منظمة الأغذية والزراعة للأمم المتحدة	联 合 国 粮 食 及 农 业 组 织	Food and Agriculture Organization of the United Nations	Organisation des Nations Unies pour l'alimentation et l'agriculture	Продовольственная и сельскохозяйственная организация Объединенных Наций	Organización de las Naciones Unidas para la Agricultura y la Alimentación

FINANCE COMMITTEE

Hundred and Thirty-Second Session
Rome, 12 – 16 April 2010
2009 Annual Activity Report of the Office of the Inspector General

EXECUTIVE SUMMARY

➢ The Inspector General is pleased to provide the Finance Committee with the 2009 Annual Activity Report of the Office of the Inspector General as provided to the Director-General.

➢ The report contains information on the audit and investigative work of the Office in 2009 as well as its internal management. During the year AUD carried out a variety of audit assignments to support the Organization's reform efforts, including the introduction of more systematic enterprise risk management, and to provide assurance and advice on a range of operations in headquarters and in the decentralized offices. There was an increase in the investigation caseload, which AUD believes reflects increasing awareness of staff and managers about this aspect of the Office's work. Work continued in AUD in 2009 to assist the Organization to develop its overall integrity framework.

➢ The results of AUD's work reflect that FAO is an Organization in the process of major change. Findings and recommendations summarized in the annual report indicate the need for significant improvements in administration and control across a broad range of functions. As such, the results are consistent with the broad conclusions of the Organization's management and stakeholders. AUD's reports on audit results and lessons learned from investigations seek to provide management with deeper analysis of specific areas for improvement, supporting both accountability and learning. Overall, management is responsive to implementing recommendations in AUD's reports. As indicated in the report, there is a focus in AUD's follow up of the status of older pending recommendations on those classified as "high risk".

➢ The development during 2009 of a more comprehensive risk-based audit plan for 2010-2011 will enable AUD to articulate more clearly in future how it will cover the key risks facing the Organization and how it will prioritize its audit work to do this. A new case prioritization system introduced in 2009 will help manage the growing investigation caseload. AUD is currently recruiting to implement approved increases in its staffing and is undertaking various internal initiatives to improve the quality of its audit and investigative work.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

➢ The Finance Committee is invited to take note of the 2009 Annual Activity Report of the Office of the Inspector General.

Highlights

During 2009, the Office of the Inspector General (AUD) supported the Organization's reform efforts, reviewed a number of emergency operations, including the Initiative on Soaring Food Prices (ISFP) and operations in Sudan and Iraq, while also maintaining a cycle of coverage of other areas of FAO's activities in headquarters and its decentralized offices, as prioritized in its 2009 audit work plan. AUD issued 46 internal audit reports as well as numerous advisory analyses in less formal formats. It also closed 42 cases following examination by its Investigations Unit and issued six investigation reports, mostly relating to procurement matters. The number of complaints received by the Investigations Unit increased by 78 percent compared to the number of complaints received in 2008 and the total 2009 case load increased 56 percent.

A key activity for AUD in 2009 was its support to management in implementing the reform initiatives related to the Immediate Plan of Action (IPA) and the Root and Branch Review. Specifically, it served as an active member on the Reform Support Group, and as an advisor to the project leader of the Enterprise Risk Management (ERM) and Oversight projects. It completed an overall review of IPA reform arrangements, as well as specific reviews of risk management and information technology governance. Recommendations were provided to improve the governance arrangements, funding, and implementation timeframe of the reform. AUD also provided management with advice on other reform initiatives related to procurement, decentralization, delegation of authority, implementation of new accounting standards (IPSAS) and ethics.

With regard to the Audit element of the IPA, the Audit Committee, under fully external membership, physically met three times in 2009, and AUD provided secretariat functions to the Committee throughout the year. AUD has welcomed the advice and counsel provided by the Committee to improve the Office's work. The Committee will provide, separately, its own 2009 report on its operations. AUD developed a risk-based 2010-2011 audit work plan and this has been reviewed by the Audit Committee and will be finalized, taking up the Committee's suggestions, in early 2010.

With regard to ERM, AUD partnered with Deloitte, a leading risk management consulting firm, to complete a comprehensive assessment of FAO's current approach to risk management and to develop an initial Organization-wide risk assessment. The assessment recommended a new approach that called for an internally-led project supported by specialized risk management consultants as needed, rather than a consultant-led approach as included under the IPA, and this was endorsed by the Finance Committee at its 128th meeting. Subsequently, with the assistance of a highly experienced expert from the Risk Management Institute, AUD developed and presented to senior management an approach for a more practical, internally-led ERM project design and implementation plan for 2010-2011.

AUD's audit coverage continued to include a strong component devoted to the decentralization. This included compliance audits undertaken as a consequence of the transfer of the former Local Audit Programme (LAP) function from the Finance Division (CSF). These audits are now being carried out in regional, subregional and country offices according to an enhanced scope and reporting format to add value and consistency to this oversight aspect. In many cases, AUD has extended the coverage beyond compliance to include broader analysis of the adequacy of the control structures being complied with and the efficiency of both internal administration and program delivery in these offices. At the same time, AUD undertook a series of substantial audit assignments encompassing both headquarters and field aspects, such as its reviews of ISFP, non-emergency programmes, security and letters of agreement with partners.

FAO is an organization in the process of major change. The results of audits contain findings and recommendations reflecting the need for significant improvement in administration and control across a broad range of functions. As such, the results are consistent with the broad conclusions of the Organization's management and its stakeholders. AUD's reports serve to provide deeper analysis to management about, or to bring to their attention, specific areas for improvement which

can then be taken up in the reform efforts. As well as ensuring accountability, AUD's work should also support the learning processes within the Organization. What then becomes critical is what follows on from the audit work. In that regard, AUD monitors the status of implementation of its past recommendations. Overall, management has been responsive to accepting and implementing AUD's recommendations. As at 31 December 2009, management had implemented more than 70 percent of the recommendations made in 2008, and 94 to 99 percent of all recommendations issued prior to 2008 have been closed.

AUD took a number of actions in 2009 to improve the quality of its own work. Specifically, it fully implemented an electronic working paper system; began teaming auditors on key assignments; involved field auditors more in Organization-wide reviews; provided specialized training to auditors in risk management and Computer Assisted Audit Techniques (CAATS); and participated in the piloting of the Organization's Performance Evaluation Management System.

AUD is implementing an expanded and more complex audit programme, and an increased caseload of complaints requiring investigation, despite being in a period of significant staff vacancies and changes. The Inspector General post became vacant at the end of the year and the new Inspector General commenced in early February 2010. As at 31 December 2009, AUD had vacancies in nine other professional level and one support level headquarters posts. Some of these relate to new positions related to the transfer of the LAP to AUD, while others arose from internal transfers of staff elsewhere in the Organization towards the end of 2009. AUD has sought to address these staffing challenges through an extensive recruitment effort, temporary assignments of audit staff to support investigative work, and use of short term audit consultants. Most vacant posts are expected to be filled within the first semester of 2010. The risk-based audit plan will assist AUD with audit prioritization until current vacancies are filled, and, going forward, ensure a better analytical base for determining future staffing and other resourcing levels for the Office's audit functions. The investigation unit has developed a case prioritization system in order to adequately respond to the increasing number of complaints received and to ensure a focus on allegations that have the most significant potential to impact FAO's organizational objectives and finances.

AUD would like to express its appreciation to all levels of FAO staff and management contacted in the course of its work, for their support and positive responses, cooperation and assistance throughout the year.

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Office of the Inspector General

2009 Annual Activity Report

I.   Introduction

<u>General</u>

1.   The present report to the Director-General provides a summary of the 2009 oversight activities of the Office of the Inspector General (AUD). Since 1996, the annual report has also been made available to the Finance Committee. Since the establishment of the FAO Audit Committee in 2003, the report is also made available to this Committee.

<u>Mandate and Mission</u>

2.   AUD has responsibility for internal audit, which includes monitoring and evaluating the adequacy and effectiveness of the Organization's system of internal controls, risk management, financial management and use of assets. It is also responsible for investigating misconduct and fraud. AUD's Charter is incorporated as Appendix A to FAO Administrative Manual Section (MS) 146.

3.   Together with the Office of Evaluation (OED), AUD provides comprehensive internal oversight coverage for the Organization. The External Auditor, with whom AUD cooperates, provides complementary external oversight.

4.   AUD provides the Director-General and the functions and programmes audited with analyses, recommendations, counsel and information concerning the activities reviewed. In addition, it places emphasis on identifying possible means of improving the efficiency and economy of operations and the effective use of resources while promoting control at reasonable cost.

5.   With respect to its internal audit work, AUD follows the International Standards for the Professional Practice of Internal Auditing, promulgated by the Institute of Internal Auditors (IIA), the relevant global professional body. With respect to its investigative work, AUD follows the Uniform Guidelines for Investigation promulgated by the Conference of International Investigators of the UN System and Multilateral Financial Institutions. Guidelines for internal administrative investigations in the Organization are under development.

6.   The Director-General and Inspector General receive independent advice on the effectiveness, including the adequacy and quality, of the internal audit and investigative functions of AUD from an Audit Committee comprising senior audit and/or investigation professionals, who are fully external to the Organization. The Terms of Reference of this Committee are incorporated as Appendix C to MS 146.

II.   Independence

7.   During 2009, AUD remained independent within the Organization. During the year, decisions to increase AUD's independence taken earlier were implemented, notably the amendment to AUD's Charter concerning submission of reports to the Finance Committee and changes so that the Office does not participate in decision-making in numerous management and administrative committees. The Inspector General remains an observer on a number of senior or strategic management committees so that, on a timely basis, the Office's advice can be conveyed and the Office remains conversant with key management issues and decisions.

III.   Discretionary Reports to the Finance Committee

8.   AUD's Charter provides that, at the discretion of the Inspector General, any audit report or any other issue may be submitted to the Finance Committee together with the Director

General's comments thereon and be made available to other interested member states. No such reports, additional to the annual report, were submitted in 2009.

IV.   Audit Activity

9.   In 2009, AUD supported the Organization's reform efforts, reviewed the administration of a number of emergency operations, including the Initiative on Soaring Food Prices (ISFP) and operations in Sudan and Iraq, while maintaining a cycle of coverage of other areas of FAO's activities in Headquarters and its decentralized offices as prioritized in its 2009 audit work plan. AUD issued 46 internal audit reports as well as numerous advisory analyses in less formal formats. Twelve audit reports resulted from reviews conducted at headquarters, and 34 from reviews in decentralized offices. A list of the audit reports issued in 2009 can be found at Attachment A and a summary of the most significant results is set out below.

A.   SUPPORT TO REFORM INITIATIVE

10.   A key activity for AUD in 2009 was its support to management in implementing the reform initiatives related to the Immediate Plan of Action (IPA) and the Root and Branch Review (RBR) item of that Plan. Specifically, it served as an active member on the Reform Support Group, and as an advisor to the project leader of the Enterprise Risk Management (ERM) and Oversight projects. It completed an overall review of IPA reform arrangements, as well as specific reviews of risk management and information technology governance. Recommendations were provided to improve the governance arrangements, funding, and implementation timeframe of the reform. AUD also provided management with advice on other reform initiatives related to procurement, decentralization, delegation of authority, implementation of new accounting standards (IPSAS) and ethics.

Overall review of IPA Reform Arrangements

11.   AUD completed an overall review of the arrangements for IPA implementation, and brought to management for attention the need for:
- strong accountability mechanisms to demonstrate that the project actions have followed the principles of consultation, coordination, and communication set in the framework.
- clearer information to help the participants coordinate the 14 IPA projects;
- an experienced change manager to lead and oversee implementation, to ensure smooth coordination and flow of information;
- examination of additional options for funding the implementation effort;
- a realistic assessment of implementation progress and expectations, to develop more realistic implementation timeframes; and
- increased opportunities for informal interaction among reform participants and the members of the Conference Committee for the Follow-up to the Independent External Evaluation (CoC-IEE), to build trust in management's commitment to reform and a stronger management-member partnership for effective reform.

12.   Since the issuance of this report, FAO has taken a number of actions that address some of the above areas, and which should significantly improve the IPA Reform process, and increase its probability of success. Specifically, FAO prepared a more realistic timeline for implementing the IPA reform through 2013, which the Members approved. Further, the members approved full funding of the IPA reform from the regular programme budget. Other recommendations remain under consideration by management.

Audit-related elements of the IPA

13.   There were three AUD-related elements in the Oversight component of the IPA which are now substantially advanced in terms of implementation, as noted below.

Development of a Comprehensive Risk-Based Audit Plan for 2010-2011 (IPA item 2.91)

14.   To meet the evolving requirements under the IIA Standards as well as address IPA item 2.91, AUD prepared a Risk-Based Audit Plan for the 2010-2011 biennium, with a view to covering all major organizational risk areas, making use of external expertise where necessary, and to provide a more systematic basis for prioritizing internal audit work. Under a risk-based audit planning approach, AUD will be in a better position to provide assurance that the most significant organizational risks are being managed to an acceptable level and to promote improvements where necessary. The biennial plan was prepared with inputs from management and will be finalized, taking into account suggestions from the Audit Committee, in the first quarter of 2010.

15.   While ideally any risk-based audit plan should take as a starting point a management-driven Organization-wide risk assessment, this was not yet in place in 2009, pending further work under the Organization's ERM initiative. AUD therefore took a pragmatic approach to the development of the 2010-2011 plan, leading, as part of its support to the ERM initiative, the first Organization-wide risk assessment. To accomplish this, AUD partnering with Deloitte, a leading worldwide risk management consulting firm, conducted an Organization-wide risk survey, interviewed most senior managers (ADG level), and held a series of risk workshops in the field and at headquarters. After the risks had been identified, AUD then assessed, prioritized and selected risks to review under the 2010-2011 plan.

16.   In the short term, AUD will continue to use its own risk-based approach to identify and prioritize what risks it will target for review. In time however, AUD will modify this approach, placing greater reliance on the risk self-assessments undertaken by management as it implements an ERM framework under the IPA Reform.

Audit Committee Membership and Reporting (IPA items 2.92-2.93)

17.   The Audit Committee, under fully external membership established in 2008, met three times in 2009, and AUD provided secretariat functions to the Committee throughout the year. AUD has welcomed the advice and counsel provided by the Committee. The Committee is currently preparing its 2009 Annual Report.

18.   As at December 31, 2009, AUD has undertaken follow up actions to the Audit Committee's 2008 Annual Report to the Director-General and to the Finance Committee, as follows:

Item	Status
Develop a standard set of definitions to rate and assign risk to its audit recommendations.	Completed. Further details are provided later in this report. AUD internal audit staff have begun implementing the new definitions for reports commencing 2010.
Revisit the prioritization of outstanding recommendations taking into consideration the significance of individual recommendations to the Organization's mission.	Completed. A revised prioritization has been incorporated in the statistics on outstanding recommendations in this report.
Develop a more comprehensive risk based audit plan for the 2010/2011 biennium.	Substantially completed. A finalized Risk-Based Biennial Audit Plan to be ready in first quarter of 2010
Complete and implement internal investigation guidelines	In progress. Following comments from ODG, AUD is preparing a new draft in consultation with CSHL and LEG. The expected target date for a new draft, once all comments are received, is May 2010. This

	will then be submitted to the Director General for approval.
Improve the quarterly and annual activity reports of AUD	Ongoing. Suggestions were adopted in 2009, and the new Inspector General will review, with the Audit Committee, opportunities for further improvement in early 2010.

Promoting Enterprise Risk Management (ERM)

19.   The IPA included (as item 3.49) a comprehensive enterprise risk management study. Various reports have highlighted the vulnerability of FAO due to the absence of systematic, comprehensive risk management processes and encouraged management to assume ownership of and give priority to implementing an Organization-wide enterprise risk management process .

20.   To assist the Organization with the intrinsically complex effort that introducing an effective ERM framework entails, and to respond to the IPA and to the Audit Committee comments, AUD partnered in 2009 with Deloitte to undertake a comprehensive assessment of the Organization's current approach to risk management. This was the same assignment that included the risk assessment used for audit planning purposes, as mentioned earlier. AUD and Deloitte jointly concluded that there were significant gaps and weaknesses in each of the four areas (risk identification, assessment, management/response, and reporting) required for the Organization to systematically manage its risks effectively at an enterprise level. It was also concluded that a more internally led ERM process was more likely to be effective and sustainable, compared with one with an outsourced leadership by an external consultant. The results of the review were presented to the Working Groups of the CoC-IEE, senior management and the Finance Committee in mid 2009. The new approach was agreed and AUD was requested to develop a roadmap for the new internally-led approach.

21.   This was subsequently done, with advice from a highly experienced expert from the Risk Management Institute. The approach developed aims at ensuring ERM remains not just an intellectual exercise, but a practical tool to ensure that risk at different scales is examined by staff and managers as a matter of course, and that new opportunities and ventures are embarked upon by the Organization with appropriate management of the related risks. The approach embeds ERM as a routine management practice, by building on the tools and processes in place or being introduced in the Organization (particularly Results-Based Management), attuning it to FAO's culture and ways of working and exploiting the lessons learned from other UN and governmental agencies. The approach will allow a common language and approach to risk management to be adopted within the project cycle, and for the 2012-13 MTP/PWB formulation process, which is due to start in the 3rd or 4th quarter of 2010.

22.   After senior management indicated its support for the proposed approach, AUD developed an initial work programme and budget, which was submitted in December 2009 to the Deputy Director-General (now DDG-Knowledge). Senior management is currently considering which unit within FAO will be assigned the responsibility for managing and implementing the ERM project, as well as assigning a project manager.

IT Governance

23.   An AUD review concluded that, when measured against widely adopted international best practice for IT governance, such as that set out in the Control Objectives for Information and related Technology (COBIT) framework, IT governance within FAO is generally weak. Specifically, the Organization does not adequately meet with six of the seven control objectives defined within COBIT[1]. FAO has not yet established a sound IT governance framework that will

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[1] COBIT is a set of best practices for information technology management created by the Information Systems Audit and Control Association (ISACA), and the IT Governance Institute (ITGI) in 1996. COBIT is structured in 34 high level processes that cover 210 control objectives categorized in four domains: Planning and Organization (PO), Acquisition and Implementation (AI), Delivery and Support (DS), and Monitoring and Evaluation (ME).

help ensure its IT strategy is aligned with the Organization's overall strategy. The Organization needs to do more in order to (i) effectively manage its IT investments to ensure they deliver value, (ii) adequately oversee the planning and use of IT resources, (iii) manage IT risk, and (iv) measure performance to confirm that IT objectives are met. Consequently, AUD has determined that the Organization's IT governance procedures are at phase one (Initial/Ad-Hoc) of the COBIT maturity framework.

24.   However, the report also highlighted a number of important initiatives FAO is developing, which once implemented, should improve the Organization's IT governance. For example, FAO will consolidate its information systems activities into a single division ("CIO division") under the responsibility of a Chief Information Officer (CIO), and ERM and Risk-Based Management systems will be adopted. Additionally, new IT governance approved by the World Agricultural Information Centre (WAICENT) Committee in November 2007 will be implemented.

B.   DECENTRALIZED ACTIVITIES

25.   AUD's coverage continued to include a strong component devoted to the decentralized offices. During 2009, AUD issued 34 audit reports concerning operations in 28 countries, including five Regional offices (ROs), four Subregional offices (SROs) and twenty-one FAO Representations (FAORs) - Country Offices. This included compliance audits undertaken as a consequence of the transfer of the former Local Audit Programme (LAP) function from the Finance Division (CSF). These audits are now being carried out in regional, subregional and country offices according to an enhanced scope and reporting format to add value and consistency to this oversight aspect. In many cases, AUD has also extended the coverage beyond compliance with financial and administrative policies and accuracy of the financial reporting, by combining these audits with others that include broader analysis of the adequacy of the control structures being complied with and of the efficiency of both internal administration and programme delivery in these offices. At the same time, AUD undertook a series of audits encompassing both headquarters and field aspects, such as its reviews of ISFP, non-emergency programmes, security and letters of agreement with partners, so that a more integrated coverage of issues could be achieved.

26.   Based on AUD's risk-based audit plan, which considered the IEE report issues and IPA decentralization reform, AUD targeted a number of high risk areas to review at all three decentralized office levels. For most offices, the reviews included an administrative and financial review component. In addition, at a selected number of offices, the review also included objectives to assess the efficiency and effectiveness of the decentralized offices in developing, promoting, overseeing and implementing agreed priorities and strategies at their respective levels; and to assess the effectiveness of project implementation and management of emergency, non-emergency and ISFP projects. The findings from these reviews are included in individual country reports with capping reports on common issues that deserve attention at the corporate level.

27.   In total, AUD presented management with more than 284 recommendations to improve FAO's programme and project operations in the decentralized offices. Management accepted more than 95 percent these recommendations and has either taken or planned appropriate action to fully implement them. Most of AUD's recommendations concentrated on improving controls and processes in the areas of budget, financial management, procurement, programme and project management, human resources and reporting to donors, governments and FAO headquarters.

Finance and Administration

28.   The field audits in 2009 identified the following common weaknesses:
   - Financial records were often imprecise and inaccurate with expenditure frequently charged to inappropriate child accounts, in particular the generic account 6152 (Miscellaneous GOE).

- Procurement rules (MS 502) were often misinterpreted resulting in infrequent use of a procurement committee and weak documentation of decisions taken. Also there was often no procurement planning which could have resulted in inefficiencies.
- Off-site delivery of goods or services was not consistently certified.
- Representations continued to use Personal Service Agreements (PSAs) to recruit operational support staff because it is a quicker process that does not require obtaining clearance from CSH/Budapest.
- Poor monitoring of advances often resulted in late or non-collection of staff advances.
- Year-end checks of fixed assets and reconciliation with headquarters records were not routinely performed. This will be essential with the adoption of IPSAS.
- Host governments were not meeting their staffing commitments, resulting in considerable pressures on the efficiency and effectiveness of Representations.
- There were inadequate segregation of duties, insufficient documentation to support payments, staff training, and budget reporting.

29.   The underlying causes of the above weaknesses appear to be insufficient monitoring controls from headquarters and in the respective offices; administrative functions not being adequately resourced in terms of number of staff, structure (e.g. clear reporting lines) and authority; insufficient training and supervision. On a positive note, CSFP has revised MS 502, started training field staff, and has launched the on-line procurement course. These efforts should help improve the procurement process.

Setting priorities and strategies in decentralized offices

30.   AUD found that, generally, there is need for greater guidance and training from headquarters on the planning process and streamlining of systems and procedures for better integration of priorities and strategies, stronger monitoring and structured reporting at all decentralized levels. There is also need to review the balance of technical staff between headquarters and the various levels and the workload of some positions in the SROs and FAORs.

31.   For ROs, AUD found that while all offices had identified regional priorities, they used different approaches to identify and validate them in the absence of corporate guidance. The offices cannot be held accountable for their effectiveness in addressing regional priorities without clear expectations, defined performance indicators and relevant authority and resources to take action. However, ROs must better integrate Sub-regional priorities in their Regional priorities and improve efforts at monitoring and measuring Regional and Subregional performance.

32.   AUD made eight recommendations for improvements at Regional Office level, amongst them the need for TC to clarify the roles of ROs and technical units at headquarters and for ODG to make references to applicable responsibilities of RAP and RNE in light of their exclusion from MS 117 (Regional and Subregional Offices), which defines the functions, location and organizational structure of the offices.

33.   For SROs, AUD found that despite being recently established, the SROs have taken reasonable initial steps to meet their objectives. However, the SROs need to ensure stakeholder and FAOR involvement in the identification and validation of Subregional priorities and strategies and take steps to ensure better integration of national priorities into the Subregional priorities.

34.   While more than 80% of FAORs have taken steps to prepare their NMTP, resources at headquarters and Subregional level to support their efforts have been inadequate. Significant differences in approach have resulted in variation in the quality of the final NMTP documents. One of the key weaknesses identified is insufficient donor involvement in the process. Furthermore, lack of resource mobilization strategy will impact on their capacity to implement the priorities identified in the NMTP. Inadequate staffing of the Representation, both in number and capacity, delays in appointing FAORs and poor communication with headquarters, ROs and SROs have affected the FAORs ability to effectively meet their objectives. FAORs have multiple reporting lines and functions, and do not fully participate in the Multidisciplinary Teams.

Initiative on Soaring Food Prices (ISFP)

35.   In December 2007, the Director-General launched the Initiative on Soaring Food Prices (ISFP) in reaction to dramatic increases in food prices around the world. ISFP assisted member countries with urgent measures, primarily in the form of agricultural inputs, to boost food supply within the next planting season. The immediate action to provide inputs was also intended as a catalyst for mobilizing additional resources from donors and financial institution. AUD issued audit reports on ISFP activities in the Pacific and Sri Lanka and the governance of the projects at headquarters in 2009. A capping report was issued in early 2010.

36.   AUD found that upfront, eligibility criteria for beneficiaries of the project were not agreed and the distribution of inputs to beneficiaries was not adequately controlled. Because of the urgency to prepare and launch the initiative and lack of funds for monitoring project implementation, Government ministries were allowed to identify beneficiaries and distribute inputs and FAO had no means of assurance that the right beneficiaries benefited from the programme. The Organization has learned from these shortcomings and has taken steps to strengthen internal control for the succeeding EUFF projects. This includes stronger monitoring from headquarters and the centralization of the budget-holder function.

C.   SECURITY OVER FAO'S OFFICES, PERSONNEL AND PROPERTY

37.   At the request of the Director-General, AUD conducted a security audit during 2009. The work was carried out in partnership with the United Nations Department of Safety and Security (UNDSS), utilizing United Nations security specialists from both the New York and Geneva offices. The report documented a number of significant areas requiring attention to improve headquarters complex security in terms of established UN security standards, improve the operation of the internal security organization, and enable the Director-General to fully perform his responsibilities as "Designated Official" for Italy for security matters in the UN System.

38.   The review found that field security has benefited significantly from the field security structures created by UNDSS and from the determination and energy of the Field Security Focal Point. It thus performs generally on a par with other UN agencies. However, potentially significant weaknesses remain, with the result that overall the level of performance cannot be considered satisfactory. In particular, offices funded by extra-budgetary sources receive a lower standard of protection, security risks specific to FAO are not covered, security measures undertaken do not consistently provide the expected level of protection, and managers in the field have a variable understanding of their responsibilities for security.

39.   The report provided management with 71 recommendations to improve security arrangements within the Organization. Following the audit, an Action Plan to improve security, safety and crisis management activities in FAO and exercise better the responsibilities entrusted to the Director-General as "Designated Official" has been developed for consideration of the Director General.

D.   LETTERS OF AGREEMENT

40.   AUD issued two reports that addressed issues related to the scope and policy for using Letters of Agreement (LOAs) to establish the terms of agreement with Recipient Organizations for specialized services and work products, as well as the financial and technical monitoring of issued LOAs.

41.   The reviews concluded that MS 507 and other established procedures do not provide a reasonable framework for managing LOAs. A previous report issued in 2004 made 20 recommendations to improve MS 507 policy and suggested that an Inter-Departmental Working Group (WG) be formed to identify the best way to implement them. Many of the key recommendations are still pending and remain valid. Furthermore, AUD identified other key issues, which include:

- MS 507 is often used to avoid using more suitable procurement instruments defined under MS 502 requirements;
- lack of transparency in Recipient Organization selection, inadequate justification for the selection of the Recipient Organization and absence of competitive selection processes in situations where this would be feasible; and
- MS 507 is often used to conduct activities for which the LOA instrument was not originally designed e.g partnerships, which results in long clearance procedures and increased risk.

42.   Furthermore, the reviews identified significant weaknesses in both the financial administration and technical monitoring of LOAs. Specific weaknesses include: i) failure to use performance indicators to evaluate performance, ii) lack of uniform reporting standards leading to significant differences in the quality and usefulness of reports submitted by the Recipient Organizations under the LOAs, iii) inadequate monitoring by responsible FAO offices, iv) inadequate filing and management of LOA-related information, and v) inadequate preparation of the budget and statement of expenditures by the Recipient Organizations and FAO. Management accepted the recommendations and has started to implement them.

E.   PROCUREMENT

43.   AUD conducted two significant procurement reviews in 2009. The first audit highlighted that the procurement process is often unduly slow because the response rate to tenders is low and this hampers the efficiency of the procurement process. This occurs because of weaknesses in (i) the compilation of lists of firms to be invited, (ii) maintenance of the vendor database, and (iii) short deadlines given to prepare and submit bids. Furthermore, fair competition among vendors is not routinely monitored, especially when invitations are sent through FAO Representations or third parties. These weaknesses negatively impact on the efficiency, effectiveness, timeliness and transparency of the procurement process and the report made a number of recommendations to address these issues.

44.   The second audit reviewed the multi-services contract for cleaning, which had an annual value of more than EUR 3.0 million. AUD noted problems in the awarding, administration and monitoring of this contract. The report made seventeen recommendations to improve the procurement and monitoring processes for this contract. The contract in question finished in 2009 and AUD was pleased to note that the tendering process for the new contract corrected some of the key problems experienced under the last tender, in particular the specifications for the contract were re-written and a more appropriate contract was prepared with LEG's assistance.

F.   FINANCIAL MANAGEMENT

45.   AUD reviewed a request for write off of USD 4,091,182 in respect of non-recoverable assets and other receivables dating back several years and to a large extent a legacy issue relating to a change of accounting systems. It concluded that the methodology used by the Finance Division (CSF) to identify and quantify non-recoverable assets and other receivables was reasonable, and it had taken appropriate action to contact the debtors in an attempt to recover outstanding amounts, or otherwise fully justified the reasons for non-recovery. AUD was also satisfied that the system defects underlying most of the cases concerned had been addressed by improvements since the transactions concerned took place. The proposed write-offs were also found to be accurate and properly supported. However, AUD noted that CSF's review of outstanding balances was an on-going exercise and that additional items would probably be submitted as separate requests for write-off in the future.

G.   AUDIT RECOMMENDATIONS AND RESOLUTION

46.   In 2009, AUD's 40 audit reports included 419 recommendations to improve efficiency and effectiveness, enhance internal controls and raise fraud awareness. In addition, AUD issued

the first six field verification reports following its assumption of the Local Audit Programme previously administered by CSF. Attachment A lists the 2009 reports by organizational group. Statistics on 2009 recommendations classified by process, implementation status of past recommendations, and outstanding recommendations from 2002-2007 by risk level are presented below.

2009 Recommendations by Process
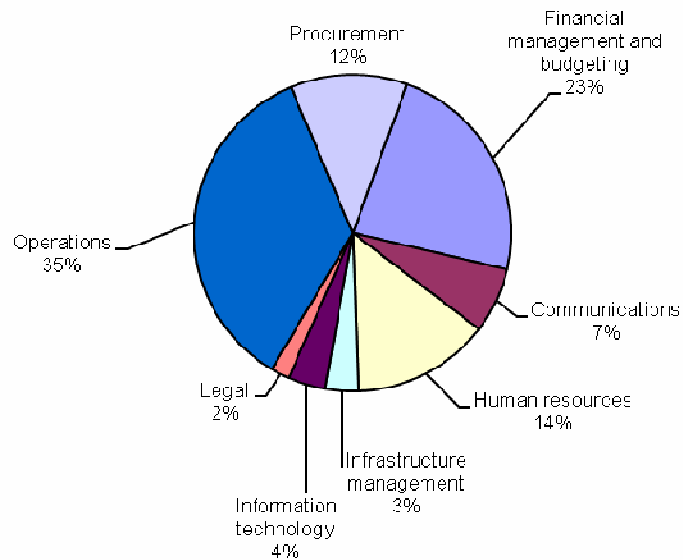
Status of implementation of all recommendations issued by AUD

from 2002 to 2009, as at 31 December 2009

	2002	2003	2004	2005	2006	2007	2008	2009
Open	-	-	-	5	3	6	32	201
Ongoing	3	3	3	4	23	17	56	99
Closed	455	559	309	416	396	333	202	119
% Closed	99%	99%	99%	98%	94%	94%	70%	28%
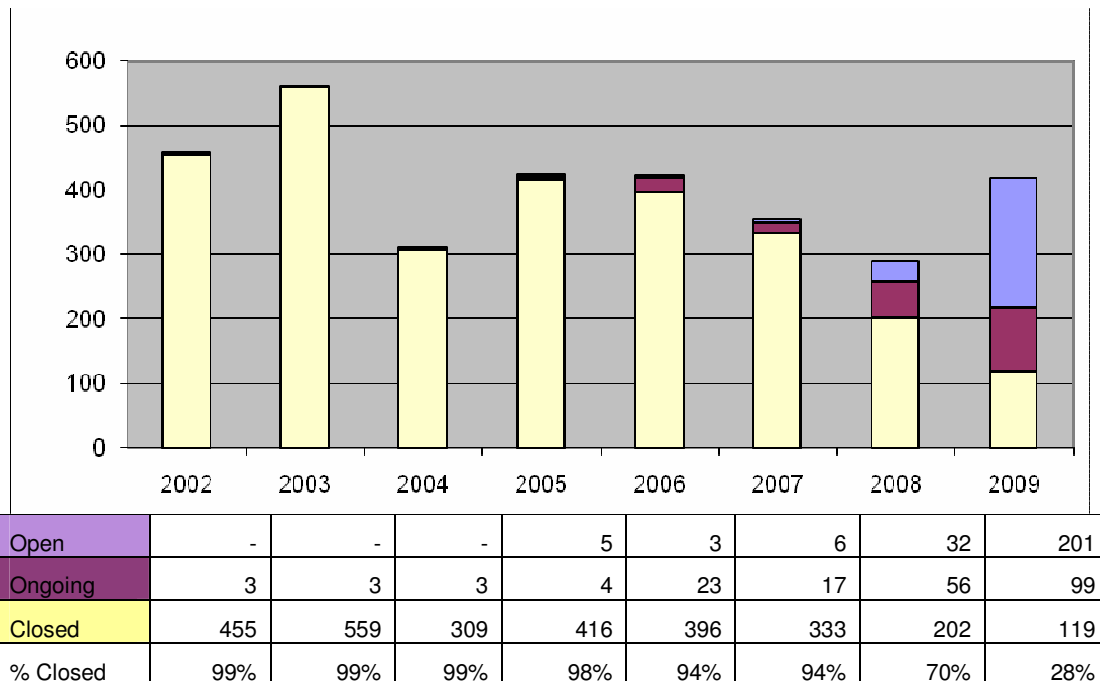
Note: Statistics are based on information reported by the auditees.

47.   At the request of the Audit Committee, AUD revised its definitions for ranking audit recommendations. In this regard, AUD considered the classification methods used by other United Nations oversight offices. Based on this analysis, knowledge of FAO and input from the Audit Committee, AUD developed the following definitions by risk category:

High	Failure to implement the recommendation will most likely lead to the occurrence or recurrence of an identified high-risk event that would have a **serious impact on the Organization's mandate, operations, or reputation.** The action is **critical** to the system of internal control and should be implemented immediately.
Medium	Failure to implement the recommendation will most likely lead to the occurrence or recurrence of an identified risk event that would have a **significant impact on the department/entity's mandate, operations, or reputation.** The action has a **significant** effect on the system of internal control.
Low	The recommendation is important to maintain a reasonable system of internal control, provide better value for money or improve efficiency. Failure to take action may diminish the ability to achieve business entity objectives effectively and efficiently.

48.   The above definitions take into account both impact and probability of occurrence. There are several criteria used for evaluation of impact such as reputation, financial, personnel, operational factors, and achievement of objectives, while likelihood varies from rare to almost certain. The following matrix combines impact and likelihood:

IMPACT/LIKELIHOOD	Rare	Unlikely	Medium	Likely	Expected
Low	Low	Low	Low	Low	Low
Medium	Low	Low	Medium	Medium	Medium
High	Low	Medium	Medium	High	Hight
Very High	Medium	High	High	High	High

49.   As indicated in the table below, of the 455 outstanding recommendations for 2002-2009, 43 are considered to be high risk, where failure to take action could result in critical or major consequences for the Organization. The 43 high risk recommendations comprise 29 that were made in 2009, six in 2008 and eight prior to 2008. The primary issues addressed by the eight recommendations made prior to 2008 related to IT disaster recovery arrangements, health and safety policy, accountability of budget holders, project accounting manual, framework for WAICENT activities, Oracle security administration, and framework for UTF projects funded by financing institutions. AUD continues to follow up with management on the implementation of these recommendations.

<u>Outstanding Recommendations 2002-2009</u>

<u>by Process and Risk</u>

	Risk			
Process	**High**	**Medium**	**Low**	**Total**
Financial management and budgeting	3	51	55	**109**
Communications	1	15	9	**25**
Human resources	3	37	32	**72**
Infrastructure management	3	2	7	**12**
Information technology	6	20	11	**37**
Legal	-	4	1	**5**
Operations	26	111	19	**156**
Procurement	1	21	17	**39**
Total	**43**	**261**	**151**	**455**

V.   Investigations

50.   The Investigations Unit is responsible for promoting an environment of integrity throughout the Organization's operations through the detection, investigation and prevention of fraud and misconduct. The Unit ensures that investigations results are captured in order to develop lessons learned and recommends procedural and policy changes that enhance integrity within FAO.

51.   There was a significant increase in 2009 of the workload of the Investigation Unit. To respond to the increasing number of complaints within the resources available, the Unit developed a case prioritization system, which categorizes allegations as high, medium or low priority. The prioritization of cases is based on a system that weighs the (i) impact on FAO organizational

objectives, (ii) impact on FAO's finances, (iii) impact on present and future FAO operations, (iv) ability to deter future wrongful practices, (v) estimated cost of resolution of allegations; and (vi) likelihood of resolution.

52.   2009 was also characterized by significant progress in enhancing the unit's capacity and strengthening prevention efforts as well as expanding integrity outreach.

53.   As part of the strategy for attaining the objectives set out in the "Road Map for Strengthening FAO's Integrity and Anti-Corruption Framework", the Legal Office (LEG), the Human Resources Management Division (CSH) and AUD jointly retained a consultant to develop an overarching policy paper on Integrity at FAO, which was submitted to the Director-General in June 2009. The document, "A Roadmap for the Food and Agriculture Organization: A discussion of the issues facing FAO at it improves its integrity programme, with recommendations", provides guidance and explanations relating to integrity matters. It focuses on those issues that can be addressed with relative ease, and others that may take considerable time, offering some direction for the more challenging decisions.

54.   AUD drafted Guidelines for Internal Administrative Investigations (Investigation Guidelines), incorporating input from LEG, CSH and the Staff Representatives. The Guidelines were developed to better ensure (i) proper and consistent implementation of FAO's staff rules and regulations when investigating allegations of wrongdoing involving FAO personnel, and (ii) that investigations are conducted in a thorough, extensive, objective and consistent manner, in accordance with high professional standards and good investigative practice. Some further amendment will be required to harmonize with updates of the Uniform Guidelines for International Investigations, and a final set of Guidelines are expected to be issued in the first semester of 2010.

A.   INVESTIGATION CASE LOAD MANAGEMENT

55.   During 2009, AUD had a growing caseload, receiving 57 new complaints compared to 32 in 2008. Figure 1 below provides an overall view of the disposition of cases during the year:

Figure 1: Case Load – Disposition of complaints in 2009 (and 2008 for comparison)

Caseload	2008	2009
Cases Carried over from previous years	18	21
New Cases Opened	32	57
Total Complaints	**50**	**78**
Cases Closed	29	41
Ending Case Load	**21**	**37**

56.   The unit issued six investigation reports, a special report on Disciplinary Procedures Analysis and reported a special assignment in response to a request from Directeur-de-Cabinet. Some complaints were resolved without the need for a formal investigation and some cases were closed by issuing investigation memoranda, while others were found to fall outside AUD's mandate and were consequently referred to other Divisions, or to the audit unit as appropriate.

57.   As indicated in Figure 2 below, in 2009 most complaints came from staff members. The growth in the number of complaints and queries may be the result of the higher visibility of AUD due to the outreach strategy, and perhaps, an indication of confidence in AUD's work.

**Figure 2: Source of complaints in 2009**
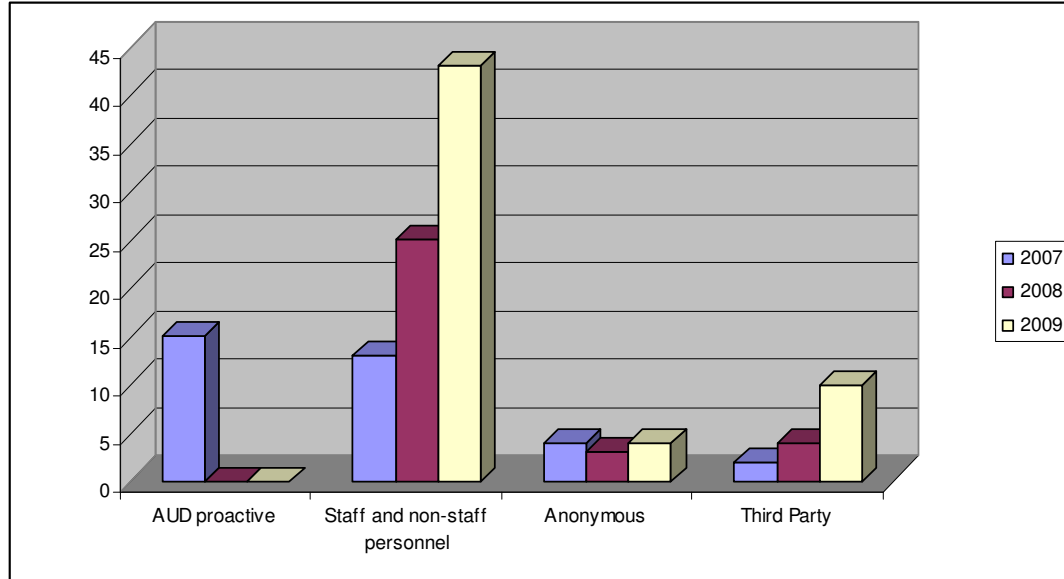
58.   AUD first makes an initial evaluation to determine if the complaint falls under AUD's mandate. Next, AUD conducts a preliminary review to assess the complaint and determine whether the complaint warrants further inquiry. In addition, each complaint is identified as being Low, Medium or High Priority, in accordance with the criteria set forth in the triage system. The level of priority of each case may be altered in light of the information gathered during the preliminary review or thereafter.

59.   AUD's investigation will conclude on whether the allegations are**:**
- substantiated, the evidence gathered is sufficient to establish that the allegation is true, and fraudulent activity or misconduct occurred,
- substantiated, the evidence gathered is sufficient to establish that the allegation is true, and fraudulent activity or misconduct occurred,
- unfounded, the evidence is reasonably sufficient to conclude that the allegation is not true and no fraudulent activity or misconduct occurred.

60.   Figure 3 below shows the results according to these conclusions for cases closed in 2009:

Figure 3: Outcome of investigations in 2009
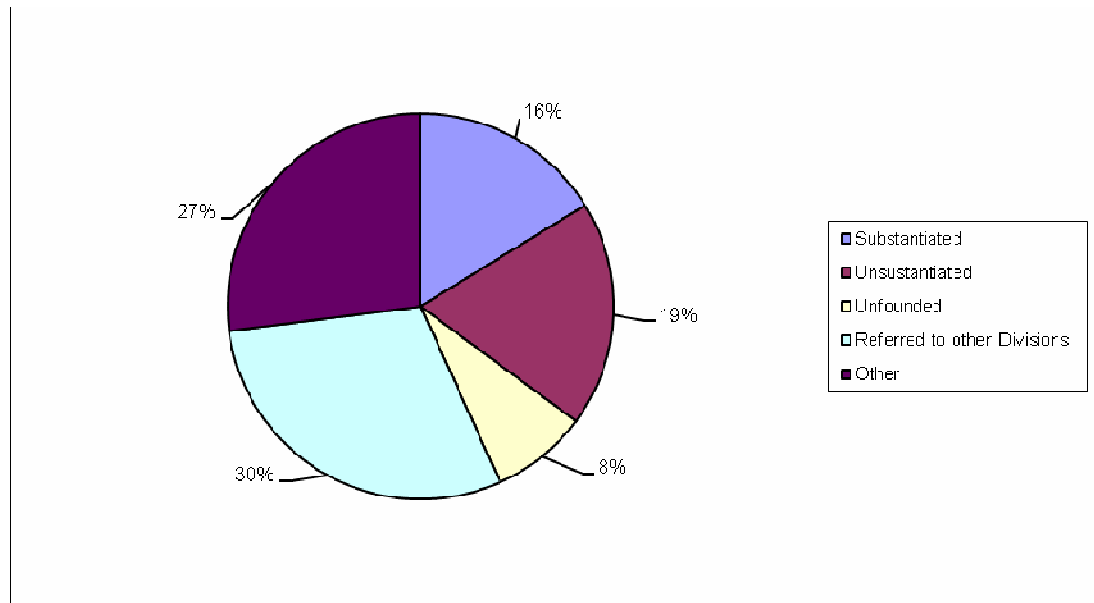
61.   The chart in Figure 4 shows the types of allegations investigated during 2009. It is important to note that an individual complaint received by AUD may include multiple allegations. The initial classification of allegations is based on the preliminary information AUD receives. Over the course of an investigation AUD may modify the classification as more information becomes available.

Figure 4: Type of allegations
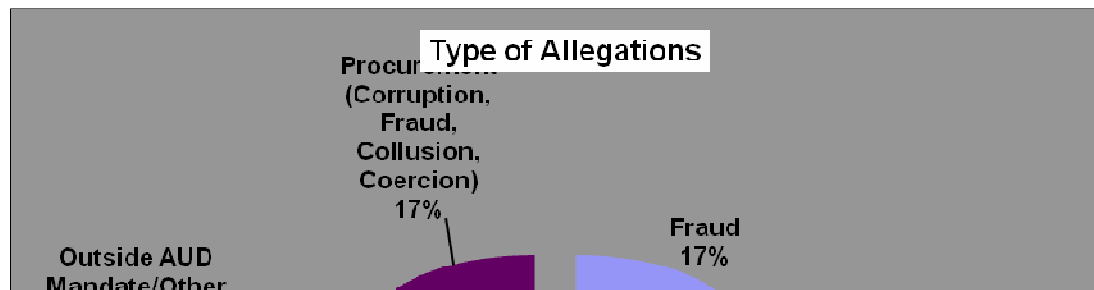
Examples of cases investigated

62.   The following summary presents examples of cases completed in 2009, the findings of which led, or are likely to lead, to disciplinary measures and/or lessons learned, as appropriate:

Case 1: As a result of an investigation concerning several allegations against a company that was awarded a contract in headquarters, AUD uncovered that the company had provided several false and fraudulent documents as well as misleading information in its bid. The report also uncovered weaknesses in the tender and evaluation process, which AUD brought to Management's attention. AUD recommended the Organization take action to find a suitable replacement for the Organization's contracting needs.

Case 2: AUD investigated an allegation concerning an amount of USD108 000 that had gone missing from a money-vendor transaction in an emergency programme. The Unit investigated the complaint against a former FAO consultant who worked as a Programme Officer for an FAO Country Office, alleging that he falsely represented that five suppliers had been paid for services they provided to FAO. AUD concluded that the consultant had fraudulently obtained USD108 000 from FAO by knowingly providing false information to the Organization, wrongly instructing the money vendor to credit the money into his account and failing to pay the suppliers.

Case 3: AUD substantiated the allegations that companies owned and/or controlled by one person colluded in the preparation of bids submitted to FAO for supply of agricultural tools, as part of a fraudulent scheme. The bids were prepared to look as though they were from separate entities. Submitting multiple bids, where each appeared to be independent from the others, created the false impression that there was competition between the companies, when in substance the bids were from the same person.

Case 4: AUD uncovered that a National Programme Coordinator (NPC) was associated with the management of two organizations that made up one of the projects under his supervision and that he used his official FAO position to favour his friends and family. AUD found that the NPC had favoured one project because he had personal interests that he had not declared to FAO, lacked the required neutrality in the management of this project and failed to regulate his conduct with the interests of FAO only in view. AUD also uncovered that he had engaged in outside activities with individuals involved in FAO projects.

Case 5: AUD investigated allegations that during the procurement process a National Project Officer (NPO) for a Country Representation favoured companies and NGOs that he was linked to. AUD concluded that the NPO had abused his official position and made repeated, dishonest representations to colleagues, superiors, CSAP and TC. His objective was to influence the procurement process to create a situation in which FAO repeatedly awarded contracts to companies owned or operated by himself and/or his family members.

Case 6: AUD uncovered a supplementary payment scheme and determined that a UNV volunteer had committed fraud against FAO for a total amount of USD 9,471.00, by submitting Travel Expenses Claims and other travel reports containing false information, for national travel that had not, in fact, been undertaken. The scheme had been designed to "compensate" the UNV volunteer for added responsibilities which the UNV contractual arrangements did not entitle him to receive.

VI.   AUD Management

A.   STATUS OF RECOMMENDATIONS OF THE INTERNAL AUDIT EXTERNAL QUALITY ASSURANCE REVIEW

63.   Following a quality assurance review of the audit function of AUD by the Institute of Internal Auditors (IIA) in 2007, AUD prepared a corrective action plan which the Audit Committee closely monitors. In 2009, the AUD fully implemented an electronic working paper system (TeamMate), which allows AUD to better manage and supervise its audit assignments. It also began conducting client satisfaction surveys at the end of its audits as part of its Quality Assurance Improvement Plan (QAIP).

B.   AUD STAFFING AND BUDGET

64.   At 31 December 2009, AUD had 27 posts, comprising the Inspector General, 20 professional and six general service posts. Four of the professional audit staff are outstationed at each of the ROs in Cairo, Bangkok, Accra and Santiago de Chile. Attachment B to this report depicts AUD's staffing situation, with some demographic information, as at 31 December 2009.

65.   The post of the Inspector General fell vacant on 31 December 2009 upon the retirement of the former IG. In anticipation of this retirement, the Organization had initiated recruitment action well in advance to minimize the amount of time this key position would be vacant. Recruitment was completed in early January 2010, and the new IG took up the post on 6 February 2010.

66.   As at 31 December 2009, AUD had vacancies in nine Professional level (45%) and one General Service level vacant headquarters posts, as indicated in Attachment B. Five of the professional level posts were newly established to carry out upgraded positions, while the others arose late in 2009 from internal transfers to other senior posts in FAO. AUD advertised these vacancies in July and December 2009 and January 2010. In December 2009, AUD secured commitments from candidates to fill three of the professional level posts. Recruitment action on the other vacancies was continuing at the end of the year with a view to filling most of the vacancies in the first semester of 2010. Advertisement of all General Service vacancies in the Organization was put on hold in October 2009 pending an internal redeployment exercise. AUD's recruitment efforts for the vacant auditor and investigator posts have faced the challenge of achieving well balanced shortlists in terms of gender, language and other diversity factors. The Office will continue to pursue search techniques to help achieve this balance.

67.   AUD sought to reduce the impact of these vacancies on AUD's ability to fully complete its 2009 audit plan, and to respond quickly to growing investigation needs, through internal redeployments within AUD, short-term consultancies and the Organization's temporary assistance pool.

68.   Training and development continue to be important aspects of the overall management of AUD. Staff development is composed of three elements: professional audit training, language training and training in the use of technology. AUD's annual in-house training event for all staff, including the regional auditors, covered enterprise risk management, programme reform issues and more advanced training on the TeamMate system.

69.   AUD's time reporting and control system represents a useful internal management tool through which staff record their time in half-hour units of activity. The results are reported to the Inspector General and used by AUD to identify areas for efficiency improvements and for planning purposes. The information is also used to provide analyses on staff usage as requested by the Audit Committee. Of the total 2009 professional staff time, including consultants, Audit absorbed 73%, of the time while Investigations 27%.

70.   The final 2009 budget allotment amounted to USD4.7923 million, compared with USD 3.3 million for 2008. The budget for 2009 included the transfer of USD1.315 for the Local Audit Programme (LAP) transferred to AUD. However, due to delays in recruiting candidates for the five newly-created positions to carry out the former LAP function, AUD ended the year with a surplus of over USD580,000, which was returned to OSP to be reallocated.

C.   AUDIT OUTREACH

71.   AUD plays a prominent role in the Conference of International Investigators. The Inspector General was a member of the Secretariat of the 10th Conference of International Investigators hosted by UNRWA which took place in June 2009 in Amman, Jordan. The Inspector General and the Senior Investigator represented the Organization at the Conference. The main topics addressed included, prevention programmes, financial disclosures practices and

programmes, case studies, whistleblower programmes and United Nations Corruption Convention applicability in International Organizations.

72.   In addition, the Senior Investigator led the Conference's Working Group that reviewed the Uniform Investigative Guidelines that had been approved by the 4th Conference in 2003. Following one year of extensive discussions and consultations, in recognition of the need to continue to improve investigative practices in International Organizations the Conference endorsed a new edition of the Uniform Guidelines. Furthermore, AUD is a member of the Secretariat for the 11th Conference and is actively involved in its planning and preparation.

73.   The Inspector General represented the Organization at the annual meeting of Representatives of Internal Audit Services (RIAS) of the United Nations and Multilateral Financial Institutions, hosted by UNDP and held in Kuala Lumpur, Malaysia in September 2009. The meeting addressed matters of current interest to participating organizations, including International Public Sector Accounting Standards (IPSAS) implementation, Enterprise Risk Management (ERM) implementation, coordination with EC on the Verification Clause, best practices relating to Audit Committees, IT Audit Strategies, and disclosure of internal audit reports to member countries. AUD also participates in RIAS working groups aimed at harmonizing auditing practices, developing audit strategies for auditing joint offices, multi-donor trust funds (MDTFs) and operations.

74.   The Inspector General and senior AUD staff also collaborate with senior officials and representatives from Member Nations, the External Auditor, the Joint Inspection Unit and colleagues from oversight functions in other UN and international organizations to discuss and share information related to their work. The Inspector General also met regularly with counterparts from the Rome-based agencies on issues of common interest.

75.   To avoid duplicating audit efforts and obtain greater audit efficiencies, AUD shared its audit strategy and work plan, as well as all its audit reports, with FAO's External Auditor. AUD also has ongoing planning meetings and discussions with the Office of Evaluation (OED), to avoid duplicating review efforts and obtain synergies in their respective oversight roles and responsibilities. In 2009, AUD assigned an internal auditor to serve as a key member of OED's country review team for the Democratic Republic of the Congo.

Office of the Inspector General
Reports issued in 2009
Headquarters Activities

Subject matter	Reports issued
Headquarters Activities	
Procurement	AUD 809
Multi-Services Contract - Puli-Coop	AUD 909
Management of sensitive information in the Cabinet	AUD 1009
Letters of Agreement: Scope and Policy	AUD 1609
Letters of Agreement: financial and technical monitoring	AUD 1709
Commissary: inventory count 2008	AUD 2009
Security over FAO's AUDs, Personnel, and Property	AUD 2109
IT Governance	AUD 2309
Commissary write-offs 2008	AUD 2809
Review of IPA Implementation Arrangements	AUD 3009
Risk Management in FAO	AUD 3309
Write-off of longstanding receivables and prepayments	AUD 6309
Decentralized Activities	
Regional, Subregional and Liaison Offices:	
Key Issues Affecting Regional Offices in Addressing Regional Priorities	AUD 109
Effectiveness of addressing regional priorities: Regional Office for Asia and the Pacific	AUD 309
Effectiveness of addressing regional priorities: Regional Office for Africa	AUD 409
Effectiveness of addressing regional priorities: Regional Office for the Near East	AUD 509
Effectiveness of addressing regional priorities: Regional Office for Latin America and the Caribbean	AUD 609
Effectiveness of addressing regional priorities: Regional Office for Europe	AUD 709
Subregional Office for Central and Eastern Europe-SEU – Budapest, Hungary	AUD 2709
Effectiveness in Addressing Subregional Priorities – Multi-Disciplinary Team for South America – (SLS)	AUD 2909
Limited scope review of ISFP Activities in the Pacific	AUD 3509
Limited scope review of Financial and Administrative Controls at SAP	AUD 3609

FAO Representations and specific programmes, projects and other topics:	
FAO Representation in Syria	AUD 209
FAOR Togo: Limited scope review	AUD 1109
FAO El Salvador – Limited scope review	AUD 1209
FAO Nicaragua - Limited Scope review	AUD 1309
FAO Myanmar comprehensive audit	AUD 1509
ISFP Sri Lanka	AUD 1809
ISFP Headquarters	AUD 1909
Review of FAO Nepal	AUD 2209
FAO Benin -Limited scope review	AUD 2409
Review of the FAO Representation in DRC	AUD 2509
Review of the FAO Representation in Mozambique	AUD 2609
FAO Representation - Somalia	AUD 3109
FAO Representation in Colombia	AUD 3409
Financial and Administrative Controls at LOW	AUD 3809
US Tax Management Procedures at LOW	AUD 3909
FAO Representation in Peru	AUD 4009
Review of the EU Food Facility in Zimbabwe	AUD 4109
FAOR Swaziland	AUD 4209
Field Verification Audits	
Finance and Administration: Subregional Office for Latin America and the Caribbean (SLAC)	AUD 4609
Finance & Admin - Guatemala	AUD 4809
Finance & Admin - Haiti	AUD 4909
Finance & Admin - Dominican Republic	AUD 5109
Finance & Admin - Jamaica	AUD 5209
Finance & Admin - Honduras	AUD 5309
<u>Investigations Unit</u>	
Disciplinary Procedures Analysis-Consistency of Decisions and Procedures	AUD 1409
Investigation into issues of collusion.	INV 109
Investigation into diversion of funds in FAO's emergency programme.	INV 209
Investigation into related-party transactions in FAO Representation.	INV 309
Investigation into issues related to a tender.	INV 409
Investigation into an NPC association in the management of projects.	INV 509

Investigation into Travel Expense Claims containing false information.	INV 609

Office of the Inspector General

Organization Chart

2009

Inspector General	
A. Lo Faso	D-2

Secretarial and administrative support	
K. Travers	G-6
G. Byrd	G-4
K. Singh	G-4
B. Zak	G-3
Vacant	G-3

Headquarters Activities	
D. Temme	D-1
Vacant	P-4
D. Ramirez	P-3
M. Mukhitdinova	P-3
Vacant	P-2
D. Chiodi	G-5

Decentralized Activities	
Vacant	P-5
A. Barrow (HQ)	P-4
F. Lincke (RLC)	P-4
D. Richards (RAP)	P-4
A. Shalaby (RNE)	P-4
M. Smith-John (RAF)	P-4
FVU Inspections	
Vacant	P-5
Vacant	P-3
Vacant	P-3
Vacant	P-3
Vacant	P-3

Investigations Unit	
P. Fonte	P-5
Vacant	P-4
M. Carbone	P-3
J. Ritter	P-2

Office of the Inspector General

Staffing table as at December 2009

	Grade	**Male**	**Female**	**Vacant**	Total
Inspector General	D2		1		**1**
Auditors					**16**
Principal Auditor	D1	1			
Senior Auditor	P5			2	
Regional Auditor	P4	3	1		
Auditor	P4	1		1	
Auditor	P3	1	1	4	
Auditor	P2			1	
Investigators					**4**
Senior Investigator	P5	1			
Auditor/Investigator	P4			1	
Investigator	P3		1		
Investigator	P2		1		
Audit Clerk	G5		1		**1**
Secretarial and Administrative Support					**5**
Secretary	G6		1		
Clerk/Typist	G4		1		
Records Clerk	G4	1			
Clerk/Typist	G3		1	1	
		8	**9**	**10**	**27**

The following countries are represented in the above

Country	Professional and above		General Service	**Total**
	Headquarters	Region		
Argentina	1			**1**
Canada			1	**1**
Egypt		1 (RNE)		**1**
Germany		1 (RLC)		**1**
India			1	**1**
Italy	1		1	**2**

Jamaica		1 (RAF)		**1**
Spain	1			**1**
UK	1		1	**2**
USA	3	1 (RAP)	1	**5**
Uzbekistan	1			**1**
Vacant	9		1	**10**
	17	**4**	**6**	**27**