

Executive Board Induction Session

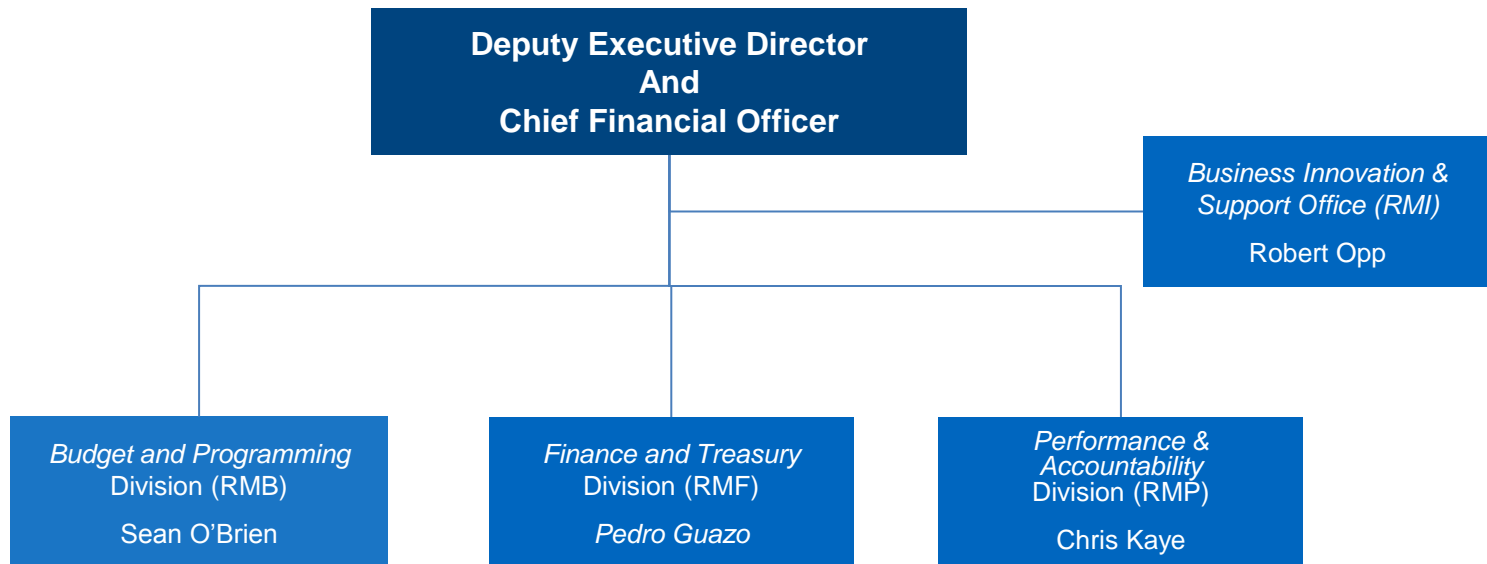
Induction Session 18 January 2012



Resource Management and Accountability Department

➔ RM Department Overview

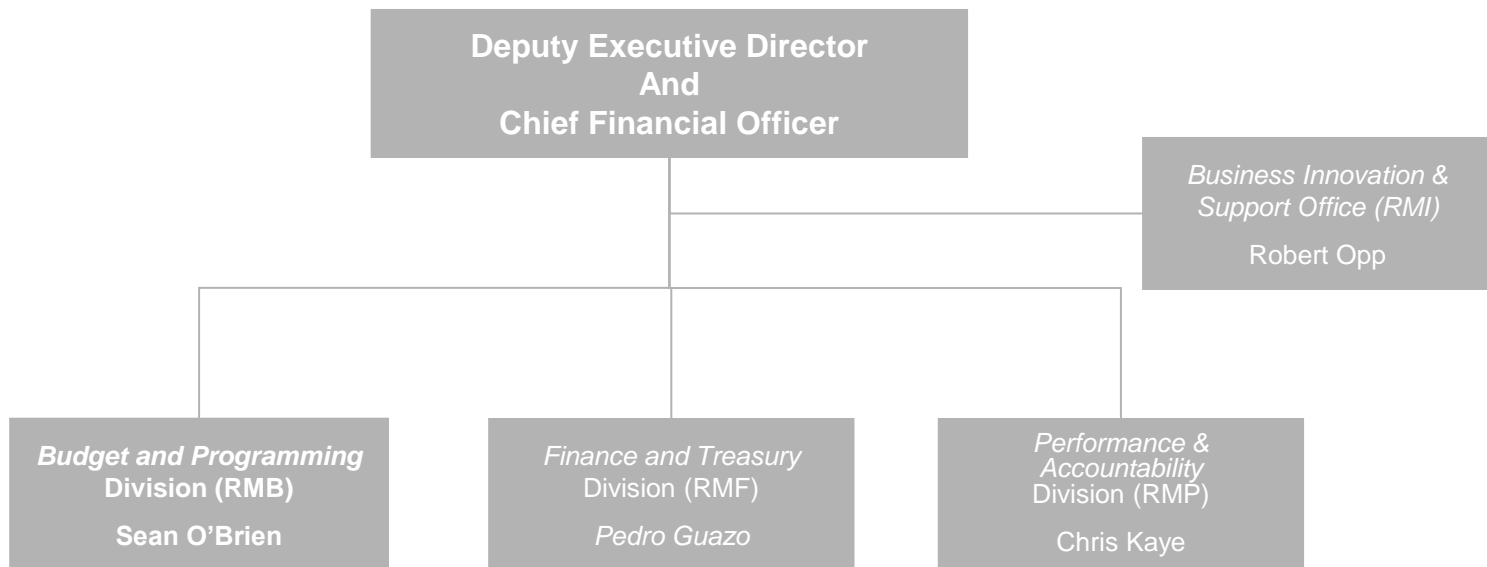
➔ RM Divisions and Office



Resource Management and Accountability Department

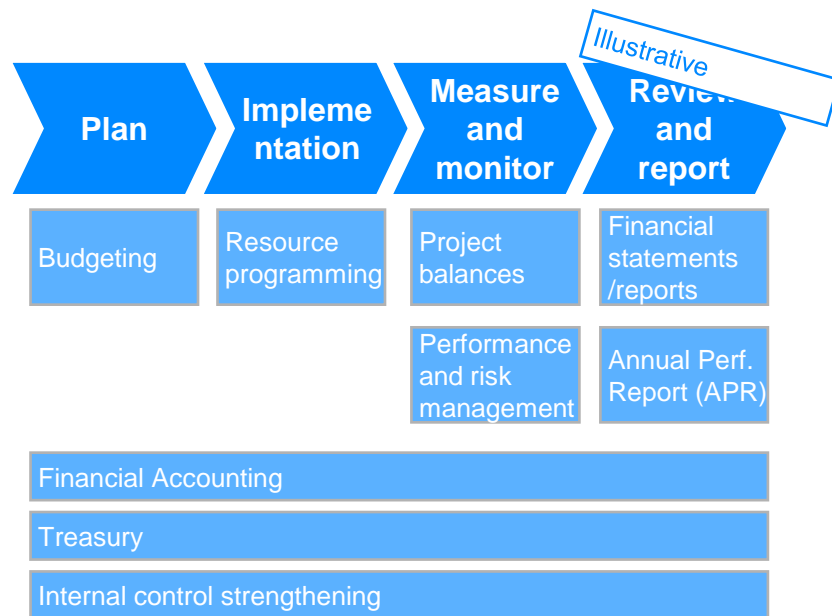
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RM Department consolidates all major resource management functions in one Department

RM Department has integral role across all resource management functions

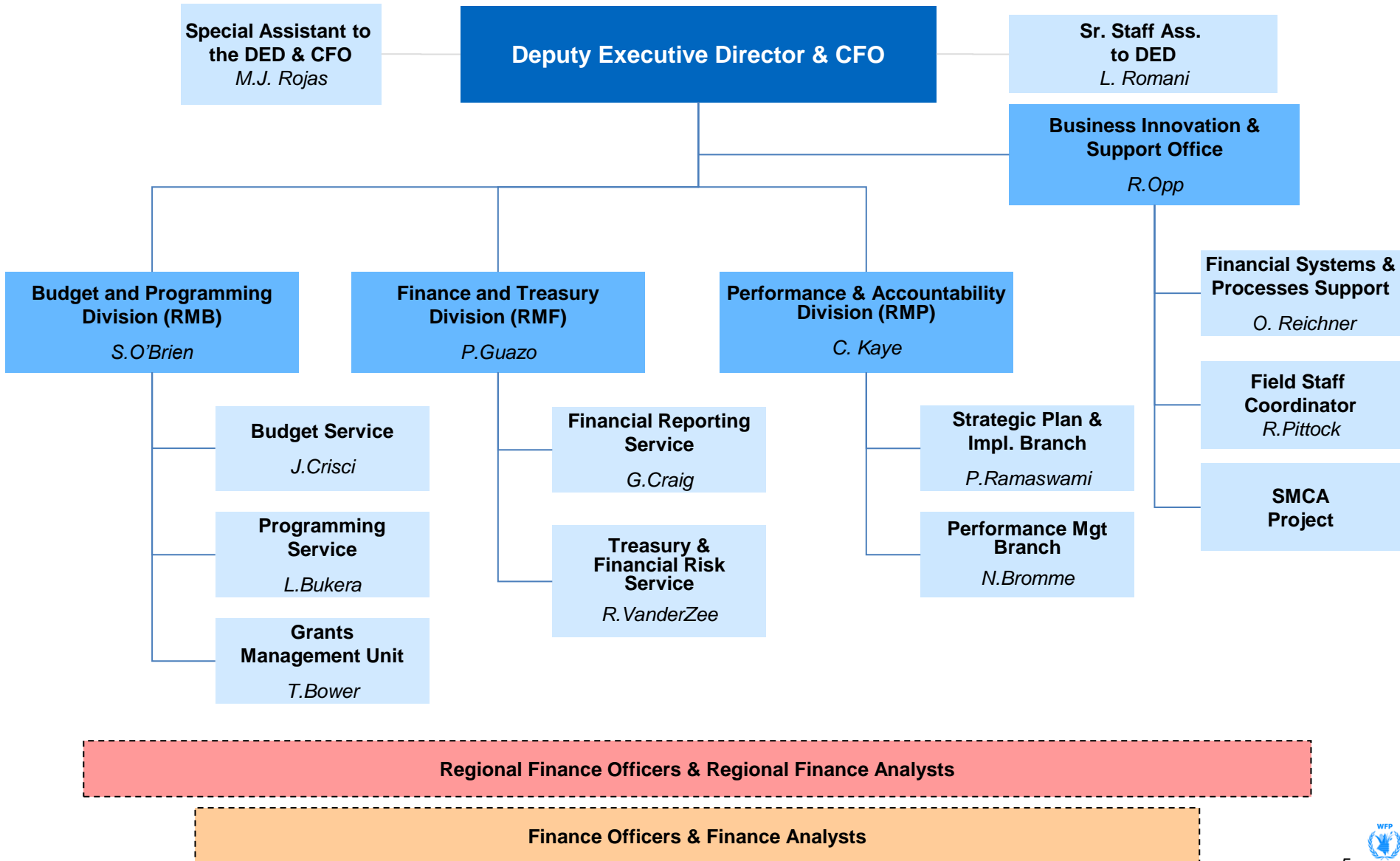


RM 'mandate' to support HQ Units, Regional Bureau and Country Offices



RM Department functions

Resource Management and Accountability Department Organization Chart



Resource Management and Accountability Department

Regular Activities

**Deputy Executive Director
And
Chief Financial Officer**

*Business Innovation &
Support Office (RMI)*
Robert Opp

*Budget and Programming
Division (RMB)*
Sean O'Brien

- Preparation of Management Plan and associated processes
- Advance Facility
- Funding of WFP Payroll
- PRC and clearance of project budgets
- Funding proposals for donors
- SRAC Secretariat
- Programme confirmed contributions
- Project resource usage
- Global analysis based on entire project portfolio
- Dashboards and fund management tools
- Grants Management
- Forward Purchasing Facility

*Finance and Treasury
Division (RMF)*
Pedro Guazo

- Corporate reports
- Donor reports
- External Auditors and tracking of their recommendations
- Accounts Payable
- Payroll
- Treasury Operations
- Investments and Financial Risk Management
- Focal Point of JIU
- Oversight and Support for RFOs/FOs on financial & treasury processes
- Technical appraisals of field Finance Officers

*Performance &
Accountability
Division (RMP)*
Chris Kaye

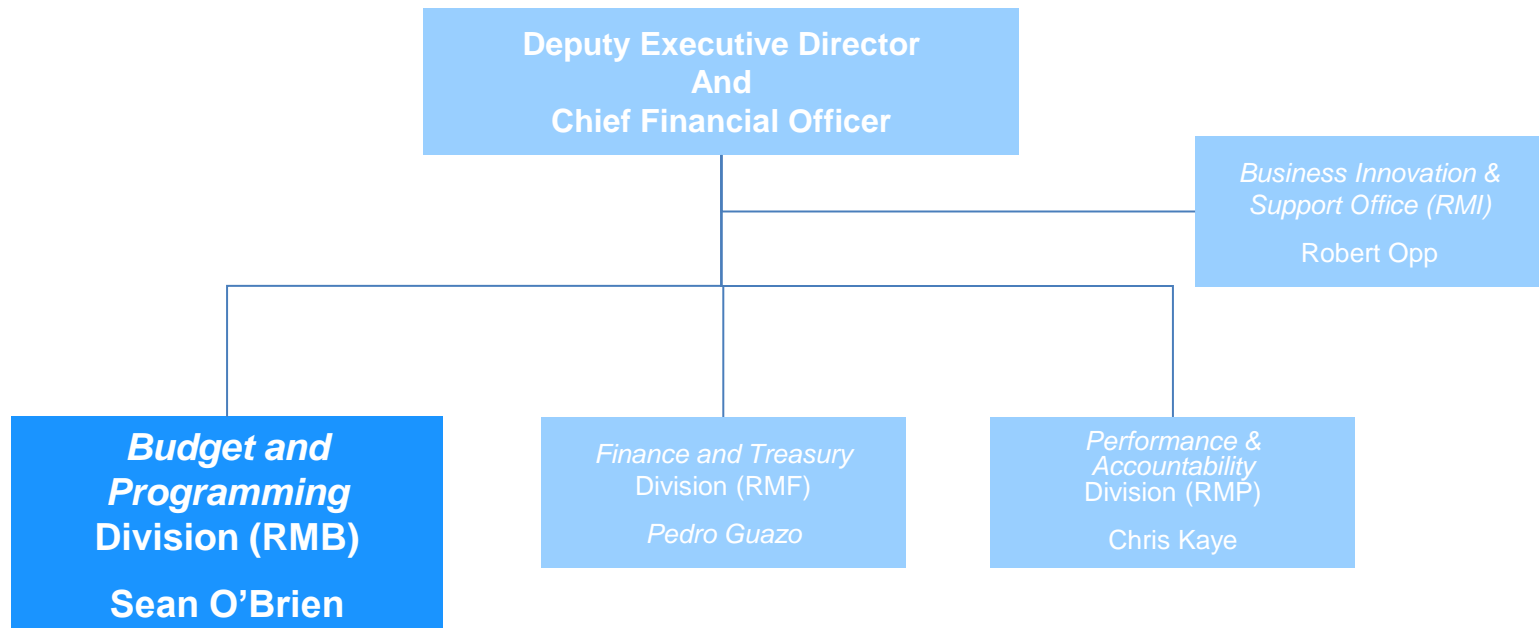
- Country Strategy Documents
- Annual Performance Report.
- WFP's Performance Management Framework.
- Support to WFP Offices (in Annual Performance Planning and Reviews.
- Management Responses to Evaluations.
- Corporate Risk Register.
- Support to CO for Risk Mngmnt
- Reporting on Food Aid Flows
- PROMIS
- Build capacity of WFP staff in performance and risk management
- Support for RFOs/FOs on Country Strategies, Performance and Risk Management

- SMCA Initiative
- Support for efficiency and innovation projects in HQ and Field,
- Efficiency Paper for the EB
- EMC Secretariat
- Financial Systems and Process for WINGS2 and other corporate financial and accountability systems
- Support for corporate reports
- Updating departmental policy and guidance material
- RM interface with governance and oversight bodies;
- Staffing coordination for the RM resources (HQ and Field);
- HLCM Support for the ED;
- Managing the Office of the DED&CFO.

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2012-2014 Management Plan

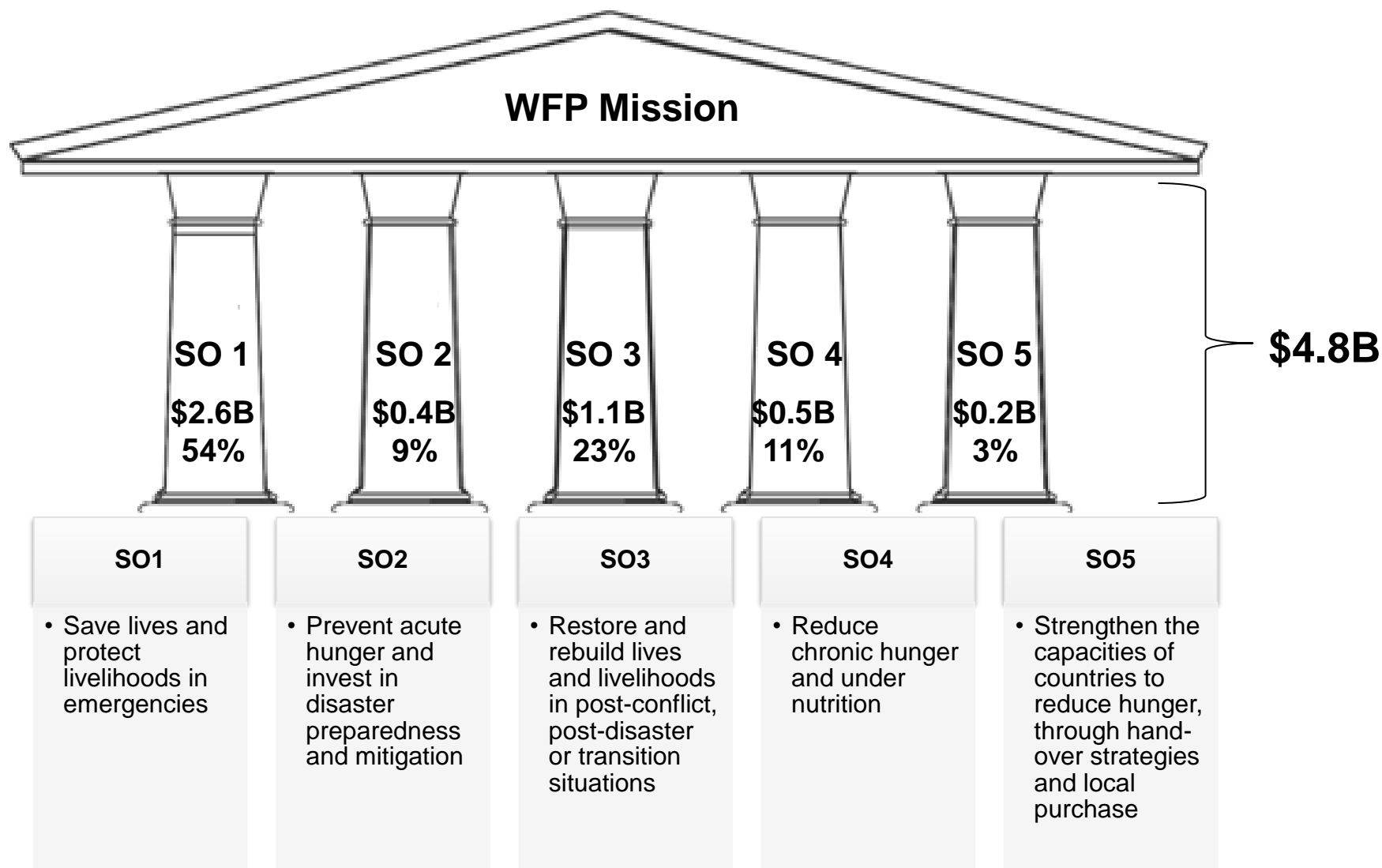
Key Changes

- From a biennial management plan to a three-year rolling plan with an annual budget.
- Operational requirements under the new financial framework, segregating commodity and non-commodity costs.
- Aligned projected operational requirements to the Strategic Results Framework.
- Aligned the programme support and administrative budget to Management Result Dimensions.
- Prioritized areas for extra-budgetary investment.

Key Plan Figures 2012

- \$5.5 billion budget
- Assist 85 million beneficiaries in 74 countries
- \$4.8 billion in operational requirements
- 4.4 million metric tons of food
- \$255 million for Cash and Vouchers
- Contribution forecast of \$3.75 billion

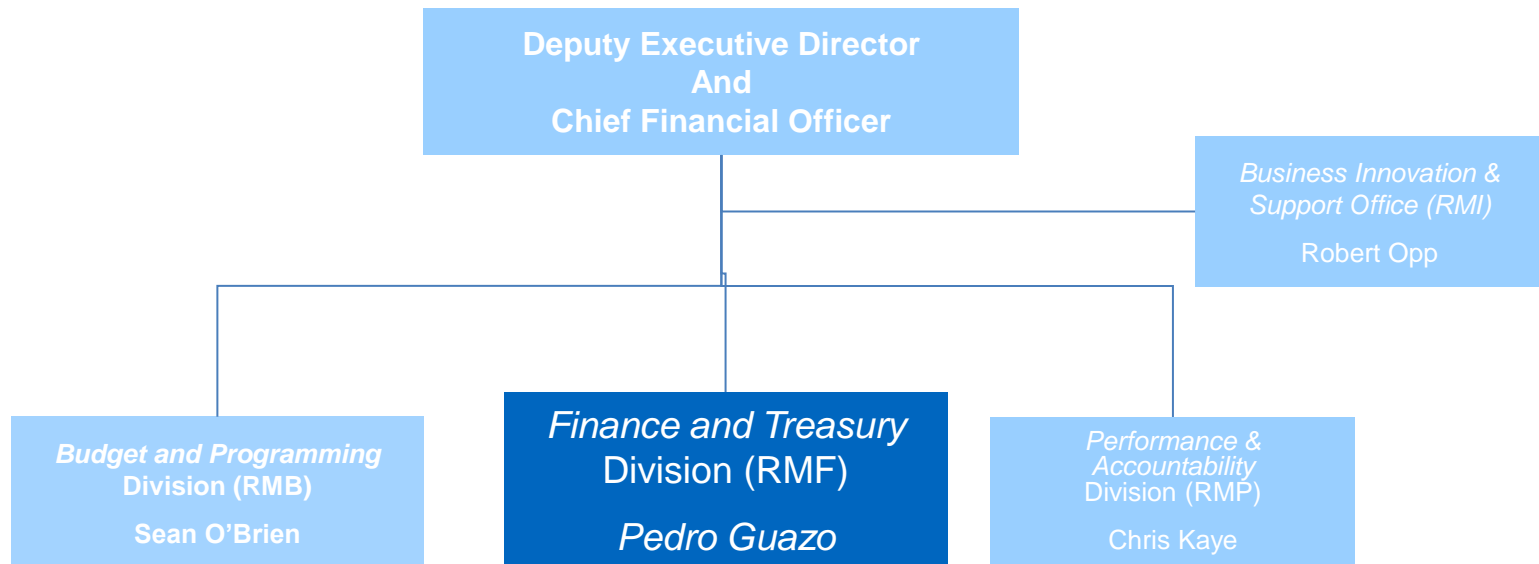
Aligning the Management Plan to the Strategic Results Framework



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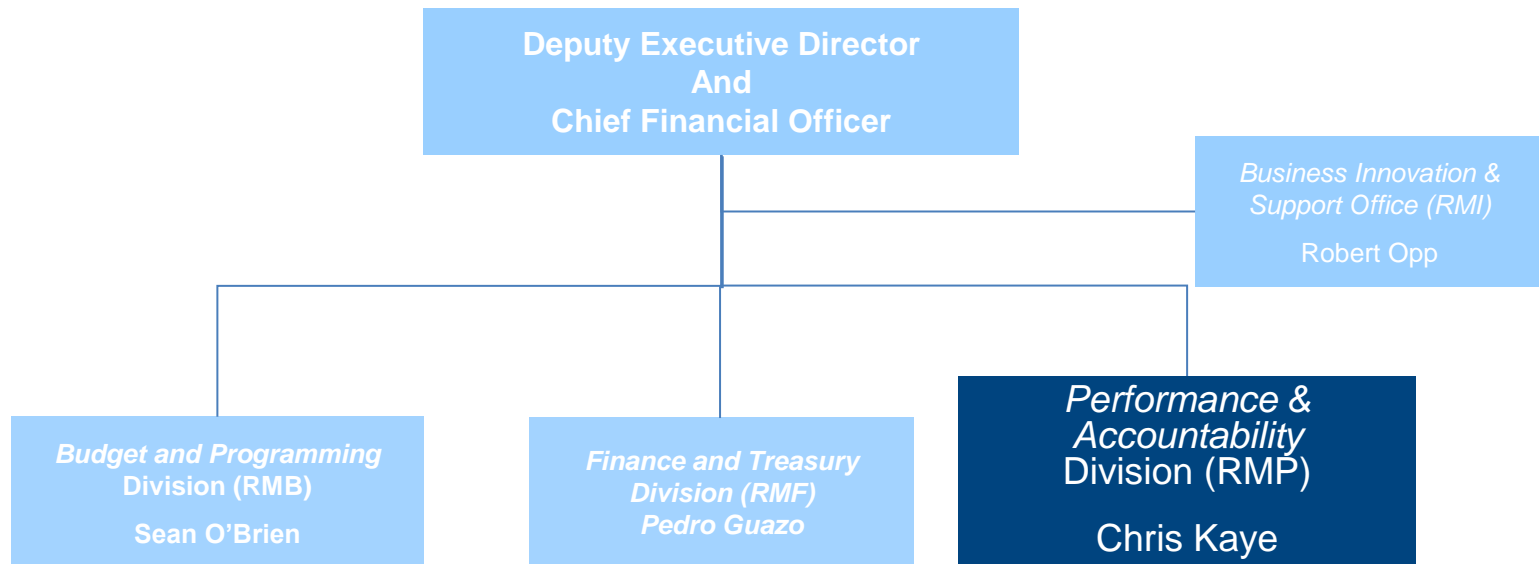
Finance and Treasury documents regularly submitted to the Board

1. Annual Financial Statements
2. Management Responses to External Auditors Performance Audit Reports
3. Update on the implementation of External Auditors Recommendations
4. Annual Report on Investment Management

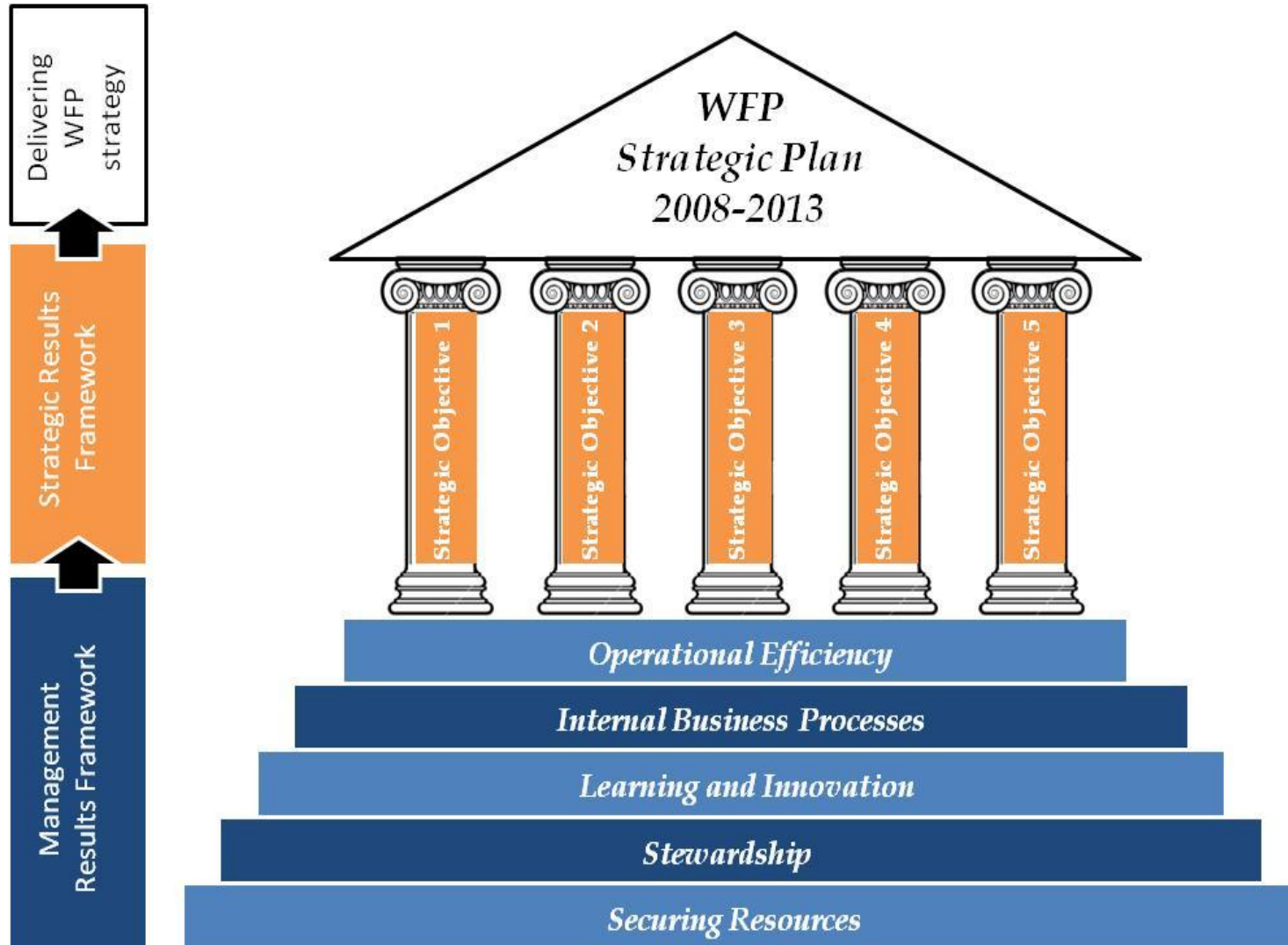
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Linking Management Dimensions and Strategic Results



Risk Management in WFP - a key part of actions to strengthen Financial Management & Accountability

Risk management policy approved by the Executive Board

- Requires all managers to undertake regular risk assessments and to maintain risk registers

2005

Adoption of International Public Sector Accounting Standards

- Standards applied for new annual Accounts

2008

Implementation of WINGS II

- Considerably increase in the reach of existing Enterprise Resource Planning system

2009

Strengthening Managerial Control & Accountability Programme

- Implementing best practices on Internal Controls including Performance & Risk Management

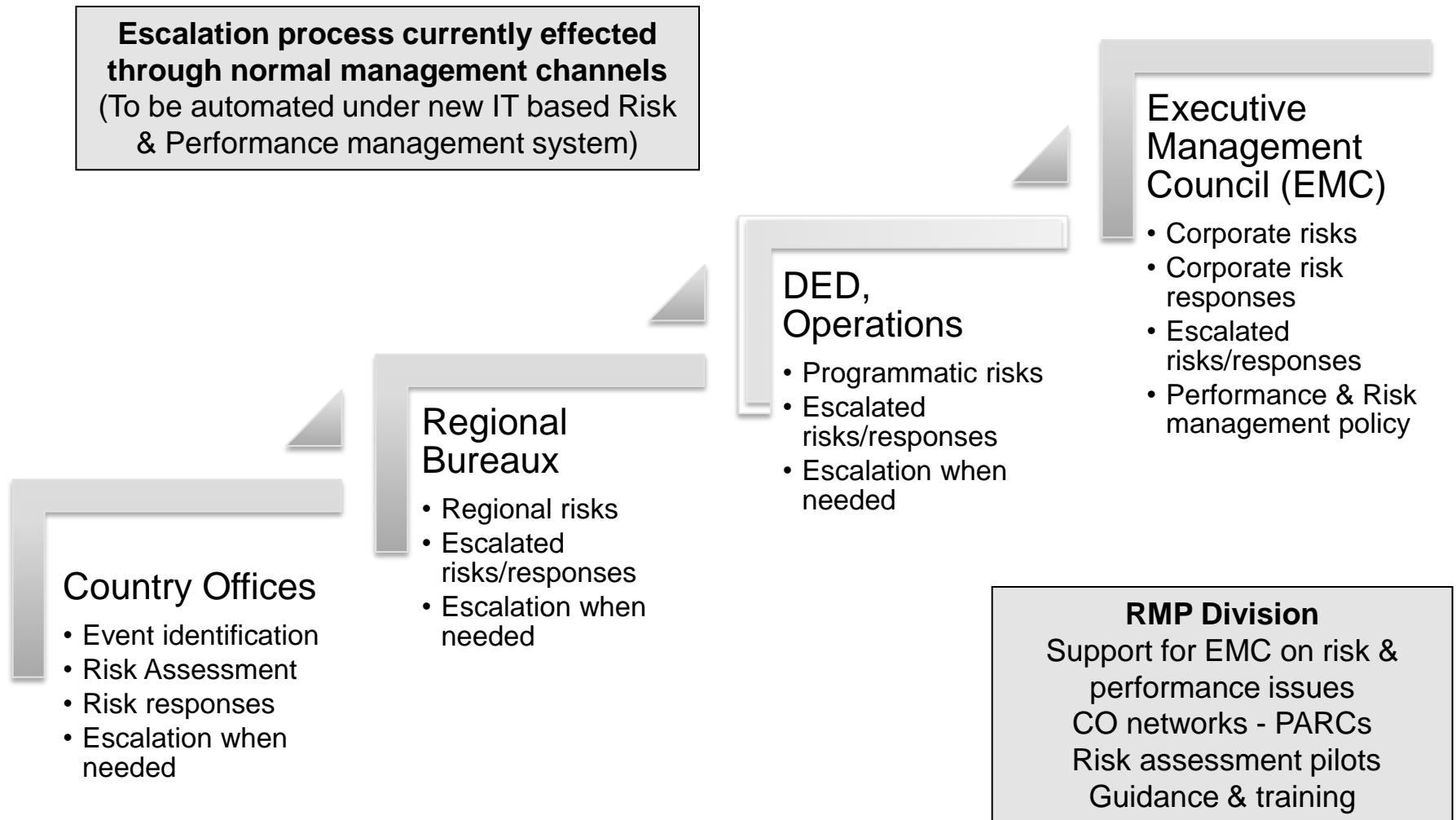
2009-ongoing

Risk Management information system development

- Development of a system to systematically collect and share risks up/down the organization

2010-ongoing

Risk Management escalation process



On-going Challenges

Agreeing on common risk thresholds

- Risk tolerance levels in complex humanitarian contexts.

Integration within existing business practises

- Making it simple , practical , fit for purpose

Ensuring linkages between corporate and operational risks

- Putting in place a workable and dynamic risk escalation system

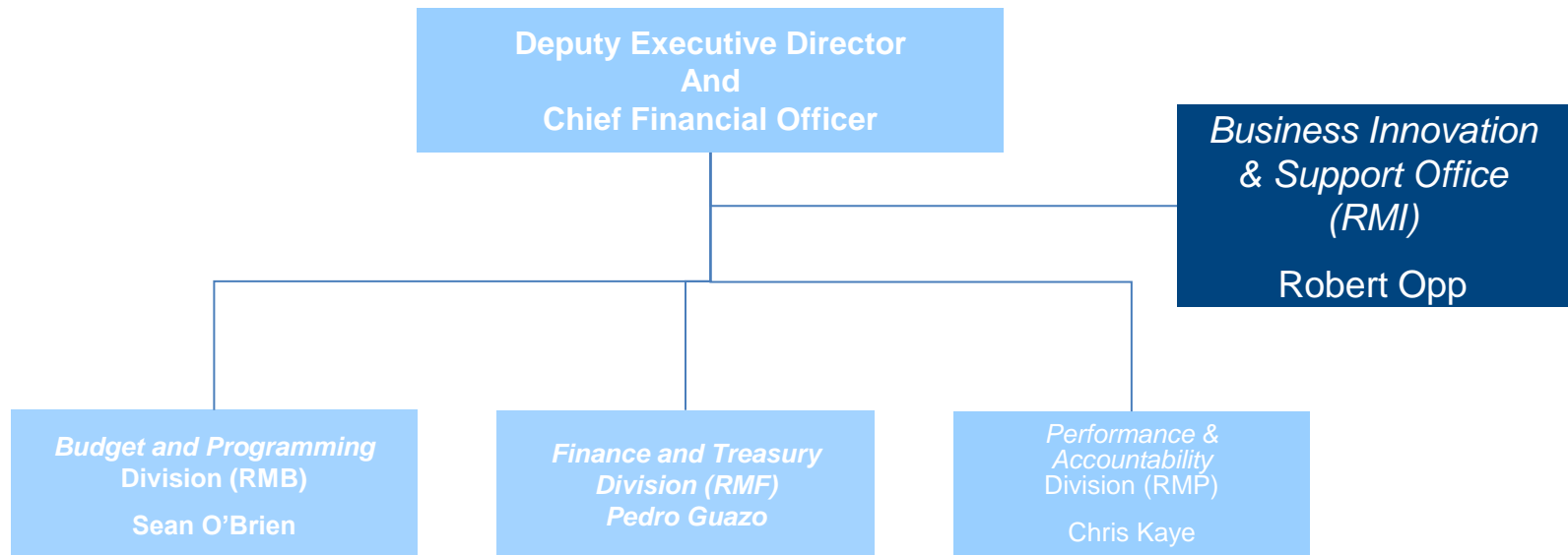
Demonstrating Value

- Internally and externally

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WFP has developed a formal framework on Internal Control based on COSO international best practice, through SMCA

1. Internal Environment



- Ethical values
- Organization structure
- Strategic objectives
- HR policies
- Management style

2. Risk Management



- Identification of threats & opportunities
- Risk assessment
- Risk response

3. Control Activities



- Management review of actions
- Segregation of roles in WINGS II
- IT systems password policy

4. Information & Communication



- Sharing of relevant information
- Information escalation
- Timeliness & quality of information

5. Monitoring



- Balancing supervision & micro management
- Periodic review of systems
- Reporting deficiencies

The five components of Internal Control are used as framework for all Internal Control improvement tools

SMCA develops improvements for Internal Control and Accountability

Internal Control	Internal Control Framework	✓
	Statement on Internal Control	▶
	Manager's Guide to Internal Control	✓
	Internal Control self assessment checklists	✓
	Internal Audit recommendation mgmt. follow-up	✓
Decision-making structures	Delegated authorities review	▶
	Committee analysis	✓
	Executive Management Council	✓
Update guidelines	Financial Resource Mgmt. Manual (FRMM)	✓



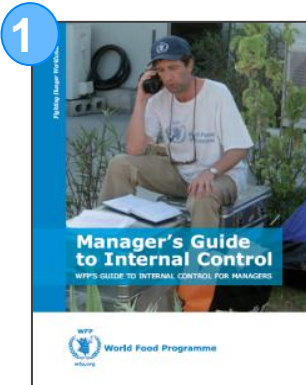
Ready



In progress

Several Internal Control support tools are now being distributed to Offices/Divisions

Manager's Guide to Internal Control (support tool)



- Easy-to-use guide on Internal Control

Internal Control self-assessment checklists (support tool)

No	Question	Yes	Strong	Adequate	Needs Strength	Evidence/issues to
3.1	Do you consider that procurement staff fully understand and apply WFP/UN procurement procedures?	1.1	S	A	AN	Procurement manuals a staff Procurement committee procurement activities

Manager's Mini Guide to Internal Control (support tool)



- Mini guide with key messages

Additional tools



- Bookmark with top five internal control tips for managers
- User Guidance for Internal Control tools

Additionally, a Manager's Guide has been developed with key guidance on strengthening internal control

Manager's Guide and Mini version developed

Manager's Guide content



- Answers question "what are we trying to control?"
- What you **need to know** about the internal control framework
- **Explains limitations** of internal control
- Outlines action to be taken to **address weaknesses**
- Explains the background to the **Statement on Internal control** and **manager certification of internal controls**
- **Top ten tips** for managers
- Guide on **how to carry out an Internal Control Self assessment**

Contains key messages

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THANK YOU

