



Global Environment Facility

GEF/C.33/Inf.10

March 24, 2008

GEF Council
April 22-25, 2008

AUDITS OF THE ACTIVITIES OF THE GEF SECRETARIAT AND THE GEF EVALUATION OFFICE

1. For the first time in the history of GEF, the CEO has requested an audit of the full range of operations of the GEF Secretariat and the Evaluation Office. As a result, the World Bank's Internal Auditing Department (IAD) conducted an audit of the activities of the GEF Secretariat and the GEF Evaluation Office in Spring 2007. The audit was done using transactions made during FY06 (July 1, 2005 – June 30, 2006) and the first half of FY07 (July 1 – December 31, 2006). The audit's objective was to determine whether the risk management, control and governance processes over the activities of the GEF Secretariat and the GEF Evaluation Office provided reasonable assurance that:

- (a) resources were acquired economically and used efficiently;
- (b) significant financial, managerial and operating information was accurate, reliable and timely;
- (c) significant programs, plans and business objectives were achieved;
- (d) actions of the organization were in compliance with policies, procedures, contracts, and agreements; and
- (e) assets were safeguarded.

2. The results demonstrate that apart from some minor administrative corrections that need to be made, the operations are being carried out to the highest possible standards of accountability.

3. The following four documents are now available for review as Annexes to this document:

Final report from the Auditor General – GEF Secretariat
Detailed Summary of Observations – GEF Secretariat
Final report from the Auditor General – GEF Evaluation Office
Detailed Summary of Observations – GEF Evaluation Office

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
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January 28, 2008


Ms. Monique Barbut,
Chief Executive Officer and Chairperson, GEF

Report on an Audit of the Activities of the Global Environment Facility's Secretariat

Please find attached the final report for the above-mentioned audit which was circulated earlier in draft form. We understand that all the recommendations in the report have been or are being implemented.

Our first follow-up of the implementation status of recommendations will be December 31, 2008.

At this time, we would like to convey our sincere appreciation to management and staff for the courtesies extended to the audit team. If we can be of further assistance, please do not hesitate to contact us.



Carman Lapointe-Young
Auditor General
Internal Auditing

Attachment

cc: Messrs./Mmes. Zoellick (EXC); Choudhury (CSRVP); Pulley (GSDDR);
De Poerck (ISGVP); Sierra (SNDVP); Briggs (GEF)

Deloitte & Touche, LLP

Report on an Audit of the Activities of the Global Environment Facility's Secretariat

Background

At the request of the Global Environment Facility (GEF) Chief Executive Officer (CEO) and Chairperson, and as part of its FY08 work program, the Internal Auditing Department (IAD) has conducted an audit of the activities of the GEF's Secretariat.

The GEF helps developing countries fund projects and programs that protect the global environment, and supports projects related to biodiversity, climate change, international waters, land degradation, the ozone layer, and persistent organic pollutants. The GEF Secretariat serves and reports to the GEF Assembly and Council and is headed by the GEF CEO and Chairperson. It is supported administratively by the World Bank and had an administrative budget of approximately US\$12 million in FY07 and \$13 million in FY08. Its main functions include implementing the decisions of the GEF Assembly and the Council, and coordinating the implementation of GEF projects and programs as well as the formulation of policies and operational strategies.

Objectives and Scope

The audit's objective was to determine whether the governance, risk management and control processes over the activities of the GEF Secretariat provide reasonable assurance that:

- resources are acquired economically and used efficiently;
- significant financial, managerial and operating information is accurate, reliable and timely;
- significant programs, plans and business objectives will be achieved;
- actions of the organization are in compliance with policies, procedures, contracts, and agreements; and
- assets are safeguarded.

The audit covered key controls relating to the business processes used to manage the Secretariat's resources and main activities. Fieldwork was performed from July to December 2007 and focused on the period FY05 to FY07.

Overall Conclusion

Our overall conclusion is that the governance, risk management and control processes over the activities of the GEF Secretariat ***need improvement***. Deficiencies exist in control processes such that reasonable assurance regarding the achievement of control and/or business objectives under review may be at risk.

Key Business Issues

Procurement. There were a number of instances in which the Secretariat did not fully use the Bank's procurement processes to acquire services. These cases related to the hosting of a workshop, at a total cost of \$33,000, which was claimed through a travel statement of expense without maintaining documentary evidence of either required competition or approval of exceptions to competition, and two payments totaling \$11,000 to two NGOs, for travel-related administrative expenses, that were not covered by contractual agreements. IAD recommended that steps be taken to ensure that the Secretariat consistently acquires all services through the full use of the Bank's procurement processes. The GEF CEO has agreed to meet with the Bank's General Services Department (GSD), by March 31, 2008, to explore options to meet their business needs.

Group and NGO Travel Guidelines. The Secretariat's current guidelines do not cover travel related to Council members and alternates attending GEF Council meetings outside Washington DC. The guidelines also have different rest stop requirements for NGOs and for Council members. To ensure completeness and consistency with the Bank's travel guidelines, IAD recommended that the Secretariat develop complete group and NGO travel guidelines and request GSD to review and clear them. The GEF CEO has agreed to re-issue more explicit travel guidelines by March 31, 2008.

Travel-related Cash Payments. In one of the cases reviewed, the Secretariat made travel and subsistence cash payments totaling \$41,000 to 22 attendees of an overseas Council members and alternates event, and did not keep records of the identities of the individuals who received the payments. Since making such relatively large cash payments poses risks for staff, IAD recommended that steps be taken to minimize the payments made in cash, and to retain records of the identities of any individuals who receive cash payments. The GEF CEO agreed to strengthen controls over ID verification, should future cash payments be necessary, by March 31, 2008.

Operations Manual. The Secretariat's Operations Manual is outdated as it has been in draft since 2005. To ensure that all staff consistently have easy access to up-to-date approved policies and procedures, IAD recommended that steps be taken to finalize the Manual and to develop a mechanism for updating it on a periodic basis. The GEF Secretariat has responded that a comprehensive Operations Manual will be completed in time for presentation to the Council at the meeting of April 2008. The Manual will be updated after every Council meeting, when any changes to policies are agreed upon.

Representation Expenses. Full details of the guests entertained and the purpose and type of entertainment provided were not stated on reimbursement requests for all 15 reviewed representation transactions, amounting to \$29,000, as required by the Bank's representation policies and procedures. In addition, seven of 15 hospitality transactions

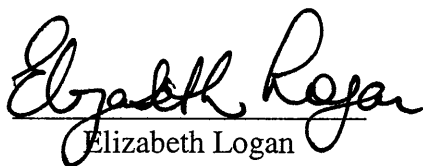
that were reviewed, amounting to \$15,000, were incorrectly booked since they related to representation. IAD recommended that actions, including training, be taken to ensure that staff comply with the Bank's representation policies and procedures. The GEF CEO has agreed to train staff in the systems by March 31, 2008 and require staff to provide all necessary details for future transactions. .

Web Site Vulnerabilities. Four vulnerabilities were identified which exposed the GEF's website to risks of possible alteration or defacement. IAD recommended that corrective actions be taken to address these vulnerabilities. The GEF Secretariat has agreed to implement corrective actions by March 31, 2008.

Service Level Agreements. The Secretariat receives various administrative services from the Bank, and provides information technology and human resources services to the GEF Evaluation Office, without the benefit of written agreements that define the type and level of services to be provided. In order to minimize the likelihood of future misunderstandings relating to these services, IAD recommended that the Secretariat enter into service level agreements with the Bank and the Evaluation Office. The GEF CEO has agreed to develop and sign a Memorandum of Understanding (MOU) with the Bank, by June 30, 2008, for the provision of administrative services to the GEF Secretariat and the GEF Evaluation Office. The GEF CEO will discuss an MOU with the Evaluation Office by the same date. Under these MOUs, service level standards and associated cost arrangements will be established

Compliance Reviews. The Secretariat is not subject to periodic administrative expense compliance reviews such as those that are regularly conducted on Bank units. Since such reviews could ensure that non-compliance instances are detected and corrected on a timely basis, IAD recommended that the Secretariat arrange a system of periodic administrative expense compliance reviews, and consider requesting the Bank's Accounting Department to conduct them. The GEF Secretariat will implement a system by June 30, 2008, in cooperation with the Evaluation Office, for carrying out periodic compliance reviews comparable to those conducted within the World Bank.

Detailed audit results and analyses were provided to management and other parties involved.



Elizabeth Logan
Auditor-in-Charge



David Kanja
Audit Manager

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
1	<p><u>Procurement</u></p> <p><u>Observation:</u> <i>Condition</i> There was an instance in which the procurement process was not fully followed:</p> <p>In April 06, the Secretariat hosted a workshop at the Radisson Water Garden in Bangladesh at a cost of \$33,000. However, there was no documentary evidence of either required competition or approval of exceptions to competition. Reimbursement for the conference expense was claimed on a Travel Statement of Expenses.</p> <p><i>Criteria</i> AMS 15.10 Section 2.8 requires a competitive procurement process for acquiring goods and services valued over \$10,000 unless exceptions to competition have been approved under AMS 15.10 Section 1.34.</p> <p><i>Cause</i> Inadequate oversight.</p> <p><i>Impact</i> Noncompliance with procurement rules.</p>	<p>The GEF CEO should take steps to ensure that staff fully use the Bank's procurement process to acquire services.</p>	<p>Action Plan: The Secretariat will contact the General Services Department (GSD) to explore options for paying GEF side-event/meeting-related expenses which oftentimes come up at the last minute which do not allow time for the vendor registration process in advance.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	Yes	Not Implemented
2	<p><u>Administrative Services Related to NGO Travel Arrangements</u></p> <p><u>Observation:</u> <i>Condition</i> There were two instances where services were not acquired through the procurement process and payments were not covered by agreements with concerned entities:</p>	<p>The GEF CEO should ensure that administrative services related to NGO travel arrangements are acquired through the procurement process and are covered by agreements with concerned entities.</p>	<p>Action Plan: Since 2006, the Secretariat has stopped providing admin. budgets to the NGO network for managing travel to Council. In fact, the Secretariat has started directly paying advances and seeking returns/reimbursement for NGO travel. However, there are also issues with the current system. The Secretariat will establish broad guidelines and resource management systems for NGO travel to Council meetings.</p>	Yes	Not Implemented

Summary of Observations

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	<p>1) During FY05, the GEF NGO Central Focal Point, Fundacion Ecologica Universal which was the NGO responsible for administering the GEF NGO travel grant, was allowed to deduct \$5,000 (10%), out of the \$50,000 NGO travel grant, to cover their administrative services even though this was not provided for in the agreement which governed the transaction.</p> <p>2) During FY06, another GEF NGO Central Focal Point (ZERO) invoiced GEF for \$6,000 (5%) of the \$120,000 NGO travel grant to cover its administrative services. Further, there was no agreement supporting this arrangement.</p> <p><i>Criteria</i> Services should be acquired through the procurement process and should be covered by agreements.</p> <p><i>Cause</i> The Secretariat does not have a clear process for catering for the administrative service costs for arranging NGO travel.</p> <p><i>Impact</i> Misunderstandings could arise on the services to be provided and the administrative service costs to be paid. There is also the risk that the Secretariat may not comply with applicable procurement rules.</p>		<p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>		
3	<p><u>Secretariat Guidelines for Group and NGO Travel</u></p> <p><u>Observation:</u> <i>Condition</i> The Secretariat has developed its own guidelines for travel and subsistence allowances to be provided to Council members and alternates from</p>	The GEF CEO should take steps to develop complete Group and NGO travel guidelines and have them reviewed and cleared by the World Bank's General Services Department.	<p>Action Plan: The GEF travel guidelines are based on the World Bank travel policy. GEF uses the exact same World Bank hotel & per diem allowances as well as airfare rules. Rest stops were not specifically mentioned in the GEF guidelines; however if a traveler asked for a rest stop one was granted as per World Bank rules. The GEF</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>recipient countries attending GEF Council meetings in Washington DC; and to NGO representatives attending NGO consultations and Council meetings. However, there were no guidelines for Council members and alternates attending GEF Council meetings outside Washington DC. A comparison of the two travel guidelines showed that guidelines for NGO travel did not allow for attendees to receive rest stops, but allowed rest stops for Council members.</p> <p><i>Criteria</i> The Secretariat's travel guidelines should be complete and consistent with those of the World Bank which provides administrative support.</p> <p><i>Cause</i> The guidelines may not have been formally developed to cover all the various types of group travel incurred by the Secretariat and reviewed and cleared by the World Bank to ensure that they complied fully with World Bank policies and procedures.</p> <p><i>Impact</i> The absence of clear guidelines may lead to confusion and there is a risk that the guidelines may not be in full compliance with World Bank travel policies and procedures.</p>		<p>travel guidelines were reviewed and cleared by Marc Ballut, Principal Accounting Officer, ACTQC. GEF will re-issue its travel guidelines to make the rules more explicit.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>		
4	<p><u>Reimbursement of Travel and Subsistence Allowances for Members and NGOs Attending Council Meetings</u></p> <p><u>Observation:</u> <i>Condition</i> IAD reviewed one Statement of Expenses (SOE) for group travel for Council members/alternates to attend the 4 day Resource Allocation Framework (RAF) Council meeting held in Paris in March</p>	<p>The GEF CEO should take steps to minimize the amount of travel and subsistence allowances paid in cash.</p>	<p>Action Plan: Cash payments were the preferred method of payment by the Paris Office. Consultations between HQ and the Paris Office took place before the RAF meetings took place. Since the Paris Office was being used to host the meetings, deference was given to their preference in handling the subsistence payments. They do not have a system in place as at HQ to handle having large numbers of checks available for pick-up by</p>	Yes	Not Implemented

Summary of Observations

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	<p>2005 and observed that travel and subsistence allowances, in the amount of \$41,000, were paid out in cash to 22 attendees. The Secretariat guidelines for NGO and Council members did not mention that attendees can be paid in cash, even though this practice was followed.</p> <p><i>Criteria</i> Section 8 of the Secretariat Guidelines for Travel and Subsistence Allowances to be provided to Council Members and Alternates from Recipient Countries attending GEF Council Meetings state that subsistence payments can be made either by check on arrival at the meeting, or by Electronic Transfer directly into the Member's/Alternate's bank account.</p> <p><i>Cause</i> The Secretariat has tried to accommodate members from recipient countries by providing financial assistance (in cash) to enable members to attend Council meetings.</p> <p><i>Impact</i> Large amounts of cash can pose a security risk.</p>		<p>attendees. GEF will continue to work with host Bank offices when planning external meetings in order to provide subsistence payments to attendees.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>		
5	<p><u>Proof of Identification for Cash Payments</u></p> <p><u>Observation</u> <i>Condition</i> Proof of identification was not being retained when travel and subsistence allowances were being paid in cash.</p> <p><i>Criteria</i> It is a good practice to retain copies of the proof of identification for the payment of cash receipts to attendees at the Council/NGO meetings.</p> <p><i>Cause</i></p>	<p>The GEF CEO should amend the guidelines to include a requirement that, when cash payments are made, proof of identification is obtained and retained on file.</p>	<p>Action Plan: Attendees were required to sign a receipt when receiving cash payments. In addition, although copies were not taken of IDs, a visual inspection of IDs was done by GEF staff when picking up the cash. Copies will be made of IDs for future meetings.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date:</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>The guidelines do not require proof of identification be furnished for the payment of allowances.</p> <p><i>Impact</i> Risk that the allowances may not be paid to the proper person</p>				
6	<p><u>Secretariat Operations Manual</u></p> <p><u>Observation:</u> <i>Condition</i> The Secretariat's Operations Manual, which provides staff with the policies, procedures and guidance for the conduct of the work of the Secretariat, has been in draft since 2005. The manual has also not been updated to take account of any recent changes in policies and procedures that have taken place since 2005.</p> <p><i>Criteria</i> The Secretariat should have up-to-date approved policies and procedures for use by staff.</p> <p><i>Cause</i> There are no current mechanisms for periodically reviewing and updating the Secretariat's Operations Manual.</p> <p><i>Impact:</i> Staff may not effectively carry out the desirable risk responses identified by management.</p>	<p>The GEF CEO should finalize its Operations Manual and develop mechanisms for updating it on a periodic basis.</p>	<p>Action Plan: The Secretariat is in the process of developing a GEF Operations Manual that will incorporate all of the new policies and procedures that have been put in place over the course of the last two years with external support. This comprehensive Operations Manual will be completed by March 2008, in time to present as an information document at the next Council meeting in April 2008. The Manual will be updated after every Council meeting, when any changes to policies are agreed upon (approximately every six months).</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	Yes	Not Implemented
7	<p><u>Representation Expenses</u></p> <p><u>Observation:</u> <i>Condition</i> Adequate documentation to support the representation expenses was not always available:</p>	<p>The GEF CEO should take steps (including training) to ensure that staff become familiar and comply with the Bank's representation policies and procedures.</p>	<p>Action Plan: Record-keeping for Representation & Hospitality has not been as strong as it should be. From now on, staff are being asked to provide all details for these transactions. GSD chargeback is used for food services requested through them and their</p>	Yes	Not Implemented

Summary of Observations

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	<p>For example:</p> <p>1 Full details of the guests (number and affiliation) entertained, purpose and type of entertainment provided was not stated for all 15 representation transactions reviewed, amounting to \$29,000, over the period FY05-FY07.</p> <p>2 Out of 15 Travel Statement of Expenses (SOEs) reviewed, 1 instance was observed in FY06 where staff claimed \$305 in representation and did not provide a guest list nor the purpose and type of entertainment for the representation.</p> <p>An additional 7 (out of 15) hospitality transactions reviewed, amounting to \$15,000, were in fact representation expenses that had been incorrectly booked as hospitality.</p> <p><i>Criteria</i> AMS 4.00 Representation Policies and Procedures (dated January 2006) Section 16 states that receipted bills must be submitted for reimbursement. The number and affiliation of persons entertained, the date, purpose, place and type of entertainment (e.g., lunch, dinner) should be clearly stated on the reimbursement request.</p> <p><i>Cause</i> Staff not familiar with the appropriate rules.</p> <p><i>Impact</i> The expenses may not be used for authorized purposes.</p>		<p>system decided whether the transaction would be posted to representation or hospitality. Thus some errors were due to the system choosing the incorrect account. The G/L accounts for representation and hospitality through GSD food services has now been expanded so that food ordered for events is routed to the correct account. In addition, food purchased on the P-card which may have been for Representation or Hospitality again was posted to one or the other by the chargeback system to correct the designation of the P-card holder</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>		
8	Web Site Vulnerabilities	The GEF CEO should the following actions:	Action Plan:	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>Observation: <i>Condition</i> IAD carried out a security review of the official GEF website and identified four major vulnerabilities:</p> <p>1) SQL Injection The following GEF Web site URLs is vulnerable to SQL injection: http://www.thegef.org/Partners/ngo/ngo_details2.cfm. SQL Injection is caused by an application that does not properly filter out dangerous characters, accepting user input that is directly placed into a database language (SQL) statement and executing the statement at the database level. An attacker might be able to access, modify or delete data from the Web site, database, or server, including defacing the site. IAD validated that SQL commands may be run directly on the back-end server as a result of this vulnerability.</p> <p>2) Command Execution and Path Disclosure A Microsoft FrontPage application (Triage) was not removed from the www.gefonline.org Web site. The application allows an attacker to ascertain the site's installation path, which may aid further attacks. The application may also allow an attacker to directly execute Windows commands on the server, which could lead to access or unauthorized changes to GEF systems and data.</p> <p>3) Cross Site Scripting The following GEF Web site URLs are vulnerable to Cross Site Scripting (XSS):</p> <ul style="list-style-type: none"> http://www.thegef.org/membercomments.aspx http://www.thegef.org/searchresults2.aspx http://www.thegef.org/Partners/ngo/ngo_detail.s.cfm http://www.thegef.org/Partners/ngo/ngo_detail.s2.cfm 	<ol style="list-style-type: none"> 1) Filter out hazardous characters from user input. 2) Delete all copies of Htmimage.exe and Imagemap.exe from the Web site. 3) Ensure that web applications validate user-supplied input before returning it to the client system; and 4) Use a stronger session token format instead of CFTOKEN. 	<p>SQL Injection: Program will be changed to test for the query string passed to make sure there is no sql injection in it or will pass the values through session variables instead of query string.</p> <p>Command Execution and Path Disclosure: www.gefonline.org is hosted by the external ISP, and so we will ensure that the ISP removes it from the site. Incidentally, the database on gefonline.org is deleted and recreated from scratch during every update.</p> <p>Cross site scripting: Some of the pages are created by the CMS used i.e. Ektron. We will research how to prevent the Cross Site Scripting (XSS) in the pages generated by CMS.</p> <p>The other two ".cfm" pages are directly created by Secretariat, and so we will makes changes to check for the values posted.</p> <p>CFTOKEN: All the pages on www.theGEF.org are generated by the CMS. We will therefore research and fix the issues with session cookie CFTOKEN and replace it with another safe session cookie.</p> <p>Additional security checks on the system will be conducted on the PMIS as it goes live in early 2008</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>		

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>• http://www.thegef.org/WorkArea/threadeddisc/threadeddiscussionRSS.aspx A cross-site scripting vulnerability is caused by the failure of the application to validate user-supplied input before returning it to the client system. An attacker might be able to bypass access controls, or craft a "phasing" attack against users of the affected sites.</p> <p>4) Weak Session Cookie The www.thegef.org Web site uses a well-known weak session cookie ("CFTOKEN"). This content may expose sensitive information to an attacker</p> <p><i>Impact</i> The identified vulnerabilities can result in: the alteration (defacement) of the GEF Web site, 1) unauthorized access to, modification, or deletion of GEF data, and 2) unauthorized access to GEF users' login credentials and other information with potential for identity theft.</p>				
9	<p><u>Service Level Agreements with the World Bank</u></p> <p><u>Observation:</u> <i>Condition</i> The World Bank provides administrative support to the Secretariat without the benefit of a written agreement that defines the level and type of services to be provided. The services provided include, Human Resources, Legal, Information Technology and Accounting. As with other World Bank units, the Secretariat is currently charged a monthly chargeback fee for the use of the services provided by World Bank.</p> <p><i>Criteria</i> It is a good practice for a service provider to have a service level agreement, which defines the level</p>	<p>The GEF CEO should enter into a service level agreement with the World Bank which defines the kinds and level of services that the World Bank provides to the Secretariat.</p>	<p>Action Plan: The CEO and Chair of the GEF has agreed to implement this item on behalf of the GEF Secretariat and the GEF Evaluation Office, by developing and signing a Memorandum of Understanding (MOU) with the Bank for the provision of administrative services to the GEF Secretariat and the GEF Evaluation Office. Under this MOU, service level standards and associated cost arrangements will be established</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>and type of services to be provided, and any related cost sharing arrangements, with each major user.</p> <p><i>Cause</i> The Secretariat and the World Bank have not yet considered entering into service level agreements.</p> <p><i>Impact</i> Misunderstandings could arise relating to services provided by the World Bank.</p>				
10	<p><u>IT and HR Service Level Agreement with the GEF Evaluation Office</u></p> <p>Observation: <i>Criteria</i> The Secretariat's Information and Human Resources Officers provides support to the Evaluation Office without the benefit of a written agreement that defines the level and type of services to be provided, and any cost sharing arrangements.</p> <p><i>Criteria</i> It is a good practice for a service provider to have a service level agreement, which defines the level and type of the services to be provided, and any related cost sharing arrangements, with each major user.</p> <p><i>Cause</i> The Secretariat and the Evaluation Office have not yet considered entering into a service level agreement.</p> <p><i>Impact</i> Misunderstandings between the Secretariat and the Evaluation Office could arise relating to the services provided to the Evaluation Office.</p>	<p>The GEF CEO should consider entering into a service level agreement with the Evaluation Office for the provision of IT and HR services.</p>	<p>Action Plan: The Secretariat will discuss with the Evaluation Office an agreement for provision of IT and HR services.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
11	<p><u>Compliance Reviews</u></p> <p><i>Condition</i> The Secretariat is not subjected to periodic administrative expense compliance reviews such as those that are regularly conducted on Bank units.</p> <p><i>Criteria</i> It is a good practice for regular compliance reviews to be conducted since such reviews could ensure that non-compliance instances are detected and corrected on a timely basis.</p> <p><i>Cause</i> GEF is not included as part of the Bank's program of reviews.</p> <p><i>Impact</i> Instances of non-compliance may not be detected and acted on.</p>	The GEF CEO should arrange a system of periodic administrative expense compliance reviews, and consider requesting the Bank's Accounting Department to conduct the reviews.	<p>Action Plan: GEF Secretariat will implement a system, in cooperation with the Evaluation Office, for carrying out periodic compliance reviews comparable to those conducted within the World Bank.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	Yes	Not Implemented
12	<p><u>Use of Purchasing Card</u></p> <p><u>Observation:</u> <i>Condition</i> There were two instances where payments were made by the Secretariat's Purchasing Card (PCard) which were not in accordance with approved procedures:</p> <ol style="list-style-type: none"> 1) The Secretariat was unable to identify the person who used the PCard for the payment of conference expenses \$500 in June 2005. 2) Original receipts were not provided for a \$2,640 charge, in August 2005, for a dinner held at the Hotel Lombardy. <p><i>Criteria</i></p>	<p>The GEF CEO should take steps to ensure that:</p> <ol style="list-style-type: none"> 1) staff who are not cardholders do not have access to Card information; 2) the card be replaced; and 3) Original receipts are provided before Card payments are authorized. 	<p>Action Plan: Control measures for P-card use will be addressed.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	No	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>Section 2 of the WBG Purchasing Card (PCard) Cardholder Manual 2007 states that the card is not transferable and should not be used by anyone other than the cardholder.</p> <p>Section 12.0 states that all purchases made using the Card should be supported by original store receipts, MasterCard charge slips, shipping detail, etc. The documentation must be maintained and stored in safe and secured location for reconciliation and auditing purposes.</p> <p><i>Cause</i> The user of the card may have retained the card number from a previous use.</p> <p><i>Impact</i> The Card maybe used for ineligible expenditures.</p>				
13	<p>Asset Management</p> <p>Observation: <i>Condition</i> We observed that 5 items of office technology assets, recorded in the Secretariat's SAP Inventory Report, were shown as assigned to persons who were no longer staff of the Secretariat and the Evaluation Office. We also observed that 88 items of office technology assets had not been assigned to any staff.</p> <p><i>Criteria</i> AMS 15.15 Section 10 states that Asset Custodians are responsible for keeping their asset management records up to date and ensuring the assets are used by staff.</p> <p><i>Cause</i> Office technology assets have not been recently inventoried.</p>	The GEF CEO should steps to have the assets inventoried and the inventory records updated	<p>Action Plan: New inventory in process as the GEF Evaluation Office has moved to the 7th floor and 5 new staff have just joined and left the GEF Secretariat. New inventory is now completed as of November 31st 2007.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	No	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<i>Impact</i> Risk that assets may not be properly managed.				
14	<p><u>Development of the new Project Management Information and Tracking System (PMIS)</u></p> <p><u>Observation:</u></p> <p><i>Condition</i> There were no design and status meetings, between January and September 2007, of the steering committee, comprised of key stakeholders, for the new PMIS that is being developed by the Secretariat. In October 2007, steering committee meetings were resumed.</p> <p><i>Criteria</i> The PMIS funding proposal, which was approved by the Council at the November 2005 Council meeting, mentioned that a steering committee comprising key stakeholders would be constituted and would participate in regular design and status meetings during the course of the project.</p> <p><i>Cause</i> There was no one charged with convening the steering committee meetings from January to September 2007.</p> <p><i>Impact</i> There is a risk that the PMIS system may end up not fully meeting the needs of key stakeholders.</p>	The GEF CEO should continue to convene regular steering committee meetings so that all stakeholders can participate in the development of the PMIS.	<p>Action Plan: The Steering Committee initially provided guidance on the development of the PMIS, based on which the broad outlines of the new PMIS have been developed. After system development through summer 2007, a demonstration of the new system was conducted on October 16th for the revised Steering Committee. The Committee now meets regularly every week to decide on specific details of the PMIS and to help in debugging the system. In addition, steps are also being taken in parallel to clean up and export all of the data in the existing system to the new system. In the interim, the GEF website has been upgraded to provide available project level information publicly in the new password-protected country profile pages. This enables GEF focal points to track all projects as they move through the project approval process within the GEF system.</p> <p>Responsible Manager: Team Leader, Operations, Policies & Finance</p> <p>Due Date: March 31, 2008</p>	No	Not Implemented

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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January 28, 2008

Ms. Monique Barbut, Chief Executive Officer and Chairperson, GEF

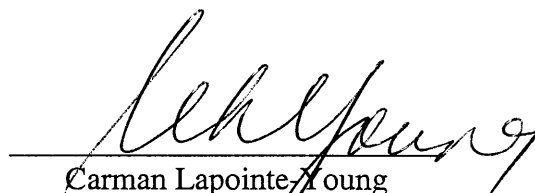
Mr. Robert van den Berg, Director, GEF Evaluation Office

Report on an Audit of the Activities of the Global Environment Facility's Evaluation Office

Please find attached the final report for the above-mentioned audit which was circulated earlier in draft form. We understand that all the recommendations in the report have been or are being implemented.

Our first follow-up of the implementation status of recommendations will be December 31, 2008.

At this time, we would like to convey our sincere appreciation to management and staff for the courtesies extended to the audit team. If we can be of further assistance, please do not hesitate to contact us.



Carman Lapointe-Young
Auditor General
Internal Auditing

Attachment

cc: Messrs./Mmes. Zoellick (EXC); Choudhury (CSRVP); Pulley (GSDDR);
De Poerck (ISGVP); Sierra (SNDVP); Volante, Portillo (GEFEO)

Deloitte & Touche, LLP

Report on an Audit of the Activities of the Global Environment Facility's Evaluation Office

Background

At the request of the Global Environment Facility (GEF) Chief Executive Officer (CEO) and Chairperson, and as part of its FY08 work program, the Internal Auditing Department (IAD) has conducted an audit of the activities of the GEF's Evaluation Office (EO).

The GEF helps developing countries fund projects and programs that protect the global environment, and supports projects related to biodiversity, climate change, international waters, land degradation, the ozone layer, and persistent organic pollutants. The GEF Evaluation Office is an independent evaluation entity within the GEF, and reports directly to the GEF Council on monitoring and evaluation matters. The Office had an administrative budget of approximately US\$3.5 million in FY07 and \$3.8 million in FY08.

Objectives and Scope

The audit's objective was to determine whether the governance, risk management and control processes over the activities of the GEF Evaluation Office provide reasonable assurance that:

- resources are acquired economically and used efficiently;
- significant financial, managerial and operating information is accurate, reliable and timely;
- significant programs, plans and business objectives will be achieved;
- actions of the organization are in compliance with policies, procedures, contracts, and agreements; and
- assets are safeguarded.

The audit covered key controls relating to business processes used to manage the Evaluation Office's resources and main activities. Fieldwork was performed from July to December 2007 and focused on the period FY05 to FY07.

Overall Conclusion

Our overall conclusion is that the governance, risk management and control processes over the activities of the GEF Evaluation Office ***need improvement***. Deficiencies exist in

control processes such that reasonable assurance regarding the achievement of control and/or business objectives under review may be at risk.

Key Business Issues

Representation Expenses. Full details of the guest entertained and the purpose and type of entertainment provided were not stated on reimbursement requests for 13 out of 15 representation transactions, amounting to \$12,000, as required by the Bank's representation policies and procedures. IAD recommended that actions, including training, be taken to ensure that staff comply with the Bank's representation policies and procedures. The GEFEO Director has put into effect, on January 11, 2008, a new internal procedure to guarantee that representation policies and procedures are being followed by its staff, supported by a system to track and collect information about this type of expense.

Staff Hospitality Expenses. Full details of the number and affiliation of persons entertained, and the date, purpose, and type of entertainment provided were not stated on reimbursement requests for 13 out of 15 reviewed hospitality transactions, amounting to \$11,000, as required by the Bank's hospitality policies and procedures. In addition, ten of the 15 hospitality transactions, amounting to \$15,000, were incorrectly booked since they actually related to representation. IAD recommended that actions, including training, be taken to ensure that staff comply with the Bank's staff hospitality policies and procedures. The GEFEO Director has put into effect, on January 11, 2008, a new internal procedure to guarantee that hospitality policies and procedures are being followed by its staff, supported by a system to track and collect information about this type of expenses.

Missing Documents. Invoices supporting payments for three hospitality expenses, paid by PCard, amounting to \$2,500 were not maintained on file as required by purchasing card procedures. IAD recommended that actions be taken to ensure that required supporting documents are obtained and retained for all purchasing card payments. The GEFEO Director will develop a filing system (both electronic and paper) that will allow access to receipts and invoices anytime that these are being requested. The system will be in place by February 1, 2008.

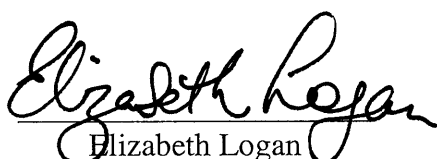
Purchasing Card Statements. Seven of the 23 PCard statements reviewed were not approved by the authorizing manager. Two of the statements were also not signed by the cardholder to indicate agreement with the transactions on the statement. IAD recommended that steps be taken to ensure that each PCard statement is signed by the cardholder and approved by the relevant authorizing manager. The GEFEO Director has agreed to implement a system, by February 1, 2008, where the PCard holder and the authorizing manager will be signing the monthly PCard statements after verification of charges.

Management Action Record. In 26 out of 36 cases, the April 2007 GEF Management Action Record (MAR) did not include agreed dates by which concerned management would fully adopt Council decisions. We understand that this is mainly due to the Council not always setting dates by which its decisions should be implemented. As the absence of dates could result in the Council not being able to easily assess whether its decisions are being implemented on a timely basis, IAD recommended that the Evaluation Office request the Council, where appropriate and possible, to always specify dates by which its decisions should be fully adopted. The GEFEO Director has agreed to ask Council for specific dates by which decisions should be fully adopted in proposed Monitoring & Evaluation Council decisions, beginning with the April 2008 Council meeting.

Service Level Agreements. The Evaluation Office receives various administrative services from the Bank, and information technology and human resources services from the GEF Secretariat, without the benefit of written agreements that define the type and level of services provided. In order to minimize the likelihood of future misunderstandings relating to these services, IAD recommended that the Evaluation Office enter into service level agreements with the Bank and the Secretariat. The GEF CEO has agreed to develop and sign a Memorandum of Understanding (MOU) with the Bank for the provision of administrative services to the GEF Secretariat and the GEF Evaluation Office. The GEFEO Director will discuss an MOU with the Secretariat by the same date. Under these MOUs, service level standards and associated cost arrangements will be established.

Compliance Reviews. The Evaluation Office is not subjected to periodic administrative expense compliance reviews such as those that are regularly conducted on Bank units. Since such reviews could ensure that non-compliance instances are detected and corrected on a timely basis, IAD recommended that the Evaluation Office arrange a system of periodic administrative expense compliance reviews, and consider requesting the Bank's Accounting Department to conduct them. By March 31, 2008, the GEFEO Director will implement a system, in cooperation with the GEF Secretariat, for carrying out periodic compliance reviews comparable to those conducted within the World Bank.

Detailed audit results and analyses were provided to management and other parties involved.



Elizabeth Logan
Auditor-in-Charge



David Kanja
Audit Manager

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
1	<p><u>Representation Expenses</u></p> <p><u>Observation:</u></p> <p><i>Condition</i> Full details of the number of guests entertained and the purpose and type of entertainment provided were not stated for 13 out of 15 representation transactions reviewed, amounting to \$12,000, over the period FY05-FY07.</p> <p><i>Criteria</i> AMS 4.00 Representation Policies and Procedures (dated January 2006) Section 16 states that the number and affiliation of persons entertained, the date, purpose, place and type of entertainment (e.g., lunch, dinner) should be clearly stated on the reimbursement request.</p> <p><i>Cause</i> Staff are not familiar with the appropriate rules.</p> <p><i>Impact</i> The expenses may not relate to authorized representation.</p>	The GEFE0 Director should take actions, including training, to ensure that staff comply with the Bank's representation policies and procedures.	<p>Action Plan: The GEF Evaluation Office has agreed to implement a new internal procedure to guarantee that representation policies and procedures are being followed by its staff. Also a new form, to track and collect information about this type of expenses, has being developed by the office and introduced to the staff in a retreat on January 10, 2008. This new procedure has been in effect since January 11, 2008.</p> <p>Responsible Manager: Chief Evaluation Officer</p> <p>Due Date: January 11, 2008</p>	Yes	Implemented
2	<p><u>Staff Hospitality Expenses</u></p> <p><u>Observation:</u></p> <p><i>Condition</i> Full details of the number and affiliation of persons entertained, and the date, purpose and type of entertainment provided were not stated for 13 out of 15 hospitality transactions, amounting to \$11,000, reviewed over the period FY05 to FY07. 14 out of the 15 hospitality transactions were for expenses incurred outside Bank facilities.</p>	The GEFE0 Director should take actions, including training, to ensure that staff comply with the Bank's hospitality policies and procedures.	<p>Action Plan: The GEF Evaluation Office has agreed to implement a new internal procedure to guarantee that hospitality policies and procedures are being followed by its staff. Also a new form, to track and collect information about this type of expenses, has being developed by the office and introduced to the staff in a retreat on January 10, 2008. This new procedure has been in effect since January 11, 2008.</p> <p>Responsible Manager: Chief Evaluation Officer</p>	Yes	Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>An additional 10 (out of 15) hospitality transactions reviewed, amounting to \$9,000, were in fact representation expenses that had been incorrectly booked as hospitality.</p> <p><i>Criteria</i> AMS 4.50 on Hospitality states that when requesting reimbursement of expenses incurred for staff hospitality outside Bank Group facilities, the number and affiliation of the persons entertained, purpose and type of entertainment should be clearly stated.</p> <p><i>Cause</i> Staff are not familiar with the appropriate rules.</p> <p><i>Impact</i> The expenses may not relate to authorized purposes hospitality.</p>		<p>Due Date: January 11, 2008</p>		
3	<p><u>Missing Documents</u></p> <p><u>Observation:</u></p> <p><i>Condition</i> Invoices supporting PCard payments for 3 hospitality expenses, amounting to US\$2,500, in FY05, FY06 and FY07 were not provided.</p> <p><i>Criteria</i> Section 12.0 of the World Bank P Card manual states that all purchases made using the Card should be supported by original store receipts, MasterCard charge slips, shipping detail, etc. The documentation must be maintained and stored in safe and secured location for reconciliation and auditing purposes.</p>	<p>The GEFE0 Director should take steps to ensure that required supporting documents are obtained and retained for all purchasing card payments.</p>	<p>Action Plan: The Evaluation Office will develop a filing system (both electronic and paper) that will allow access to receipts and invoices anytime that these are being requested.</p> <p>Responsible Manager: Chief Evaluation Officer</p> <p>Due Date: February 1, 2008.</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p><i>Cause</i> Staff may not be familiar with the appropriate rules.</p> <p><i>Impact</i> Ineligible expenditures may not be easily detected.</p>				
4	<p><u>Purchasing Card Statements</u></p> <p><u>Observation:</u></p> <p><i>Condition</i> Seven out of the 23 PCard statements reviewed were not approved by an authorizing manager. Two of the statements were also not signed by the cardholder to indicate agreement with the transactions on the statements.</p> <p><i>Criteria</i> Section 15.1 of the PCard cardholder manual requires that the cardholder review the reconciled Statement (with receipts attached), sign it and forward the signed statement to the authorizing manager. Section 15.2 requires that the authorizing manager review and sign the statement to signify approval.</p> <p><i>Cause</i> Cardholder and authorizing manager overlooked signing and approving the PCard statement.</p> <p><i>Impact</i> The PCard maybe used for ineligible expenditures.</p>	<p>The GEFEO Director should take steps to ensure that each PCard statement is signed by the cardholder and approved by the relevant authorizing manager.</p>	<p>Action Plan: The Evaluation Office has agreed to implement a system where the PCard holder and the authorizing manager will be signing the PCard statements monthly after verification of charges.</p> <p>Responsible Manager: Chief Evaluation Officer</p> <p>Due Date: February 1, 2008</p>	Yes	Not Implemented
5	<p><u>Compliance Reviews</u></p> <p><i>Condition</i> The Evaluation Office is not subjected to</p>	<p>The GEFEO Director should arrange a system of periodic administrative expense compliance reviews, and consider requesting the Bank's Accounting Department to conduct the</p>	<p>Action Plan: The Evaluation Office will implement a system, in cooperation with the GEF Secretariat, for carrying out periodic compliance reviews</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>periodic administrative expense compliance reviews such as those that are regularly conducted on Bank units.</p> <p><i>Criteria</i> It is a good practice for regular compliance reviews to be conducted since such reviews could ensure that non-compliance instances are detected and corrected on a timely basis.</p> <p><i>Cause</i> The GEF Evaluation Office is not included in the Bank's program of reviews.</p> <p><i>Impact</i> Instances of non-compliance may not be detected and corrected on a timely basis.</p>	reviews.	<p>comparable to those conducted within the World Bank.</p> <p>Responsible Manager: Operations Evaluation Officer</p> <p>Due Date: March 31, 2008</p>		
6	<p><u>GEF Management Action Record</u></p> <p><u>Observation:</u></p> <p><i>Condition</i> In 26 out of 36 cases, the April 2007 GEF Management Action Record (MAR) did not include agreed dates by which concerned management would fully adopt the Council's decisions concerning the independent evaluation reports and studies and the relevant management responses.</p> <p><i>Criteria</i> According to the Procedures and Format of the GEF Management Report (MAR), the stated purposes of the GEF MAR are to provide Council with a record of its decisions on the follow-up of evaluation reports, the proposed management actions and the actual status of these actions and to increase the accountability of GEF management regarding Council</p>	The GEFEQ Director should consider requesting the Council to always specify a date which its decisions should be fully adopted.	<p>Action Plan: The Evaluation Office Director has agreed to ask Council for specific dates by which decisions should be fully adopted in proposed M&E Council decisions as from the April 2008 Council meeting, where appropriate and possible.</p> <p>Responsible Manager: Director of the GEF Evaluation Office</p> <p>Due Date: April 30, 2008</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>decisions on monitoring and evaluation issues.</p> <p><i>Cause</i> The Council does not always specify a time frame by which concerned management should fully adopt its decisions.</p> <p><i>Impact</i> Council may not be able to easily determine whether its decisions are being implemented on a timely basis.</p>				
7	<p><u>Service Level Agreements with the World Bank</u></p> <p><u>Observation:</u></p> <p><i>Observation</i> The World Bank provides administrative support to the Evaluation Office without the benefit of a written agreement that defines the level and type of services to be provided. The services provided include human resources, legal, information technology, accounting and travel.</p> <p><i>Criteria</i> It is a good practice for a service provider to have a service level agreement, which defines the level and type of services to be provided, and any related cost sharing arrangements, with each major user.</p> <p><i>Cause</i> The Evaluation Office and the World Bank have not yet considered entering into service level agreements.</p> <p><i>Impact</i> Misunderstandings could arise relating to level</p>	<p>The GEFEO Director should consider entering into a service level agreement with the World Bank which defines the level and type of services provided by the World Bank.</p>	<p>Action Plan: The CEO and Chair of the GEF has agreed to implement this item on behalf of the GEF Secretariat and the GEF Evaluation Office, by developing and signing a Memorandum of Understanding (MOU) with the Bank for the provision of administrative services to the GEF Secretariat and the GEF Evaluation Office. Under this MOU, service level standards and associated cost arrangements will be established.</p> <p>Responsible Manager: Director of the GEF Evaluation Office</p> <p>Due Date: June 30, 2008</p>	Yes	Not Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	and type of services being provided by the World Bank.				
8	<p><u>Service Level Agreement with the GEF Secretariat</u></p> <p>Observation:</p> <p><i>Condition</i> The Secretariat's Information and Human Resources Officers provide support to the Evaluation Office without the benefit of a written agreement that defines the level and type of services to be provided, and any cost sharing arrangements.</p> <p><i>Criteria</i> It is a good practice for a service provider to have a service level agreement, which defines the level and type of the services to be provided, and any related cost sharing arrangements, with each major user.</p> <p><i>Cause</i> The Evaluation Office and the Secretariat have not yet considered entering into a service level agreement.</p> <p><i>Impact</i> Misunderstandings could arise relating to level and type of services being provided by the GEF Secretariat.</p>	The GEFEO Director should consider entering into a service level agreement with the GEF Secretariat which defines the level and type of services provided by the Secretariat.	<p>Action Plan: The Evaluation Office will discuss with the GEF Secretariat an agreement for services provided.</p> <p>Responsible Manager: Director of the GEF Evaluation Office</p> <p>Due Date: June 30, 2008</p>	Yes	Not Implemented
9	<p><u>Group Travel</u></p> <p>Observation:</p> <p><i>Condition</i> There was one instance of group travel in the 15 travel SOEs reviewed. The SOE in the name of a staff member has been in draft since 6/24/2005</p>	The GEFEO Director should investigate and resolve the problem.	<p>Action Plan: Issue was resolved.</p> <p>Responsible Manager: Chief Evaluation Officer</p>	No	Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<p>even though \$21,000 was paid on account of air tickets and subsistence. Sufficient explanation has not been provided to explain how the payments were made and why the SOE remained in draft.</p> <p><i>Criteria</i> AMS 3.10 (dated January 2006) on Operational Travel Expense Reimbursement, Para 16 postulates that Staff must ensure that all trip cost statements for all business travel are approved within 21 calendar days of the return date noted in the trip request.</p> <p><i>Cause</i> There is no system in place whereby such problems are identified and resolved.</p> <p><i>Impact</i> Risk of untimely recording of travel expenses.</p>		Due Date: January 7, 2008		
10	<p><u>Staff Travel</u></p> <p><u>Observation:</u></p> <p><i>Condition</i> A staff member claimed reimbursement for meals amounting to \$113, even though she had claimed per diem in her SOE. Subsequent to IAD's questioning of these expenses, GEF EO stated that staff member would refund this amount to the EO.</p> <p><i>Criteria</i> Para 9 states that Staff may select per diem for meals, tips and valet/laundry (MTV) or otherwise claim actual expense. When the per diem allowance option is selected, no additional amount may be claimed for meals, tips, laundry, and dry-cleaning.</p>	The Evaluation Office should ensure that the concerned Staff member complies with the applicable travel rule.	<p>Action Plan: Issue resolved. Staff member has issued a check for IBRD.</p> <p>Responsible Manager: Chief Evaluation Officer</p> <p>Due Date:</p>	No	Implemented

Summary of Observations

Ref	Observation / Impact	Recommendation	Action Plan / Responsible Manager / Due Date	Reportable	Status
	<i>Cause</i> Inadequate oversight. <i>Impact</i> Noncompliance with applicable travel rules.				