
 Programme Code & Title: 4.4 Education in emergency Response to Drought Impact on Learning  
 Project Code & Title: SOM/PCA20211308/PD2021429  
 Responsible Officer(s): Ziad Omer Ali  
 Implementing Partner: AFRICAN YOUTH DEVELOPMENT ASSOCIATION (AYODA)

**Type of Request:**  
 Direct Cash Transfer (DCT)  
 Reimbursement  
 Direct Payment

Currency: \_\_\_\_\_

Activity Description from AWP with Duration	Coding for UNDP, UNFPA and WFP	REPORTING				REQUESTS / AUTHORIZATIONS		
		Authorised Amount October to Dec 2021 A	Actual Project Expenditure B	Expenditures accepted by C	Balance D = A - C	New Request Period & Amount Sent 2021- E	Authorised Amount F	Outstanding Authorised G = D + F
Provision of Learning Environment 09/2021-01/2022		\$ 76,300.00	\$ 37,500.00	<b>37,500</b>	<b>38,800</b>			
6,300 Children have Access to Safe Drinking Water in		45,000.00	9,000.00	<b>9,000</b>	<b>36,000</b>			
6,300 Children benefiting from Emergency School Feeding Program 09/2021-01/2022		252,000.00	252,000.00	<b>252,000</b>	<b>0</b>			
		\$ 373,300.00	\$ 298,500.00	<b>298,500</b>	<b>74,800</b>		0	0

**CERTIFICATION**

The undersigned authorized officer of the above-mentioned implementing institution hereby certifies that:

- The funding request shown above represents estimated expenditures as per AWP and itemized cost estimates attached.
- X The actual expenditures for the period stated herein has been disbursed in accordance with the AWP and request with itemized cost estimates. The detailed accounting documents and receipts can be made available for examination, when required, for the period of five years from the date of the provision of funds.



Date Submitted: 30/10/2021 Name: Ziad Omer Ali Title: Executive Director

DTES: \* Shaded areas to be completed by the UN Agency and non-shaded areas to be completed by the counterpart.

**FOR AGENCY USE ONLY:**

FOR ALL AGENCIES

Approved by: \_\_\_\_\_

Name: David Igau  
 Chief of Field Office  
 Hargeisa-Somaliland  
 unicef

Title: \_\_\_\_\_

Date: 10112021

certified by:  
**Mohamoud Abdi Ahmed**  
 01/11/2021

*(Signature)*

**FOR UNICEF USE ONLY**

Account Charges		Liquidation Information	
Cash Transfer Reference: CRQ.ref.no. / voucher.ref.no.		DCT Reference: CRQ.ref.no. / liquidation.ref.no.	
GL codes:		DCT Amount	0
Training	0	Less:	
Travel	0	Liquidation	
Meetings & Conferences	0	Amount	0
Other Cash Transfers	0		
Total	0	Balance	0

**FOR UNFPA USE ONLY**

New Funding Release	
Activity 1	0
Activity 2	0
Total	0



**Funding Authorization and Certificate of Expenditures**

UN Agency: **UNICEF**

Date: **15-Nov**

Country: **SOMALILAND**  
 Programme Code & Title: **4.4 Education in emergency Response to Drought Impact on Learning**  
 Project Code & Title: **SOM/PCA20211308/PD2021429**  
 Responsible Officer(s): **Ziad Omer Ali**  
 Implementing Partner: **AFRICAN YOUTH DEVELOPMENT ASSOCIATION (AYODA)**

**Type of Request:**

- Direct Cash Transfer (T)
- Reimbursement
- Direct Payment

Currency: \_\_\_\_\_

Activity Description from AWP with Duration	Coding for UNDP, UNFPA and WFP	REPORTING				REQUESTS / AUTHORIZATIONS		
		Authorised Amount Oct-Dec.2021 <b>A</b>	Actual Project Expenditure <b>B</b>	Expenditures accepted by <b>C</b>	Balance <b>D = A - C</b>	New Request Period & Amount <b>E</b>	Authorised Amount <b>F</b>	Outs Autl <b>G =</b>
Provision of Learning Enviroment 09/2021-01/2022		\$ 38,800.00	\$ 38,800.00					
6,300 Children have Access to Safe Drinking Water in Schools 09/2021-01/2022		36,000.00	36,000.00					
2000 Girls Provided with Sanitary Kits 09/2021-01/2022		55,000.00	55,000.00					
Children Engaged CtC clubs (hygiene promotion for behaviour change with sanitation tools) 45% girls 09/2021-		16,140.00	16,140.00					
		<b>\$ 145,940.00</b>	<b>\$ 145,940.00</b>			<b>0</b>		

**CERTIFICATION**

The undersigned authorized officer of the above-mentioned implementing institution hereby certifies that:

- The funding request shown above represents estimated expenditures as per AWP and itemized cost estimates attached.
- The actual expenditures for the period stated herein has been disbursed in accordance with the AWP and request with itemized cost estimates. The detailed accounting documents for these expenditures can be made available upon request.

Date Submitted: 15/11/2021

Name: Ziad Omer Ali 

Title: Executive Director



**DTES:** \* Shaded areas to be completed by the UN Agency and non-shaded areas to be completed by the counterpart.

**FOR AGENCY USE ONLY:**

FOR ALL AGENCIES

Approved by: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FOR UNICEF USE ONLY		FOR UNFPA USE ONLY	
Account Charges		Liquidation Information	
Cash Transfer Reference: <i>CRQ ref. no., Voucher ref. no.</i>		DCT Reference: <i>CRQ ref. no., Liquidation ref. no.</i>	
GL codes:		DCT Amount	0
Training	0	Less:	
Travel	0	Liquidation	
Meetings & Conferen	0	Amount	0
Other Cash Transfers	0		
Total	0	Balance	0

FOR UNFPA USE ONLY	
New Funding Release	
Activity 1	0
Activity 2	0
Total	0

## ANNEX 6: FINDINGS AND RECOMMENDATIONS

Sample expenditure description	Voucher number	Sample expenditure amount reported and currency	Unsupported (Y/N)	Description of finding	Category	Priority (H / L)	Recommendation	Management response	Agreed action by IP and deadline for implementation																				
Procurement	6974 6999 7000 6970 6983 7053 7056 7057 7058	282,000	N	<p><b><u>Inconsistencies in procurement documents dating.</u></b></p> <p>We noted instances of illogical flow of events in the procurement process.</p> <ul style="list-style-type: none"> <li>The PO issued before the bid analysis date, request for quotations issued a date after the deadline of submission of quotations. See examples in the table below.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 15%;">Reference</th> <th style="width: 15%;">(USD)</th> <th style="width: 55%;">Comment/Finding</th> </tr> </thead> <tbody> <tr> <td>30/09/2021</td> <td>6,974</td> <td>31,250</td> <td>Purchase order issued on 28 September 2021 before the bid analysis was approved on 30 September 2021.</td> </tr> <tr> <td>30/09/2021</td> <td>6,970</td> <td>84,000</td> <td>Quotation request form was issued on 25 September 2021 however the deadline for submission for Quotations was on 15 September 2021</td> </tr> <tr> <td>30/09/2021</td> <td>6,983</td> <td>84,000</td> <td>Quotation request was issued on 25 September 2021 however the deadline for submission for Quotations was on 15 September 2021</td> </tr> <tr> <td>5/11/2021</td> <td>7056</td> <td>55,000</td> <td>The minutes of the procurement committee are prepared on 25 October 2021 before the deadline of submission of Quotes 30 October 2021</td> </tr> </tbody> </table>	Date	Reference	(USD)	Comment/Finding	30/09/2021	6,974	31,250	Purchase order issued on 28 September 2021 before the bid analysis was approved on 30 September 2021.	30/09/2021	6,970	84,000	Quotation request form was issued on 25 September 2021 however the deadline for submission for Quotations was on 15 September 2021	30/09/2021	6,983	84,000	Quotation request was issued on 25 September 2021 however the deadline for submission for Quotations was on 15 September 2021	5/11/2021	7056	55,000	The minutes of the procurement committee are prepared on 25 October 2021 before the deadline of submission of Quotes 30 October 2021	Budget line 1.1.1 1.1.3 1.4.1 1.5 1.9	H	<p>AYODA should adequately review the procurement documents and the entire process to ensure that there is a logical flow event and that all records are maintained to support the procurement process.</p> <p>The executive director should only offer oversight of the organizational and hence should not be involved in the procurement bid analysis.</p>	<ul style="list-style-type: none"> <li>Yes, the PO was issued on 28<sup>th</sup> September 2021, but the bid analysis was approved on 27<sup>th</sup> Sept-2021, not 30<sup>th</sup> Sept-2021. As per our records.</li> <li>Well noted and agreed the Ed will oversee the procurement process.</li> <li>Off course, there was typing error during the quotation process because the QRF was issued on 15<sup>th</sup> Sept 2021 while the deadline of the submission for QRF was on 25<sup>th</sup> September 2021.</li> <li>Yes, well noted we will re-correct the date of the procurement committee minute.</li> <li>Yes, well noted and we will correct the arithmetic error in the supplier BOQ.</li> <li>The project was Education emergency response and the</li> </ul>	<p><b>Agreed Action:</b> ED will oversee the procurement process. Also, we agreed to re-correct the QRF submission date and deadline for QRF date making it Issued date: 15<sup>th</sup> September 2021. Deadline date: 25<sup>th</sup> September 2021</p> <p><b>Responsible person:</b> Executive Director and Mubarik Mohamoud <b>Deadline:</b> Immediately.</p> <p><b>Agreed Action:</b> We agreed to re-correct the date of the procurement minutes by making it 3<sup>rd</sup> November 2021. <b>Responsible person:</b> Mubarik Mohamoud <b>Deadline:</b> 15 June 2022</p>
Date	Reference	(USD)	Comment/Finding																										
30/09/2021	6,974	31,250	Purchase order issued on 28 September 2021 before the bid analysis was approved on 30 September 2021.																										
30/09/2021	6,970	84,000	Quotation request form was issued on 25 September 2021 however the deadline for submission for Quotations was on 15 September 2021																										
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5/11/2021	7056	55,000	The minutes of the procurement committee are prepared on 25 October 2021 before the deadline of submission of Quotes 30 October 2021																										

Sample expenditure description	Voucher number	Sample expenditure amount reported and currency	Unsupported (Y/N)	Description of finding	Category	Priority (H / L)	Recommendation	Management response	Agreed action by IP and deadline for implementation
				<ul style="list-style-type: none"> <li>Arithmetic errors noted in supplier BOQs.</li> <li>Lack of evidence that AYODA was advertising procurement opportunities in the local newspapers and radio stations.</li> <li>Executive Director participates in procurement process, ideally, he should offer oversight.</li> </ul>				<p>targeted five districts located in different regions from Maradijeex to Lasanod (Northwest to Far East) and there was not enough time to advertise through media, there was not enough time to wait the suppliers' response long time. So that we advertised on note boards on the walls of public gathering places in each district respectively and we distributed price quotations to the newly identified suppliers in all five districts consulting with MOE regional directors so as to speed up the implementation of Education Emergency Response project on time by attaining its intended objectives effectively.</p> <ul style="list-style-type: none"> <li>Well noted and agreed the Ed will</li> </ul>	<p><b>Agreed Action:</b> We agreed to revise the arithmetic error in the supplier BOQ.</p> <p><b>Responsible person:</b> Mubarik Mohamoud</p> <p><b>Deadline:</b> 15 June 2022</p>

Sample expenditure description	Voucher number	Sample expenditure amount reported and currency	Unsupported (Y/N)	Description of finding	Category	Priority (H / L)	Recommendation	Management response	Agreed action by IP and deadline for implementation
								oversee the procurement process.	
Distribution lists	6983 6972 6971 6970	27,896	N	<p><b><u>Failure to consistently stamp paid distribution and attendance lists.</u></b></p> <p>Although AYODA stamped paid expenditure support documents, we noted that for the school feeding programme and the distribution of the hygiene kits to school going kids, AYODA did not consistently stamp paid all the distribution and school attendance registers obtained from the school head teachers. We have not disallowed the entire cost since the procurement and the other documents for the procurement and distribution to various schools were stamped paid. Further the distribution lists were stamped paid in the last page.</p>	Budget line 1.4.1	L	AYODA management should ensure that all the expenditure support documents are stamped paid, and all the distribution and attendance lists should be independently stamped paid.	Yes, we noted we will stamp the remaining school feeding attendance sheets as well as distribution of hygiene kits respectively.	<p><b>Agreed Action:</b></p> <p>To stamp UNCEF Paid for the remaining school feeding attendance sheets as well as hygiene distribution kits.</p> <p><b>Responsible person:</b></p> <p>Abdirizak Mohamoud</p> <p><b>Deadline: 20 June 2022</b></p>
Reporting	n/a	nil	N	<p><b><u>Late reporting.</u></b></p> <p>We noted that AYODA submitted quarter 3 FACE Form late, the deadline for submission as per the PCA is 15 October 2021, however, AYODA submitted the FACE Form on 30 October 2021.</p>	n/a	L	AYODA management should ensure compliance with the UNICEF PCA in matters of reporting. In case of any anticipated /or delays in reporting, AYODA should seek approval from UNICEF.		<p><b>Agreed Action:</b></p> <p>We agreed to re-correct the QRF submission date and deadline for QRF date making it</p> <p>Issued date: 15<sup>th</sup> Sept 2021.</p> <p>Deadline date: 25<sup>th</sup> Sept,2021</p> <p><b>Responsible person:</b></p> <p>Mubarik Mohamoud</p> <p><b>Deadline: 15 June 2022</b></p>
Prior year audit/Assurance recommendation	N/a	nil	N	<p><b><u>Failure to implement previous recommendations.</u></b></p> <p>In the micro assessment report for year 2021 management control findings was raised in regard</p>	n/a	H	AYODA Management should ensure that all prior year audit recommendations are acted upon and		<p><b>Agreed Action:</b></p> <p>See comments in the procurement finding.</p>

Sample expenditure description	Voucher number	Sample expenditure amount reported and currency	Unsupported (Y/N)	Description of finding	Category	Priority (H / L)	Recommendation	Management response	Agreed action by IP and deadline for implementation
				to weakness in procurement. We have raised a similar finding in the current year UNICEF spot check report.			relevant changes to the systems and controls are implemented where necessary.		<b>Responsible person:</b> Mubarik Mohamoud  <b>Deadline:</b> 15 June 2022

**Note 1:**

Category of observations:

1. Missing or inadequate documentation
2. Error in calculating or recording the expenditure
3. Expenditure not related to the programme or activity
4. Expenditure exceeds the approved budget rate or amount
5. Expenditure incurred outside the agreement period
6. Expenditure not recorded in the correct period or FACE form
7. Expenditure not approved as per IP policy
8. Expenditure not compliant with tax, legal or other regulations
9. Lack of proof that the expenditure was incurred or no proof of payment
10. Potential fraud or other irregularity
11. Other (specify)

**Note 2:**

Risk ratings:

High: significant likelihood of negative impact on the IP's ability to execute or report on the programme in accordance with the work plan.

Medium: likelihood of negative impact on the IP's ability to execute or report on some aspects of the programme in accordance with the work plan.

Low: low likelihood of potential negative impact on the IP's ability to execute or report on the programme in accordance with the WP

**Note 3:**

Priority Ranking:

High: Action that is considered imperative to ensure that the agency is not exposed to high risks (i.e., failure to take action could result in major consequences and issues).

Medium: Action that is considered necessary to avoid exposure to significant risks (i.e., failure to take action could result in significant consequences).

Low: Action that is considered desirable and should result in enhanced control or better value for money.

## ANNEX 7: MICRO-ASSESSMENT FOLLOW UP

The Implementing Partner has been micro-assessed previously at the request of UNICEF. The status of the recommendations that rose in the micro-assessment report May 2021 is as follows:

No.	Area	Action points from financial audit	Status
1	Lack of financial stability	AYODA should develop a robust fundraising strategy. This would involve reaching out to multiple potential donors with a clear value proposition to attract requisite funding.	<b>Implemented:</b> AYODA has a documented fundraising strategy and from our discussion with the ED, there are donor proposals submitted to UNICEF and SSF for funding.
2	Lack of risk management policy and processes	Management should develop a risk management policy and include the risk identification, mitigation mechanisms, risk review and evaluation, persons responsible for risk management and monitoring and frequency of the risk reviews.	<b>Implemented:</b> AYODA has a documented risk management policy; AYODA has in place a risk register.
3	Weaknesses in staff management.	Management should ensure capacity needs assessment are conducted on its staff on a regular basis. The IP should ensure that all the staff undergo a specific number of trainings per year to harness their skills.	<b>Implemented:</b> AYODA has frequent staff trainings evident in the respective staff files provided during the spot check exercise.
4	Failure to conduct background checks	The management should ensure background checks are conducted on all employees before end of the probation period. This may include checking from their former employers, schools attended and the community where applicable.	<b>Implemented:</b> Although AYODA did not perform any recruitment process in the period under spot check, we noted that staff background was included as a mandatory procedure and templates developed.
5	Lack of a cost allocation policy	The management should develop guidelines and policy to manage their overheads and means of apportioning them accordingly.	<b>Implemented:</b> AYODA has in place a cost allocation policy.
6	Weakness in asset management	Physical verification of the assets should be performed on a regular basis at a minimum annually to ensure that the assets in the register physically exist and that they are in good condition. The register should also be periodically reconciled to the general ledger at least once a year and any variances corrected. In addition, AYODA should ensure that all assets are insured.	<b>Implemented:</b> AYODA has instituted a bi-annual asset verification of all assets. This was evidenced by asset verification reports and photographs provided during this spot check.
7	Weaknesses in inventory management	Management should ensure stock takes for are conducted on a monthly basis. Reconciliations should be done between physical counts and stock records and any variances should be investigated and cleared.	<b>Implemented:</b> AYODA has instituted a monthly stock take during periods which they have supplies in the store, AYODA maintains stock reports reviewed and approved monthly by the Executive Director.
8	Weaknesses in financial reporting	The IP should prepare annual financial statements which should be audited on an annual basis by an independent external	<b>Implemented:</b> AYODA commenced preparation of annual financial statements which

No.	Area	Action points from financial audit	Status
		audit firm on a timely basis with the audit being done in accordance with Internationally Standards on Auditing.	are audited by SMART AUDIT FIRM which is an independent external audit firm in Hargeisa.
9	Weaknesses in procurement process	<p>AYODA should enhance the capacity of the procurement function by:</p> <ul style="list-style-type: none"> <li>• Setting up a procurement unit to oversee their procurement processes with staff who possess the prerequisite knowledge, experience, and training in procurement;</li> <li>• Ensure that procurement opportunities are broadcasted to the public through print media, radio and advertisement on the notice board to ensure transparency and competitiveness in procurement;</li> <li>• Prepare procurement plans and procurement reports on a quarterly and annual basis on the procurement undertaken</li> <li>• Perform evaluation of the vendors performance on a continuous basis and revise the prequalified vendors list with the results; and</li> <li>• Integrate references to ethical procurement principles and exclusion and ineligibility criteria in the procurement contracts.</li> </ul>	<p><b>Partially implemented:</b></p> <ul style="list-style-type: none"> <li>• AYODA has set up a procurement unit within the available staff to oversee procurement process, however we noted that the Executive Director of the organization was part of the team. The best practice requires that the Executive Director to offer oversight and not be involved in procurement and award of contracts.</li> <li>• AYODA has broadcasted to public through notice board to ensure transparency and competitiveness in procurement. However, there was no evidence that AYODA advertised in the local newspapers and radio stations.</li> <li>• AYODA has in place procurement plans and procurement reports at every procurement committee sitting.</li> <li>• AYODA has in place a list of pre-qualified suppliers per category.</li> <li>• AYODA suppliers are required to sign an ethical and declaration document before award of contracts, this was evidenced during the review of the procurement documents provided during the spot check exercise.</li> </ul>



## **ANNEX 8: AUDIT FOLLOW UP**

The Implementing Partner has not been audited previously at the request of UNICEF.

## ANNEX 9: SPOT CHECK FOLLOW UP

The Implementing Partner has been spot-checked previously at the request of UNICEF. The status of the recommendations raised in the spot check report, dated 09 December 2020 is as follows:

No.	Area	Action points from Spot Check	Status
1	Insufficient supporting documentation	The IP did not obtain a completion certificate evidencing that repairs undertaken on school infrastructure was complete and satisfactory.	<b>Implemented:</b> For the constructions and rehabilitations undertaken by AYODA, a completion certificate has been obtained and signed by both the contractor and AYODA.
2	No competitive procedures for the award of contracts	AYODA finance policy requires that 3 quotations are obtained for procurements above USD 500. However, AYODA did not obtain 3 quotations for vehicle hire services procured amounting to USD 1,214.	<b>Implemented:</b> AYODA has consistently obtained quotations from the prequalified suppliers, performs a bid analysis before bid award.
3	Expenditure not recorded in the correct period or FACE form	Expenditure amounting to USD 9,000 was incurred between March – May 2020 while the FACE form was for the period June – July 2020.	<b>Not Implemented:</b> During our spot check we have noted expenditures amounting US\$ 300,260 was incurred in September 2021 but included in the October 2021 FACE form.