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MICRO ASSESSMENT OF THE OFFICE OF THE PRIME MINISTER,
SOMALIA (OPM SOMALIA)

CONDUCTED BY DELOITTE & TOUCHE

COMMISSIONED BY UNITED NATIONS CHILDREN
FUND SOMALIA COUNTRY OFFICE (UNICEF SOMALIA)

MARCH 2020

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children Fund Somalia

Contents

Deloitte & Touche
Certified Public Accountants (Kenya)
Deloitte Place
Waiyaki Way, Muthangari
P.O. Box 40092 - GPO 00100
Nairobi
Kenya

Tel: (+254 20) 423 0000
Cell: (+254 20) 0719 039 000
Dropping Zone No. 92
Email: admin@deloitte.co.ke

www.deloitte.com

To the Chief of PME
UNICEF Somalia Support Centre
P.O. Box 44145 - 00100
Nairobi, Kenya

Dear Sir,

REPORT OF FACTUAL FINDINGS

In accordance with our contract dated 19 August 2019 that you agreed with us, we provide our micro assessment report of the Office of the Prime Minister, Somalia (OPM Somalia).

Objective

The objective of the assignment is to provide an overall assessment of the implementing partner's programme, financial and operations management policies, procedures and internal control systems of the Office of the Prime Minister, Somalia (OPM Somalia).

As requested, we have only performed the procedures set out in the terms of reference of this engagement. As per the Terms of Reference, we were expected to conduct an assessment in the following key areas:-

- Implementing partner
- Programme management
- Organisation structure and staffing
- Accounting policies and procedures
- Fixed assets and inventory
- Financial reporting and monitoring
- Procurement and contract administration

For ease of follow up and to enable UNICEF Somalia management to focus effectively in addressing the issues in our report, we have classified the issues arising from our assessment in order of significance. In the table below, we define the risk rankings subsequently used in the report:

Key to risk rankings:

High	Indicates an underdeveloped financial management system and control framework with a high likelihood of potential negative impact on the IP's ability to execute the programme in accordance with the work plan.
Significant	Indicates an underdeveloped financial management system or control framework with a significant likelihood of potential negative impact on the IP's ability to execute the programme in accordance with the work plan.
Moderate	Indicates a developed financial management system and control framework with moderate likelihood of potential negative impact on the IP's ability to execute the programme in accordance with the work plan.
Low	Indicates a well-developed financial management system and functioning control framework with a low likelihood of negative impact on the IP's ability to execute the programme in accordance with the work plan.

REPORT OF FACTUAL FINDINGS (Continued)

Overall risk conclusion

The assessment procedures applied in order to reach at the conclusion for each key area resulted in **overall low risk** for the organization. The financial management systems and control framework are well developed with low likelihood of potential negative impact on the IP's ability to execute the programme in accordance with the work plan.

Entity level assessment		Risk ranking
Overall assessment of the Office of the Prime Minister, Somalia (OPM Somalia).	**Strengths** • The IP is established in accordance with Article 90 (d) of Federal Government of Somalia (FGoS) Constitution; • The IP has anti-fraud and corruption policy outlined in its code of conduct policies; • The IP has whistle blowing policy to protect against retaliation; • The IP undertakes programme risk identification detailing the risks, impacts and risk mitigation mechanisms; • The IP undertakes regular field monitoring of the project activities with progress reports being prepared; • The finance and programme team is adequately staffed to ensure sufficient controls are in place to manage the agency's funds; • The IP has in place segregation of duties and responsibilities with respect to initiation of transaction, recording, authorisation and payment; • Budgets are prepared for all projects in sufficient detail to provide a meaningful tool for monitoring subsequent performance; • The IP undertakes periodic physical verification and count of assets; • The IP has a computerised accounting system with SFMIS for all FGoS projects that have been budgeted by the ministry of finance and QuickBooks (for all donor funded projects that are not part of the budgetary support) been used for recording income and expenditure; • The IP procurement contracts integrate references to ethical procurement principles or exclusion/ ineligibility criteria for unethical practises; and • The IP has a well-defined bid evaluation process to ensure secure and transparent bid evaluation. **Weaknesses** • The IP operates in regions that are under threat from extremist group Al-Shabaab. This exposes the organisation to the risk of delayed implementation due to the volatility in the operating environment; • The IP has not undertaken independent third party evaluations for projects implemented;	**Low Score 1.45**

Entity level assessment		Risk ranking
	• The IP does not insure the assets under its custody to cover the risk of loss by theft, damage or accident;	
	• The IP has a computerised procurement systems for the government funded projects but not for donor funds such as United Nation funded projects; and	
	• The IP has several financial reporting tools i.e. SFMIS and QuickBooks hence may lead to un harmonized financial reporting.	
	• The Anti-corruption policy has been signed into law but the staff do not yet have a copy.	

Standards and Ethics

Our engagement was undertaken in accordance with:

- International Standard on Related Services ('ISRS') 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as promulgated by the International Federation of Accountants (IFAC); and

- The Code of Ethics for Professional Accountants issued by the IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Contracting Authority requires that the auditor also complies with the independence requirements of the Code of Ethics for Professional Accountants.

Procedures performed

The procedures performed have been determined solely by you.

We have performed the procedures agreed with you as indicated in the Terms of Reference with respect to assessment of implementing partner and the related internal controls of the Office of the Prime Minister, Somalia (OPM Somalia).

Because the procedures performed by us did not constitute neither an audit nor a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on this report.

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

Sources of Information

The report sets out information provided to us by you and the Office of the Prime Minister, Somalia (OPM Somalia) in response to specific questions or as obtained and extracted from accounts and records.

Use of this Report

This is a special purpose and confidential report. It is solely for the purpose set forth in the above objective and for your information and is not to be used for any other purpose or to be distributed to any other parties.

We would be pleased to provide any further information or assistance which may be required.

Yours faithfully,

Certified Public Accountants (Kenya)
Nairobi, Kenya

13 March 2020

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

1. Background, scope and methodology

1.1. Background

The micro assessment is part of the requirements under the Harmonized Approach to Cash Transfers (HACT) Framework. The HACT framework represents a common operational framework for UN agencies' transfer of cash to government and non-governmental implementing partners.

The micro-assessment assesses the IP's control framework. It results in a risk rating (low, moderate, significant or high). The overall risk rating is used by the UN agencies, along with other available information (for example, history of engagement with the agency and previous assurance results), to determine the type and frequency of assurance activities as per each agency's guideline and can be taken into consideration when selecting the appropriate cash transfer modality for an Implementing Partner (IP).

1.2. Scope

The micro-assessment provides an overall assessment of the Implementing Partner's programme, financial and operations management policies, procedures, systems and internal controls. It includes:

- A review of the IP legal status, governance structures and financial viability; programme management, organizational structure and staffing, accounting policies and procedures, fixed assets and inventory, financial reporting and monitoring, and procurement;
- A focus on compliance with policies, procedures, regulations and institutional arrangements that are issued both by the Government and the Implementing Partner.

It takes into account results of any previous micro assessments conducted of the Implementing Partner.

1.3. Methodology

We performed the micro-assessment from 12 to 14 October 2019 at the Office of the Prime Minister, Somalia (OPM Somalia) in Mogadishu.

Through discussion with management, observation and walk-through tests of transactions, we have assessed the Implementing Partner's and the related internal control system with emphasis on:

- The effectiveness of the systems in providing the Implementing Partner's management with accurate and timely information for management of funds and assets in accordance with work plans and agreements with the United Nations agencies;

- The general effectiveness of the internal control system in protecting the assets and resources of the Implementing Partner.

We discussed the results of the micro assessment with applicable UN agency personnel and the IP prior to finalization of the report. The list of persons met and interviewed during the micro-assessment is set out in Annex III.

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2. Summary of risk assessment results

The table below summarizes the results and main internal control gaps found during application of the micro-assessment questionnaire (in Annex IV). Detailed findings and recommendations are set out in section 3 below.

Tested subject area	Risk assessment*	Brief justification for rating (main internal control gaps)
1. Implementing partner	**Low** **Score 1.45**	**Strengths** • The IP is established in accordance with Article 90 (d) of Federal Government of Somalia (FGS) Constitution; • The IP has anti-fraud and corruption policy outlined in its code of conduct policies; • The IP has whistle blowing policy to protect against retaliation; • The IP uses the Central Bank of Somalia Treasury Single Account for the receipt of funds. There have been no issues/ problems with receipt of funds; • The IP has no legal suits either as a defendant or plaintiff; and • The IP has received funding from UN agencies namely from UNDP and UNICEF. **Weakness** • The IP operates in regions that are under threat from extremist group Al-Shabaab. This exposes the organisation to the risk of delayed implementation due to the volatility in the operating environment.
2. Programme Management	**Low** **Score 1.38**	**Strengths** • The IP uses national monitoring and evaluation framework that provides detailed written policies, procedures and work planning templates; • The IP undertakes regular field monitoring of the project activities with progress reports being prepared and submitted for all projects to the respective donors; • The IP undertakes programme risk identification detailing the risks, impacts and risk mitigation mechanisms; • IP undertakes systematic monitoring and evaluation of project so assess the achievements against set project targets timeframes and budget; and **Weaknesses** • The IP has not undertaken independent third party evaluations for the projects implemented;

3. Organizational structure and staffing	Low Score 1.38	**Strengths** • The IP's HR policy includes clearly defined recruitment and personnel practices which embraces merit, transparency and competition; • The IP has detailed job descriptions for the staff in the different positions with clear reporting chains; • The IP conducts background reference checks for all the employees prior to finalisation of the recruitment process; • The finance and programme team is adequately staffed to ensure sufficient controls are in place to manage the agency's funds; • The IP has a low employee turnover rate which supports its stability in delivery of its mandate; and • The IP has a detailed organisation structure detailing the different positions and titles with the key positions duly filled.
4. Accounting policies and procedures	Low Score 1.50	**Strengths** • The IP has a financial policies and procedures manual to guide its financial operations; • The IP has in place segregation of duties and responsibilities with respect to initiation of transaction, recording, authorisation and payment; • Accounting records are maintained by finance and accounting staff in a lockable office; • The IP performs reconciliations of the cashbooks and bank on a monthly basis with any significant variances being investigated; • The organisation has established payment authorisation thresholds with all payments being approved by the Director General; • Budgets are prepared for all projects in sufficient detail to provide a meaningful tool for monitoring subsequent performance; and • All staff are required to complete a timesheet detailing the projects that they have been engaged in which is used/ forms the basis of staff cost charged to the project. **Weaknesses** • The OPM internal audit function is new and does not have a clear reporting structure. It currently reports to the Permanent Secretary;

		• Supporting documents are invalidated by stamping "PAID". However, the project and account codes are not indicated.
5. Fixed Assets and Inventory	**Moderate** **Score 1.75**	**Strengths** • The IP undertakes annual physical verification and count of assets; and • The IP maintains an asset register for all assets owned or under their custody. The register includes details on asset type, asset ID number, amount, date of purchase, responsible staff and the location of the asset. **Weaknesses** • The IP does not insure the assets under its custody with an insurance company to cover the risk of loss by theft, damage or accident.
6. Financial Reporting and Monitoring	**Low** **Score 1.38**	**Strengths** • The IP established financial reporting procedures guided by the National Financial Procedures Manual that provide details on the reports to be prepared; • The IP has a computerised accounting system with SFMIS (For expenses that have been budgeted under the ministry of finance) and QuickBooks (for all projects that have not been included in the FGoS budgets) being used for recording income and expenditure; • To promote data security and integrity, access to the accounting systems is restricted to the finance staff with use of passwords; and • The IP financial statements are audited by the Office of Auditor General on an annual basis with unqualified audit opinion being issued in 2017 and 2018. Weaknesses • There is lack of harmonised financial reporting system since the ministry uses both SFMIS and Quickbooks. There is risk that the ministry may not be making a wholistic decision when it comes to financial management of the ministry.
7. Procurement	**Low** **Score 1.39**	**Strengths** • The IP has established procurement thresholds that are used as the basis of the procurement method adopted;

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- The IP follows Public, Procurement and Concessions Law (PP&CL) to guide the procurement process;

- The IP procurement contracts integrate references to ethical procurement principles or exclusion/ ineligibility criteria for unethical practises; and

- The organisation has a well-defined bid evaluation process to ensure secure and transparent bid evaluation.

Weaknesses

- Inconsistent application of the automation of the procurement process i.e. projects that are not included in the overall ministry of finance budget undertakes manual procurement processes while the FGoS and the World Bank CIP project use the SFMIS and World STEP automated procurement process respectively; and

- IP procurement reports are not prepared consistently for all vendors.

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3.   **Detailed Internal Control Findings and Recommendations**

No.	Description of Finding	Recommendation	Risk Rating	IP Management Response
	Implementing Partner			
1.	**Operational risk in project implementation** OPM project implementation locations and field offices are located in regions of Somalia that are under constant threat from extremist group Al-Shabaab an Al-Qaeda affiliated terror group. The programs may suffer from periodic disruptions which may impact the project timely completion or achievement of set targets.	Management should adequately plan for any programmatic disruptions and institute adequate safety and security mechanism in the project implementation processes.	High	Agreed. We shall update the program management policies and procedures to include strategies to mitigate against programmatic disruptions. Target date: June 2020.
2	**Lack of staff copies of the anti-fraud policy** The Anti-Fraud Policy was signed into law by the President of the FGoS on October 2019. However we did not obtain a copy of the policy for our review since it is yet to be published by the Government Press and hence the staff are not aware of the details of the policy	Management should ensure that the a copy of the anti-corruption policy is issues to all employees and training be conducted on the same	High	Agreed. We would ensure the employees have a copy and we shall plan with the attorney general to do staff training. Target date: June 2020.
	Fixed Assets and Inventory			
3.	**Lack of insurance policy for assets** The IP has not procured an insurance policy to cover the insurance of assets held by the entity to cover against loss or damage. These exposes OPM to loss of assets in the event of an adverse event on any of the uninsured assets.	Management should consider acquiring a comprehensive insurance policy for all the assets in their possession either through acquisition or donation by development partners.	High	We shall source for insurance companies who are willing to take up the risk of insuring the OPM assets. Target date: June 2020

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No.	Description of Finding	Recommendation	Risk Rating	IP Management Response
	Financial Reporting and Monitoring			
4.	**Internal audit function structure** OPM has a new internal audit department. The head of internal audit was recruited in September 2019 and is in the process of setting up the department. Her reporting structure has not been clearly defined and the role has not been included in the organogram.	The internal audit should report to an independent oversight board/authority within the OPM. This shall ensure that the department has the required independency and instil objectivity in its operations	High	Agreed. We shall establish an independent reporting structure from management and have it incorporated in the OPM organisation structure. Target date: June 2020
5	**Lack of harmonised financial reporting system** OPM currently uses two sets of accounting systems i.e. SFMIS (for both World Bank and FGoS funding) and QuickBooks used by the Aid Coordinating Unit for other donor funds. The two financial systems are not integrated to ensure that one set of financial statements can be produced by OPM showing all funding sources and use of funds. Failure to integrate the financial systems does not allow generation of consolidated financial statements of OPM to guide strategic decision making.	The SFMIS can be used for both consolidated and project reporting. Given that OPM has adequate capacity in its finance department to undertake accounting and reporting in SFMIS, OPM should explore use of SFMIS for all financial reporting requirements. Alternatively, Quickbooks should be integrated to SFMIS to allow preparation of consolidated financial statements.	High	We shall engage the MOF and get their advice on how to consolidate all financial and accounting and reporting in SFMIS. Target date: June 2020
6	**Lack of a modern Public Finance Management Policy** OPM currently uses the Financial Regulation 1962 as the legal basis to undertake its financial operations. This law is outdated and needs to be revised. The ministry of finance has since developed a draft public finance management law that is awaiting passage by parliament.	OPM should review the current Financial Regulation 1962 and benchmark it against modern Public Financial Management practices to enhance financial management.	High	An updated Public Financial Management Policy has already been developed and it is a draft policy. The policy is awaiting adoption by Parliament. Target date: June 2020

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No.	Description of Finding	Recommendation	Risk Rating	IP Management Response
	Procurement and Contract Administration			
7.	**Inconsistent application of the automation of the procurement process** The Aid Coordinating Unit (ACU) within OPM undertakes manual procurement processes while the FGoS and the World Bank CIP project use the SFMIS and World STEP automated procurement process respectively. This leads to inconsistency in the procurement process and poses a challenge in the strategic undertaking of procurement in the office.	Management should ensure that all departments within OPM use the automated procurement systems that are available. This will also ease generation of procurement reports detailing the performance of suppliers, status on delivery processes and blacklisted suppliers	High	We shall review the procurement system that we have in place with the aim of seeing how to consolidate the procurement processes within the OPM. Target date: June 2020

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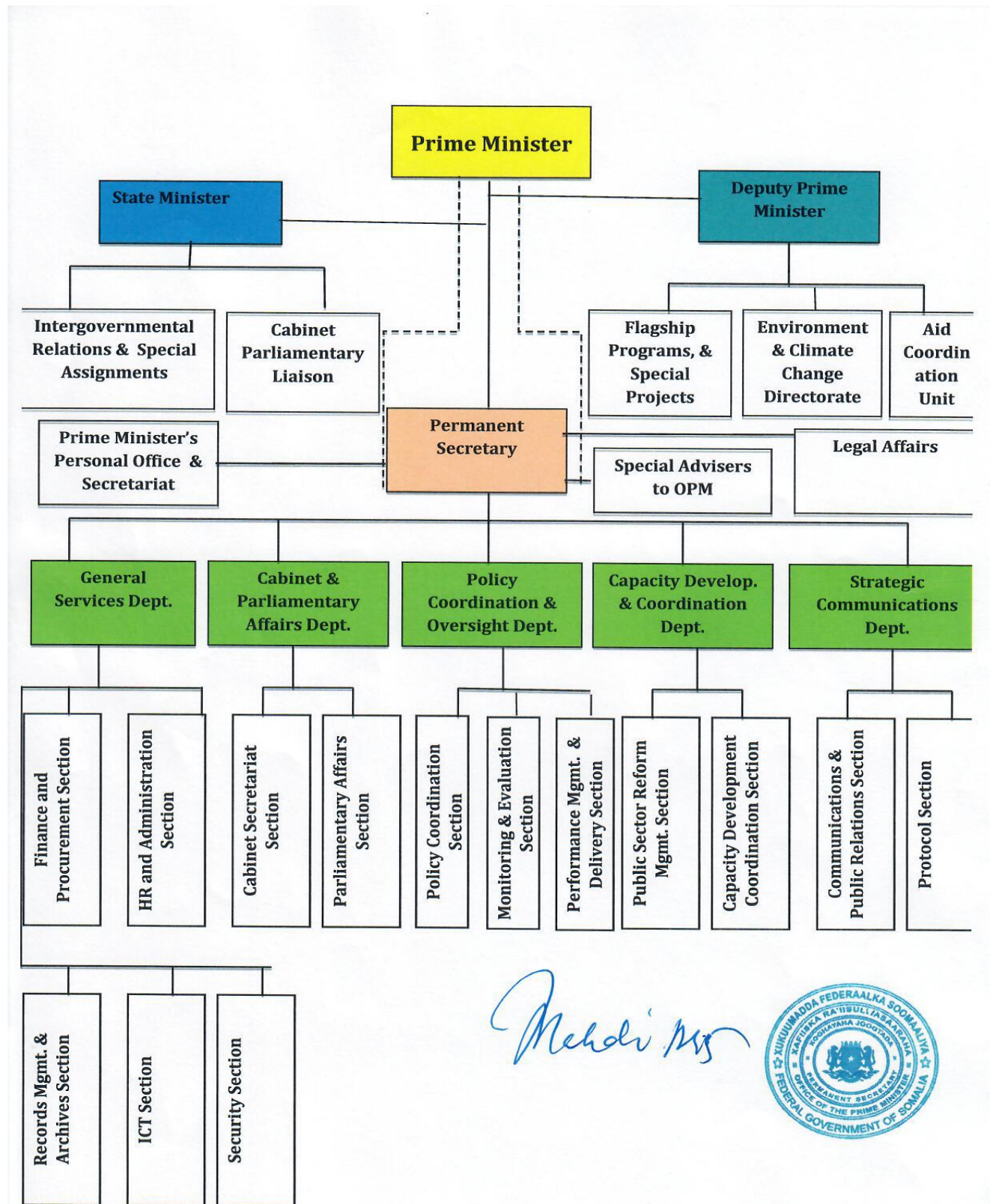
Annex I. IP and Programme Information

Implementing partner name:	Office of the Prime Minister
Implementing partner code or ID in UNICEF, UNDP, UNFPA records (as applicable)	2500240231
Implementing partner contact details (contact name, email address and telephone number):	Mohamed Ali Gedi Director of Finance and Administration Office of the Prime Minister mohamed.a@opm.gov.so +252-612-700027 Mariam Mohamed Office of the Prime Minister Mkahiya05@gmail.com +252-616-647578
Main programmes implemented with the applicable UN Agency/ies:	Somali Capacity Development – Strengthening Institutional Performance (SIP) – UNDP funded Scaling Up Nutrition Focal Point – UNICEF Funded
Key Official in charge of the UN Agency/ies' programme(s):	Jose Maria Bendito Prieto Chief Social Policy, Programme Section, Mogadishu UNICEF, Somalia jbenditoprieto@unicef.org
Programme location(s):	Mogadishu, Somalia
Location of records related to the UN Agency/ies' programme(s):	Mogadishu, Somalia
Currency of records maintained:	United States Dollars
Latest expenditures incurred/reported to UNICEF, UNDP and UNFPA (as applicable). Indicate the amount (in US$) and the financial reporting period ;	$ 610,382.97 – UNDP $105,000 - UNICEF
Current or latest cash transfer modality/ies used by the UN agency/ies to the IP	Direct Cash Transfer
Intended start date of micro assessment:	12 October 2019
Number of days to be spent for visit to IP:	14 October 2019
Any special requests to be considered during the micro assessment:	None

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Annex II. Implementing Partner Organizational Chart

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Annex III. List of Persons Met

Name	Unit/organization	Position
Abdinoor Ahmed	OPM	Permanent Secretary
Bashir Ali OSman	OPM	Secretary to the Cabinet
Mohamed Ali Gedi	OPM	Director Administration and Logistics
Mohamed Harun	OPM	Director of Finance
Abdikarim Mohammed	OPM	Procurement advisor
Mohamed Guled	OPM	Procurement
Mariam Mohamed	OPM	Internal Auditor

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Annex IV. Micro Assessment Questionnaire

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
1. Implementing Partner						
1.1 Is the IP legally registered? If so, is it in compliance with registration requirements? Please note the legal status and date of registration of the entity.	Yes			Low	1	The IP is established in accordance with Article 90 (d) of Federal Government of Somalia (FGoS) Constitution that provides for the establishment of the Office of the Prime Minister and his/her appointment by the President of the Federal Republic of Somalia. The OPM receives funds from the FGoS allocated budget, World Bank through the Capacity Injection Project (CIP) and Donors such as UNDP and UNICEF, and European Union. Both the FGoS funds as well as the World Bank funds are managed using the national government systems such the SFMIS and the finances are included in the overall government budget. However, other donor fund are managed by the various project teams and these funds are included in the government budget and their financial reports are outside SFMIS and are accounted separately in QuickBooks.
1.2 If the IP received United Nations resources in the past, were significant issues reported in managing the resources, including from previous assurance activities.		No		Low	1	The Office of the Prime Minister (OPM) has received funds from various UN agencies such as UNICEF and UNDP. For the period 1 October 2017 to 31 December 2018, UNDP granted through a direct cash transfer of US$ 610,382. UNICEF granted the SUN project within the OPM $150,000 through DCT. UNDP funds were audited by Deloitte on April 2019 and there were no significant issues noted. Spot Check was carried out in September 2019 for the UNICEF funds under the SUN project and no significant issues were reported.
1.3 Does the IP have statutory reporting requirements? If so, are they in compliance with such requirements in the prior three fiscal years?	Yes			Low	1	The OPM does not have statutory audit requirements. However, the various projects from the World Bank and the UN funds that are managed by the OPM have statutory audit requirements based on their signed financing agreement.

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Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
1.4 Does the governing body meet on a regular basis and perform oversight functions?	Yes			Low	1	The governing body in the Office of the Prime Minister (OPM) is the Cabinet chaired by the Prime Minister. Based on inquiry with the Cabinet Secretariat, The Cabinet meets every Thursday to discuss the progress of the various projects including the ones managed in the Office of the Prime Minister. Additionally, the Senior Directors of OPM chaired by the Permanent Secretary meet weekly to discuss the progress of the projects. We reviewed the various meeting agendas but we could not review the minutes since these contained classified information.
1.5 If any other offices/ external entities participate in implementation, does the IP have policies and process to ensure appropriate oversight and monitoring of implementation?	Yes			Low	1	OPM undertakes coordination of the Government's National Development Plan that is implemented through the various line ministries. This is done mostly through the use the monitoring and implementation tool developed by the various agencies such as UNICEF and UNDP. Each ministry submits progress report against the MTEF (Medium Term Expenditure Framework) reports.
1.6 Does the IP show basic financial stability in-country (core resources; funding trend) *Provide the amount of total assets, total liabilities, income and expenditure for the current and prior three fiscal years?*		No		Low	1	The IP has strong financial stability as shown below. _see table below_
1.7 Can the IP easily receive funds? Have there been any major problems in the past in the receipt of funds, particularly where the funds flow from government ministries?	Yes			Low	1	The IP uses the Central Bank of Somalia Treasury Single Account for the receipt of funds for government funds. It uses private banks to manage UNICEF and other UN agencies funds. There have been no issues/ problems with receipt of funds.
1.8 Does the IP have any pending legal actions against it or outstanding material/significant disputes with vendors/contractors? *If so, provide details and actions taken by the IP to resolve the legal action.*		No		Low	1	From the inquiry with the Permanent Secretary, the IP has no pending legal actions either as a plaintiff or defendant.

Table referenced in 1.6:

Description	Year		
	2018	2017	2016
Income (FGoS and Donors) (US$)	9,528,562	8,389,600	6,714,555
Income growth	*42%*	*25%*	
Expenditure (FGoS and Donors) (US$)	8,887,374	8,180,967	5,802,719
Expenditure growth	*53%*	*41%*	

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Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
1.9 Does the IP have an anti-fraud and corruption policy?	Yes			Significant	3	From discussion with the Director Finance and Administration officer, the Anti-Fraud Policy was signed into law by the President of the FGoS on October 2019. We however did not obtain a copy of the policy for our review since it is yet to be published by the Government Press.
1.10 Has the IP advised employees, beneficiaries and other recipients to whom they should report if they suspect fraud, waste or misuse of agency resources or property? If so, does the IP have a policy against retaliation relating to such reporting?	Yes			Low	1	All government employees have been advised as to whom they should report to in case of suspected fraud i.e. their line supervisors and as outlined in the law of civil servants for the Government also referred to as Law 11. Each employees is given a copy of Law 11 written in Somali. The government has a whistle blowing and protection act in place
1.11 Does the IP have any key financial or operational risks that are not covered by this questionnaire? If so, please describe. *Examples: foreign exchange risk; cash receipts.*	Yes			High	4	Operational risk The OPM operates in Somali that has risk against extremist group Al-Shabaab. This exposes OPM to the risk of delayed implementation due to the volatility in the operating environment.
Total number of questions in subject area:	**11**					
Total number of applicable questions in subject area:	**11**					
Total number of applicable key questions in subject area:	**5**					
Total number of risk points:	**16**					
Risk score	**1.45**					
Area risk rating	**Low**					

2. Programme Management

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Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
2.1. Does the IP have and use sufficiently detailed written policies, procedures and other tools (e.g. project development checklist, work planning templates, work planning schedule) to develop programmes and plans?	Yes			Low	1	The Office of the Prime Minister is tasked in coordinating the National Development Plan that is the overarching policy that governs the Somali Government Development Agenda. These projects are monitored depending on the funds sources of funding received i.e. a) World Bank CIP program - The OPM uses the World Bank' Project Implementation Manual to develop programmes and plans. b) ACU Programmes - Since the Aid Coordinating Unit (ACU) manages the UNDP projects, the Unit uses the Annual Work Plans (AWP) as well as the UNDP programme templates to develop programme and plans c) UNICEF Programmes - The SUN movement unit as well as other units manage UNICEF funds using agreed upon programme templates to develop programme and plans. The units also use agreed upon reporting templates by UNICEF d) FGOS - programme policy - The OPM uses the FGoS budgetary process to develop any programmes and projects that the various Government Ministries including te OPM to develop programmes and policies. Medium Term Expenditure Framework (MTEF) reviews to undertake
2.2. Do work plans specify expected results and the activities to be carried out to achieve results, with a time frame and budget for the activities?	Yes			Low	1	1. OPM does not undertake Federal Government Projects but it coordinates projects that are implemented in the line ministries. The expected type of project, budget and timeline are indicated in the FGoS budget. The Ministry of Finance reviews the progress and reports to OPM on how these projects are progressing. 2. The donor funded projects (both World Bank, UNICEF and UNDP) within the OPM office have detailed work plans that have timelines and budgets against each expected activity and output.
2.3 Does the IP identify the potential risks for programme delivery and mechanisms to mitigate them?	Yes			Low	1	The IP has a risk management policy. The IP performs risk assessment and maintains a different risk register for each project that it manages. This is to ensure that each project is managed in line with the risks identified. We reviewed the risk registers for the CPU-World Bank Funded project the SUN-UNICEF funded project and the and the ACU-UNDP funded projects and noted that the project risk are identified using the risk registers and mitigating plans are indicated.

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
2.4 Does the IP have and use sufficiently detailed policies, procedures, guidelines and other tools (checklists, templates) for monitoring and evaluation?	Yes			Low	1	The IP has detailed policies, procedures and guidelines to undertake monitoring and evaluation for each project that is managed within the OPM office. Donor funded projects by the World Bank, UNICEF and the UNDP have detailed policies and procedures for monitoring and evaluation that have been developed by the donors and the OPM is required to use them.
2.5 Does the IP have M&E frameworks for its programmes, with indicators, baselines, and targets to monitor achievement of programme results?	Yes			Low	1	The IP has a detailed M&E framework for its programs detailing the program baselines data, targets to be achieved, indicators and means of verification. From a review of a sample of the projects (CIP), Result and Monitoring Framework indicates the baselines as well as the cumulative targets for each output. The M&E framework for the Strengthening Institutional Performance (SIP) project shows the expected target outputs against the set baselines and the responsible parties.
2.6 Does the IP carry out and document regular monitoring activities such as review meetings, on-site project visits, etc.	Yes			Low	1	The IP undertakes regular field monitoring of the project activities with progress reports being prepared and submitted for all projects to the respective donors. We reviewed the CIP, Scaling Up Nutrition (SUN) Focal Point – UNICEF and ACU-UNDP progress reports for the quarters ended March and June 2019. The Prime Minister holds cabinet secretary meeting every Thursday and the progress of the projects are discussed and documented during these meetings.
2.7 Does the IP systematically collect, monitor and evaluate data on the achievement of project results?	Yes			Low	1	The IP undertakes systematic monitoring and evaluation of project so assess the achievements against set project targets. We reviewed the CIP and Scaling Up Nutrition (SUN) Focal Point – UNICEF and ACU-UNDP progress reports and noted that the reports indicates the data of the outputs and outcomes against the set targets. The report evaluates the data, successes, failures and challenges noted. The reports document the recommendations that needed to be considered on the basis of the implementation and monitoring experience.
2.8 Is it evident that the IP followed up on independent evaluation recommendations?	Yes	No		High	4	The IP has not undertaken end independent programmatic evaluation for the projects implemented
Total number of questions in subject area:	**8**					

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
Total number of applicable questions in subject area:	8					
Total number of applicable key questions in subject area:	2					
Total number of risk points:	11					
Risk score	1.38					
Area risk rating	Low					

3. Organizational Structure and Staffing						
3.1 Are the IP's recruitment, employment and personnel practices clearly defined and followed, and do they embrace transparency and competition?	Yes			Low	1	OPM recruitment process is clearly defined and is based on transparency and competitions. The civil servants are recruited by the National commission and Ministry of Labour under the Law 11. The program staff for the Scaling Up Nutrition (SUN) Focal Point – UNICEF and ACU-UNDP were recruited competitively using the OPM human resource policies. All these positions were publicly advertisement detailing the respective job description.
3.2 Does the IP have clearly defined job descriptions?	Yes			Low	1	The organisation has detailed job descriptions for the staff in the different positions in different departments. These are included in the contract and filed in the staff personnel files. The job description provide the staff position/ designation, roles and responsibilities of the staff and reporting channel. We reviewed the job descriptions for the Administration and Finance Officer for the Aid Coordinating Unit and for Mohamed Abdi Farah – National Coordinator for the UNICEF SUN project. We noted that their job descriptions are explained in detail in their employment letters
3.3 Is the organizational structure of the finance and programme management departments, and competency of staff, appropriate for the complexity of the IP and the scale of activities? Identify the key staff, including job titles, responsibilities, educational backgrounds and professional experience.	Yes			Moderate	4	OPM has a clear structure and is administratively headed by the Prime Minister. The finance and programme department has competent staff such as detailed below:- a) **Mohamed Ali Gedi - Director Administration and Finance**. He holds a Bachelor of Science, Business Administration in finance and Economics. He has worked 4 years in the Office of the President as financial advisor and another 4 years in the OPM b) **Mohamed Harun- Director of Finance**. He holds a Master's in Public

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
						Financial Management. He has worked 4 years as an accountant in the Accountant General Office in Somaliland, 2 years in the Auditor's General Office in Somaliland and 4 years in OPM. **c) Muhumed Hussein Ahmed – Director of Programmes**. He holds an MBA Strategic Management from Kenyatta University. He has worked for 2 years in the OPM and 13 years for the Norwegian Refugee Council (NRC) including 2 years as NRC Somali Country Director. **d) Abdikarim Muse Ali - Procurement advisor**. He holds a Bachelors of Economics and Chartered Accountant (ACCA). 6 years' work experience of which 4 months at OPM as an Officer prior to which he worked with the Interim National Procurement Board. He has attended procurement trainings that were undertaken by the World Bank and Adam Smith International.
3.4 Is the IP's accounting/finance function staffed adequately to ensure sufficient controls are in place to manage agency funds?	Yes			Low	1	The finance department has a total of 7 staff with the department headed by the Director of Finance and Administration and assisted by the Director of Finance.
3.5 Does the IP have training policies for accounting/finance/ programme management staff? Are necessary training activities undertaken?	Yes			Low	1	The Law 11 and the Human Resource Policies for ACU and CIP offers guidance on staff trainings which is undertaken at least annually and the training records are kept by the Human Resource Officer. The training are undertaken after a performance review has been undertaken. We reviewed the personnel files for Mohamed Ali Mohamed, the Administration and Finance Officer for the ACU and the Mohamed Abdi Farah – National Coordinator for the UNICEF SUN project and noted that they their annual performance appraisal has been filed.
3.6 Does the IP perform background verification/checks on all new accounting/finance and management positions?	Yes			Low	1	References and documentation checks are conducted to ensure that the personal information including educational documents and past experience are verified. The background checks are done by the National Intelligence service (NIS) since the security of OPM is high priority. Only cleared staff are allowed to work in OPM offices and their names and details are kept with the head of security in OPM.
3.7 Has there been significant turnover in key finance positions the past five years? If so, has the rate improved or worsened and appears to be a problem?		No		Low	1	There was no staff turnover in OPM's key positions. Key staff members such as PS and other senior directors in the finance department, have been with the Ministry for more than four years.

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
3.8 Does the IP have a documented internal control framework? Is this framework distributed and made available to staff and updated periodically? If so, please describe.	Yes			Low	1	OPM uses the Financial regulations 1962, public procurement act, Law 11 for the civil service, financial and procurement policies for CIP and ACU are all public information that each staff is given a copy. Employees must comply with all the government laws and regulations that govern the internal control framework.
Total number of questions in subject area:	8					
Total number of applicable questions in subject area:	8					
Total number of applicable key questions in subject area:	3					
Total number of risk points:	11					
Risk score	1.38					
Area risk rating	Low					

4. Accounting Policies and Procedures						
4a. General						
4.1 Does the IP have an accounting system that allows for proper recording of financial transactions from United Nations agencies, including allocation of expenditures in accordance with the respective components, disbursement categories and sources of funds?	Yes			Low	1	The IP uses two accounting systems namely Somali Financial Management Information System (SFMIS) and QuickBooks accounting systems for recording of financial transactions. 1. For funds that are included in the National Government's budget, it is a legal requirement that the financial accounting and reporting should be done in the SFMIS. 2. The non-budgetary support funding such as the UNICEF- SUN project and the UNDP-Somalia Capacity Development Programme are managed by using the QuickBooks system. The financial systems are not harmonized.
4.2 Does the IP have an appropriate cost allocation methodology that ensures accurate cost allocations to the various funding sources in accordance with established agreements?		No		High	8	From our review the Financial Regulation 1962 that governs budgetary expenditure, the law does not allow for cost allocation outside what the budget that has been passed by Parliament. Any changes in the budget is governed Article 6 (Variations to the Budget) of the regulation.

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
4.3 Are all accounting and supporting documents retained in an organized system that allows authorized users easy access?	Yes			Low	1	As per the government policy all documents must be retained for 10 years. The archiving officer within Finance department is responsible for the archiving of documents. The archiving process is serialized.
4.4 Are the general ledger and subsidiary ledgers reconciled at least monthly? Are explanations provided for significant reconciling items?	Yes			Low	1	The IP undertakes monthly bank reconciliation and reconciles it with the general ledgers both in SFMIS and QuickBooks. We reviewed the January and May and January 2019 bank reconciliations and noted that there were no reconciling items.
4b. Segregation of duties						
4.5 Are the following functional responsibilities performed by different units or individuals: (a) authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction?	Yes			Low	1	The authority to incur expenditure (AIE) is given to the directors of the various departments. The respective user department complete a purchase request and is approved by the AIE holders. The recording of the expenditure is done by the finance department in both SFMIS and in QuickBooks after receiving the supporting documents from the procurement department. The assets custody is with the respective user departments but the fixed asset register is maintained by the finance department.
4.6 Are the functions of ordering, receiving, accounting for and paying for goods and services appropriately segregated?	Yes			Low	1	As per review of the procurement manual, i) The purchase orders are prepared by the procurement assistant and approved by the procurement advisor ii) Goods are received by the user department who signs the delivery note. GRN are? prepared by the procurement assistant and approved by the user department. Service completion is prepared by the procurement assistant and approved by the user department iii) Payment vouchers are prepared by the finance assistant and approved by the Director of Finance.
4.7 Are bank reconciliations prepared by individuals other than those who make or approve payments?	Yes			Low	1	For funds managed under the SFMIS, the monthly bank reconciliations are prepared by the accountant and reviewed by the senior administration and finance. We reviewed the reconciliation for the month of January 2019 and May 2019 and noted no reconciling items. For projects, the finance assistant prepares the monthly bank reconciliation and reviewed by the Finance and administration and officer. We reviewed the reconciliation for the month of January 2019 and May 2019 and noted no reconciling items.

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
4c. Budgeting system						
4.8 Are budgets prepared for all activities in sufficient detail to provide a meaningful tool for monitoring subsequent performance?	Yes			Low	1	The IP prepares budget in line with the Financial Regulations 1962. The Minister of Finance sends a circular in August of the previous year and all ministries including the OPM prepare their respective budgets in accordance to Article 10 to Article 16 of the Financial Regulations 1962. The final budget is uploaded in SFMIS by the budget team in the Ministry of Finance. The ACU annual budget which is not part of the FGoS budget, is prepared by the administration and finance officer. All budgets are prepared in sufficient details to allow for detail monitoring of the actual performance against set budgets.
4.9 Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations from the budget?	Yes			Low	1	The budget vs actual expenditure for the FGoS is performed in SFMIS. The analysis is done against the year to date (YTD) budgets vs the actual expenditure with explanations provided for significant variations. We reviewed the budget analysis for the month's up to June 2019 and September 2019. The ACU budget vs expenditure analysis with explanation on significant variances is prepared by the finance assistant shared with the UNDP counterpart and then approved by the Director of Finance and Administration. The Scaling Up Nutrition Focal Point – UNICEF Funded, is prepared by Administration and Finance Officer and approved by the National Coordinator...
4.10 Is prior approval sought for budget amendments in a timely way?	Yes			Low	1	From our review the Financial Regulation 1962 any changes in the budget is governed Article 6 (Variations to the Budget) of the regulation. When a minister wishes to vire funds from one sub- head to another within the same head or project, he shall make application to the minister of Finance. The Minister of Finance shall either return the application to the Minister concerned stating in writing his reasons for refusing tile application, or arrange for the approval of the vehement in accordance with article 16, of the Financial and Accounting on the appropriate form. For the ACU whose budget is not part of the FGoS, any amendment to the budget must be approved by the donors. We reviewed the amendment to the approved budget for 2019 which was done on 20 March 2019. The Amendment letter 1 was signed by the ACU director and the UNDP

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
						Deputy Resident Representative. There was no budget variation for the UNICEF projects.
4.11 Are IP budgets approved formally at an appropriate level?	Yes			Low	1	All the OPM budgets are approved by the Permanent Secretary before they are sent to either; a) Minister of Finance for onward submission to Parliament for approval b) The respective donors for approval of the program budgets.
4d. Payments						
4.12 Do invoice processing procedures provide for: ·　　**Copies of purchase orders and receiving reports to be obtained directly from issuing departments?** ·　　**Comparison of invoice quantities, prices and terms with those indicated on the purchase order and with records of goods/services actually received?** ·　　**Checking the accuracy of calculations?**	Yes			Low	1	Invoices processing goes through the following steps:- 　i.　The Finance department receives purchase orders and delivery note and goods received note from procurement department. 　ii.　Finance assistant reviews the documentation by checking invoice quantity, price and terms to and compares to LPO and GRN. 　iii.　The documents proceed to the Director, Finance and Administration who counter checks the accuracy of calculations given on the invoice and if correct, approves the same.
4.13 Are payments authorized at an appropriate level? Does the IP have a table of payment approval thresholds?	Yes			Low	1	All payments are authorised by the Director of Finance and administration and approved by the Permanent secretary.
4.14 Are all invoices stamped '*PAID*', approved, and marked with the project code and account code?		No		Low	1	For the UNDP funded projects, we noted that the invoices and support documents have been invalidated by stamping "PAID" and the respective projects codes are written. All other payments have been stamped 'PAID'. For the UNICEF projects, the IP indicates donor code "Paid by UNICEF" on the financial support documents such as payment vouchers, invoices and receipts.
4.15 Do controls exist for preparation and approval of payroll expenditures? Are payroll changes properly authorized?	Yes			Low	1	For the civil servants who work in the OPM, their payrolls are prepared by the ministry of labour in accordance with Law 11. Payments are made by the Accountant General as a transfer to the employee's bank accounts. For the non-civil servants who work at OPM, the payrolls are prepared by the human resource director. The finance assistant reviews the payroll which is approved by the Director of finance and administration.

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Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
4.16 Do controls exist to ensure that direct staff salary costs reflects the actual amount of staff time spent on a project?	Yes			Low	1	The Civil servants in the OPM office are not required by law to complete timesheets. Their salaries are based contracts and attendance. There is a staff biometric finger print reader that employees use to sign in for the day. The human resource director uses the report to verify attendance of the employees. Non-Civil servant employees are required to complete a timesheet detailing the projects that they have been engaged in which is used/ forms the basis of staff cost charged to the project. The timesheet is prepared by the employee and approved by their direct supervisor. We reviewed the timesheets for February 2019 and March 2019.
4.17 Do controls exist for expense categories that do not originate from invoice payments, such as DSAs, travel, and internal cost allocations?	Yes			Low	1	Advances for expenses for the FGoS is accounted for in accordance with Article 83 (Imprest) of the Financial Regulation 1962. The law states that imprest shall be closed as soon as the purpose of issue is fulfilled. For project expenses, DSA, travel and internal cost allocation is governed by Section 4 of the financial procedure manual.
4e. Policies and procedures						
4.18 Does the IP have a stated basis of accounting (i.e. cash or accrual) and does it allow for compliance with the agency's requirement?	Yes			Low	1	OPM uses IPSAS cash basis as its basis of accounting.
4.19 Does the IP have an adequate policies and procedures manual and is it distributed to relevant staff?	Yes			Low	1	The financial regulations of 1962 is a public document and staff are required to get a copy online. This law governs all expenses that are government budgeted expenditure.
4f. Cash and bank						
4.20 Does the IP require dual signatories / authorization for bank transactions? Are new signatories approved at an appropriate level and timely updates made when signatories depart?	Yes			Low	1	All expenditure that are budgeted under the FGoS budget, the bank signatories are the PS and Accountant General. Any update of the signatories must be communicated by the Minister of Finance. The ACU bank account signatories are the Director General of the Ministry of Finance and the Minister of Finance. Any expenditure to be paid directly by the World Bank have to be signed by PS and Accountant General through client connection portal in the World Bank website.

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
4.21 Does the IP maintain an adequate, up-to-date cashbook, recording receipts and payments?	Yes			Low	1	The IP maintains an upto date cashbook both in the SFMIS and QuickBooks with reconciliations being performed on a monthly basis. We reviewed the bank reconciliation for the month of January 2019 and May 2019 and noted no reconciling items.
4.22 If the partner is participating in micro-finance advances, do controls exist for the collection, timely deposit and recording of receipts at each collection location?			N/A	N/A	-	The IP does not participate in micro-finance advances.
4.23 Are bank balances and cash ledger reconciled monthly and properly approved? Are explanations provided for significant, unusual and aged reconciling items?	Yes			Low	1	The IP maintains an upto date cashbook both in the SFMIS and QuickBooks with reconciliations being performed on a monthly basis. We reviewed the reconciliation for the month of January 2019 and May 2019 and noted no reconciling items.
4.24 Is substantial expenditure paid in cash? If so, does the IP have adequate controls over cash payments?			N/A	N/A	-	The IP does not maintain any petty cash float. DSA is paid through account transfer to the respective individual.
4.25 Does the IP carry out a regular petty cash reconciliation?			N/A	N/A	-	The IP does not maintain any petty cash float. DSA is paid through account transfer to the respective individual.
4.26 Are cash and cheques maintained in a secure location with restricted access? Are bank accounts protected with appropriate remote access controls?	Yes			Low	1	Cheque books are available for the UNDP project and for the UNICEF Projects. They are maintained by the Finance and administration officer and access is restricted. Other payments are done via SFMIS and no cheque books used.
4.27 Are there adequate controls over submission of electronic payment files that ensure no unauthorized amendments once payments are approved and files are transmitted over secure/encrypted networks?	Yes			Moderate	2	All approvals in SFMIS are done by authorized individuals. An electronic notification is sent to the Central Bank of Somalia from the Accountant General. The payment slip printed has an e-signature with biometric codes. This is read by biometric reader in the Central Bank in order to verify that the slip is an authorised slip. Payments cannot be amended once authorized by the accountant General. Any error voids the payment voucher and the process must start from the beginning with new approvals required. The UNDP and UNICEF projects use cheque payments. The electronic payments are mobile payments that are approved by the two bank signatories.

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
4g. Other offices or entities						
4.28 Does the IP have a process to ensure expenditures of subsidiary offices/ external entities are in compliance with the work plan and/or contractual agreement?	Yes			Low	1	The OPM coordinates the operations of all ministries to ensure they deliver on their mandate. The PM chairs cabinet meetings where all policy and progress is planned, monitored and reviewed. The key departments in charge of follow up and monitoring of the projects are the policy and coordination department, and the capacity development and coordination department.
4h. Internal audit						
4.29 Is the internal auditor sufficiently independent to make critical assessments? To whom does the internal auditor report?	Yes			High	4	The internal auditor is new and was appointed in the last 2 months. The internal auditor reporting structure has not yet been defined.
4.30 Does the IP have stated qualifications and experience requirements for internal audit department staff?	Yes			Low	1	The internal auditor is Maryan Mohamed. She holds a CPA (K) and has Bachelor's Degree in commerce from Strathmore University. She has served as an accountant as well as head of Internal Audit in Takaful Insurance.
4.31 Are the activities financed by the agencies included in the internal audit department's work programme?	Yes			High	4	The Internal Auditor is new and was appointed in August 2019. She has developed a work plan to audit all departments and programmes in OPM. The Internal audit work plan and budget has been approved by the Permanent Secretary and is commencing in October 2019.
4.32 Does the IP act on the internal auditor's recommendations?		N/A		N/A	-	No prior internal audits have been performed
Total number of questions in subject area:	**32**					
Total number of applicable questions in subject area:	**28**					
Total number of applicable key questions in subject area:	**18**					
Total number of risk points:	**42**					
Risk score	**1.50**					
Area risk rating	**Low**					

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Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
5. Fixed Assets and Inventory						
5a. Safeguards over assets						
5.1 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?	Yes			Low	1	As per the Cash Basis financial reporting procedures, the IP expenses all assets. However, it keeps a fixed asset register in excel sheet. The register indicates the asset type, asset ID number, date of purchase and the location of the asset. An asset discharge form has to be completed in order to obtain Clarence to move the asset from the office. This has to be approved by the head of the department. OPM has a fixed asset management policy that has been approved by the Permanent Secretary.
5.2 Are subsidiary records of fixed assets and inventory kept up to date and reconciled with control accounts?	Yes			Low	1	As per the Cash Basis financial reporting procedures, the IP expenses all assets. However, it maintains a fixed asset register in an Excel sheet.
5.3 Are there periodic physical verification and/or count of fixed assets and inventory? If so, please describe?	Yes			Low	1	The IP undertakes annual physical verification and count of assets. We reviewed the physical asset count done on 30 June 2018. The asset counts was undertaken by both the finance and logistics team. There were no errors noted between the asset count and the fixed asset register.
5.4 Are fixed assets and inventory adequately covered by insurance policies?		No		High	4	All assets in the OPM office are not insured.
5b. Warehousing and inventory management						
5.5 Do warehouse facilities have adequate physical security?			N/A	N/A	-	The IP does not have warehouses or hold inventory
5.6 Is inventory stored so that it is identifiable, protected from damage, and countable?			N/A	N/A	-	The IP does not have warehouses or hold inventory
5.7 Does the IP have an inventory management system that enables monitoring of supply distribution?			N/A	N/A	-	The IP does not have warehouses or hold inventory
5.8 Is responsibility for receiving and issuing inventory segregated from that for updating the inventory records?			N/A	N/A	-	The IP does not have warehouses or hold inventory

Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
5.9 Are regular physical counts of inventory carried out?			N/A	N/A	-	The IP does not have warehouses or hold inventory
Total number of questions in subject area:	**9**					
Total number of applicable questions in subject area:	**4**					
Total number of applicable key questions in subject area:	**0**					
Total number of risk points:	**7**					
Risk score	**1.75**					
Area risk rating	**Moderate**					

6. Financial Reporting and Monitoring						
6.1 Does the IP have established financial reporting procedures that specify what reports are to be prepared, the source system for key reports, the frequency of preparation, what they are to contain and how they are to be used?	Yes			Low	1	OPM uses Section 8 of the National Financial Procedure Manual as a guide to its financial reporting procedures. The manual explains the reports to be prepared by each ministry, agency and department as well as the annual year end closure and financial statement guide.
6.2 Does the IP prepare overall financial statements?		No		High	4	The IP prepares consolidated financial statements for funds received from the World Bank CIP project and the funds allocated to it by the Federal reserve. This is because both of these funds pass through the government budgetary process and are accounted for in the Somalia Financial Management Information System (SFMIS). The moneys spent for UNDP and UNICEF is accounted for separately since this money is reported separately from the budgetary SFMIS process. This poses a challenge to the OPM preparing accurate financial statements for the entire institution.
6.3 Are the IP's overall financial statements audited regularly by an independent auditor in accordance with appropriate national or international auditing standards? If so, please describe the auditor.	Yes			Low	1	Financial statements are prepared in accordance with 'Cash Basis IPSAS financial reporting'. The IP's overall government's spending is audited by the Auditor General. Unqualified audit opinions were issued for the periods ended 31 December 2017 and 2018. For the ACU project, the financial statements were audited for the period ended 31 December 2016 by BTM and for the period 1 October 2017 to 31 December 2018 by Deloitte. Both firms issued an unqualified opinion on the ACU project.

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Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
6.4 Were there any major issues related to ineligible expenditure involving donor funds reported in the audit reports of the IP over the past three years?		No		Low	1	No issues ineligible expenditure none noted.
6.5 Have any significant recommendations made by auditors in the prior five audit reports and/or management letters over the past five years and have not yet been implemented?	Yes			Low	1	From the review of the management letters issued by the external auditors there have been no significant recommendations over the past 5 years with all the audit recommendations being implemented.
6.6 Is the financial management system computerized?	Yes			Low	1	The IP financial system is computerised with the use if QuickBooks and SFMIS for recording transactions and reporting.
6.7 Can the computerized financial management system produce the necessary financial reports?	Yes			Low	1	SFMIS produced the income and expenditure reports. It also reports on the Budgets Vs Expenditure analysis. The QuickBooks financial system used for UNICEF and UNDP, equally produces the required financial statement reports
6.8 Does the IP have appropriate safeguards to ensure the confidentiality, integrity and availability of the financial data? *E.g. password access controls; regular data back-up.*	Yes			Low	1	All the OPM projects except for the UNICEF and UNDP are undertaken in SFMIS. SFMIS runs on Oracle database has an elaborate data security and back up procedures. Backups are automatically done locally with the backup equipment is located in a secure highly guarded room in the Ministry of Finance. Equally, the password encryption is strong and only authorised individuals can access authorised information based on their level of clearance. The UNICEF and UNDP funding use QuickBooks reporting system and has only has 2 users who both use passwords to access the system. The teams also uses external hard drive as well as Google Cloud system to back up the data. Backup is done every 2 days.
Total number of questions in subject area:	8					
Total number of applicable questions in subject area:	8					
Total number of applicable key questions in subject area:	3					
Total number of risk points:	11					
Risk score	**1.38**					
Area risk rating	**Low**					

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Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
7. **Procurement and Contract Administration**						
7a. Procurement						
7.1 Does the IP have written procurement policies and procedures?	Yes			Low	1	The IP follows Public, Procurement and Concessions Law (PP&CL) to guide the procurement process. Though the law has been passed by Parliament, some key institutions as set out in Part III of the law such as the Independent Procurement Review Panel has not been set up. Therefore the OPM uses its in house procurement policies to manage its procurement activities such as; 1. OPM procurement policy 2. Aid Coordinating Unit Procurement Policy 3. Capacity Injection Project (CIP) world Bank procurement policy
7.2 Are exceptions to procurement procedures approved by management and documented?		No		Moderate	2	Any exception to procurement must be documented by the procurement officer, reviewed by the procurement advisor and approved by the permanent secretary.
7.3 Does the IP have a computerized procurement system with adequate access controls and segregation of duties between entering purchase orders, approval and receipting of goods? Provide a description of the procurement system.	Yes			Moderate	2	Only the Federal Government projects funded by the government funds or World Bank funds use computerised procurement system. UNCEF and UNDP projects use manual system. For the government expenditure, the SFMIS procurement module is an automated procurement system. Purchase request is done in SFMIS and approved by the respective head of department. The LPO is raised by the logistics officer and approved by the head of logistics before sending to the vendor (since vendors have been chosen by the government). Once goods are received, the GRN is raised in the system. For procurement of CIP projects, the request is raised manually by the user department and approved by the PS. The draft Expression of Interest (EOI) is then uploaded in the procurement system called STEP (Systematic Tracking of Exchange in Procurement). The EOI is then reviewed in STEP by all relevant parties including the World Bank team. The EOI is then uploaded online in both the UN and World Bank websites for wide coverage. Once the EOI is completed, the RFP undergoes through a similar process in STEP. Both the SFMIS and STEP procurement systems are password protected

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
						and allows uses access to only what is they are allowed to work on or review. The procurement process for ACU is manual.
7.4 Are procurement reports generated and reviewed regularly? Describe reports generated, frequency and review & approvers.	Yes			Significant	3	Procurements reports of vendors such as security services and vehicle hire companies are reviewed regularly by the head of security due to the sensitivity of the service provided to the Prime Minister's office. We could not verify if the performance of other services were done.
7.5 Does the IP have a structured procurement unit with defined reporting lines that foster efficiency and accountability?	Yes			Low	1	The procurement department is headed by the procurement advisor and reports directly to the Permanent Secretary. The Procurement advisor is assisted by procurement specialist and the procurement assistant.
7.6 Is the IP's procurement unit resourced with qualified staff who are trained and certified and considered experts in procurement and conversant with UN / World Bank / European Union procurement requirements in addition to the a IP's procurement rules and regulations?	Yes			Low	1	The procurement structure is adequately staffed with qualified staff as detailed below; **1. Abdikarim Muse Ali - Procurement advisor** Education - Bachelors of Economics and Chartered Accountant (ACCA). 6 years' work experience of which 4 months is in the OPM Officer prior to which he worked with the Interim National Procurement Board. He has attended procurement trainings that were undertaken by the World Bank and Adam Smith International. **2. Mohamed Guled** - Procurement specialist heads the World Bank Capacity Injection Program (CIP) unit and reports to the Procurement Advisor. Education - Bachelors of business administration. He has 7 years working experience of which 1 year is with the OPM. Prior to this he worked 6 years as a procurement officer with United Nations Operations Support (UNSOS). He has attended procurement trainings for World Bank and United Nations Operations Support (UNSOS). **3. Abdikadir Ismail** - Procurement assistant. Education - Masters in Business administration. 2 years' work experience all of which is in the OPM. He has attended procurement trainings undertaken for the World Bank.
7.7 Have any significant recommendations related to procurement made by auditors in the prior five audit reports and/or management		No		Low	1	From the review of the management letters by both the Auditor General, BTM and Deloitte, there were no significant issues related to procurement that were noted.

Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
letters over the past five years and have not yet been implemented?						
7.8 Does the IP require written or system authorizations for purchases? If so, evaluate if the authorization thresholds are appropriate?	Yes			Low	1	Section 10. of the OPM procurement policy provides the following thresholds that are appropriate as noted below; a) Direct contracting Single quotation - $0 to $5,000 b) Request for at least 3 quotation - $5,001 to $25,000 c) Limited competitive bidding (minimum 3 bids) $25,001 to $50,000 d) Open competitive bidding (National) $50,001 to $100,000 e) Open competitive bidding (international) Above $100,000
7.9 Do the procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria?	Yes			Low	1	Section 2 of the OPM procurement policy states the Code of Conduct including the ethical principles that are to be observed for vendors participating in the OPM procurement process.
7.10 Does the IP obtain sufficient approvals before signing a contract?	Yes			Low	1	Selections are done by the bid analysis committee. Once approved the contracts are signed by the Permanent Secretary of the OPM (prior approvals were done by the Director General but has since been changed to be the PS).
7.11 Does the IP have and apply formal guidelines and procedures to assist in identifying, monitoring and dealing with potential conflicts of interest with potential suppliers/procurement agents? If so, how does the IP proceed in cases of conflict of interest?	Yes			Low	1	Section 2.2 of OPM procurement policy states that any OPM staff involved in the procurement process is required to disclose any conflict of interest that may affect to discharge of their duties. The procurement committee signs a conflict of interest and confidentiality to confirm that they are independent in the bid analysis that they are undertaking. In cases of conflict interest the staff are required to recuse themselves from the procurement process.
7.12 Does the IP follow a well-defined process for sourcing suppliers? Do formal procurement methods include wide broadcasting of procurement opportunities?	Yes			Low	1	For the World Bank Capacity Injection Project (CIP) all bids are advertised publicly in Devbusiness.UN.Org website. For other projects, bids are advertised in the Office of the Prime Minister's website as well as the Hiiran Online.
7.13 Does the IP keep track of past performance of suppliers? E.g. database of trusted suppliers.	Yes			Significant	3	Procurements reports of vendors such as security services and vehicle hire companies are reviewed regularly by the head of security due to the sensitivity of the service provided to the Prime Minister's office. However, we could not verify if the performance of other services were done.

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
7.14 Does the IP follow a well-defined process to ensure a secure and transparent bid and evaluation process? If so, describe the process.	Yes			Low	i. 1	The OPM has a well-defined process to ensure a secure and transparent evaluation process. The following steps are followed: ii. Preparation of bid analysis report ranking the quotations of the suppliers; iii. Procurement committee prepares assessment report for each bidder; and iv. The Procurement Committee consists of a team that is appointed by the Permanent Secretary. To avoid conflict of interest the PS randomly picks different individuals to sit in the committee. The Bid analysis committee must a minimum include the representatives from the user department. The committee chooses a secretary to take minutes and elaborating how the committee settled on the vendor. The minutes must clearly demonstrate that the analysis was done based on the requirement of the EOI and the RFP and not on any new requirements. All of the Committee, participants are then required to sign the Bid Analysis and true record of the meeting.
7.15 When a formal invitation to bid has been issued, does the IP award the contract on a pre-defined basis set out in the solicitation documentation taking into account technical responsiveness and price?	Yes			Low	1	The evaluation of bids is done against the RFQ criteria that has been indicated when advertised. The bid analysis committee report indicates the RFQ criteria and how each party performed against the criteria.
7.16 If the IP is managing major contracts, does the IP have a policy on contracts management / administration?	Yes			Moderate	2	The only contracts managed by the IP are contracts for the experts that have been hired to support the OPM. The Human resource department follows up the contracts and ensures that email alerts are sent to the expert and the World Bank who pay for the experts a month before expiry. The experts complete a performance review on a quarterly basis signed by the departmental head to ensure the use is getting quality service.
7b. Contract Management - *To be completed only for the IPs managing contracts as part of programme implementation.* ***Otherwise select N/A for risk assessment***						
7.17 Are there personnel specifically designated to manage contracts or monitor contract expirations?	Yes			Low	1	The two contracts managed by the OPM are the World Bank Capacity Injection (CIP) contract and the UNDP funded Somalia Capacity Development Programme. Both of these programmes are managed by dedicated teams that are supposed to plan, deliver, monitor and report on the progress of these projects. The teams ensure that the projects are managed as per the signed contracts.

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

Subject area (key questions in **bold**)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
7.18 Are there staff designated to monitor expiration of performance securities, warranties, liquidated damages and other risk management instruments?	Yes			Low	1	The two contracts managed by the OPM are the World Bank Capacity Injection (CIP) contract and the UNDP funded Somalia Capacity Development Programme. Both of these programmes are managed by dedicated teams that are supposed to plan, deliver, monitor and report on the progress of these projects. The teams ensure that the projects are managed as per the signed contracts.
7.19 Does the IP have a policy on post-facto actions on contracts?			N/A	N/A	-	The post contract issues are clearly indicated in the contracts signed by the respective donor.
7.20 How frequent do post-facto contract actions occur?			N/A	N/A	-	The post contract issues are clearly indicated in the contracts signed by the respective donor.
Total number of questions in subject area:	20					
Total number of applicable questions in subject area:	18					
Total number of applicable key questions in subject area:	5					
Total number of risk points:	25					
Risk score	**1.39**					
Area risk rating	**Low**					

Totals						
Total number of questions:	96					
Total number of applicable questions:	85					
Total number of applicable key questions:	36					
Total number of risk points:	123					
Total risk score	**1.45**					
Overall risk rating	**Low**					

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

Annex V: UNICEF-OCHA Selected Quantitative and qualitative questions

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
Quantitative questions				
1. Organizational information (10%)	**7%**	**70%**		
1.2 Mission statement - does the organization have a mission statement and goals clearly outlined in writing aligned to the humanitarian principles?	1	10.0%		1. Organization's mission statement, strategic framework, and/or logical framework 2. List of previous and on-going projects implemented in the country over the last 3 years with funding per project 3. Reports from a sample of these projects 3. Annual reports for the last 3 years 4. Organisation Website.
The organisation has a clearly defined mission and goals that reflect the organisation's structure, context and its operations. Mission statement and goals are available in reports, online and well known	X	1	The mission goals and objectives of the Office of the Prime Minister is defined in Article 100 and Article 101 of the Constitution of the Federal Government of Somalia. The OPM has a clear structure to ensure that the office delivers its mandate as set out in the constitution.	
The organization has a mission statement and goals but they are vague and do not reflect the organization's structure and operations		0		
The organisation does not have a clearly defined mission and goals				

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
1.3 Governance - does the organization have well documented and comprehensive governance documents?	1	10.0%		1. Governance documents: constitution, trust deed or equivalent document; governance policies 2. List of members of Board of Trustees and/or Board of Directors with short bios
The organisation has a well-conceived constitution and by-laws and thoroughly developed operational policies to guide its work	X	1	The mission goals and objectives of the Office of the Prime Minister is defined in Article 100 and Article 101 of the Constitution of the Federal Government of Somalia. The Prime Minister reports to Parliament and it is Parliament that passes laws and regulations that guide the operations of the OPM.	
The organization has a constitution, by-laws and policies, but they are basic or incomplete		0		
The organization has no written documents or policies defining its governance				
1.4 Governing bodies - does the organization have a formal structure of different governance levels (Executive Board, Executive Committee or Management) with delineated respective roles and responsibilities?	1	10.0%		1. Governance documents: constitution, trust deed or equivalent document; governance policies 2. List of members of Board of Trustees and/or Board of Directors with short bios

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM			
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
The organisation has a formal structure of different governance levels, the roles and responsibilities of the different levels are well delineated and appropriately aligned with the governance hierarchy	X	1	The governing body in the Office of the Prime Minister (OPM) is the Cabinet chaired by the Prime Minister. As per discussion with the Cabinet Secretariat, Bashir Ali Osman, The Cabinet meets every Thursday to discuss the progress of the various projects including the ones managed in the Office of the Prime Minister. Additionally, the senior Directors of team in the OPM chaired by the Permanent Secretary meet weekly to discuss the progress of the projects. We reviewed the various meeting agendas but we could not review the minutes since these contained classified information.	
The organization has a formal structure of different governance levels, but their respective roles and responsibilities are not well delineated or aligned with the governance hierarchy		0		
The organisation does not have a formal structure of governance				
1.4.1 Governance – independence of the Board - Is the Governing body independent from management?	1	5.0%		1. List of Board of directors/equivalent 2. Staff list 3. Payment

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
Governing body is independent from management	X	1	The governing body of the Office of the Prime Minister is the Prime Minister, the State Minister and the Deputy Prime Minister. The management is led by the Permanent Secretary assisted by the heads of the five various departments as well special advisors to the Prime Minister. The Governing Structure is hence separate from management.	
Some of the members of the Board are involved in day to day management of the organisation/ Members of the governing body is partially involved in day to day management of the organisation		0		
The Governing Body is fully involved in the day to day management of the organisation				
1.4.3 Code of Conduct - Does the organization have Code of Conduct document (signed by an authorized official of the organization)?	1	5.0%		1. Code of Conduct document
The organization has Code of Conduct document signed by an authorized official of the organization	X	1	The OPM has a code of conducted for all employees that is written in Somali Civil Law 11. Each employee is given a copy of the law. The law is also available online.	
The organization has Code of Conduct document but is not signed by an authorized official of the organization		0		
The organization does not have Code of Conduct document				

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
1.6 Experience in the humanitarian field - Does the organisation have documented experience of implementing humanitarian activities?	1	10.0%		1. Annual reports for the last 3 years 2. List of previous and on-going projects implemented in the country over the last 3 years with funding per project 3. Reports from a sample of these projects 4. Reports from external and internal evaluations, reviews and studies undertaken in the last three years by the organization in the country
The organization has over 10 years of experience implementing humanitarian activities	X	1	The OPM has been in existent since the formation of the Somali Government. It has over 10 years' experience in coordinating as well as implementing humanitarian activities through it various line ministries such as MOH and MOE among others.	
The organization has between 5 and 10 years of experience implementing humanitarian activities		0		
The organization has between 2 and 5 years of experience implementing humanitarian activities		0		
The organization has less than 2 years of experience implementing humanitarian activities				
1.7 Access Strategy - Does the organisation have proven institutional experience or knowledge on accessing hard to reach areas?	1	10.0%		1. Security, safety and access policy 2. List of previous and on-going projects implemented in the country over the last 3 years (locations) 3. Location of sub-offices 4. Additional supporting documents, such as organization's access policy, papers or reports written about access, list of members of Access working group (if it exists in country)

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM			
Criteria	**Assessment**	**Remarks by assessors**	**Observations and documentation to be received & reviewed**
The organisation has proven experience in accessing difficult areas and specific institutional knowledge	X	1	OPM operates everywhere in the Country of Somalia. It uses the Somali National Army, AMISOM and other security apparatus to access areas that are otherwise deemed inaccessible.	
The organisation has some experience in accessing difficult areas		0		
The organisation has no written policy, institutional knowledge or any proven experience in accessing difficult areas				
1.8 Annual reports - does the organization produce financial and narrative annual reports that are public and available?	0.5	10.0%		1. Annual reports for the last 3 years 2. Annual financial statements for the last 3 financial years
The organisation produces financial and narrative annual reports that are public and available online		0		
The organisation produces annual financial and narrative reports but they are not made public or available online	X	0.5	The OPM's overall government's spending is audited by the Auditor General. The audit reports for the periods ended 31 December 2017 and 2018 were both unqualified. For the ACU project in the OPM, the financial statements were audited for the period ended 31 December 2016 by BTM and for the period 1 October 2017 to 31 December 2018 by Deloitte. Both firms issued an unqualified opinion on the ACU project. All the audit reports are not made public.	
The organization does not produce annual financial and narrative reports				

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
2. Technical capacity (15%)	**6%**	52%		
2.1 Previous projects - how many humanitarian projects per year (funded by CBPFs and other donors) has the organization implemented in the past 3 years?	1	10.0%		1. List of previous and on-going projects implemented in the country over the last 3 years with funding per project 2. Reference and/or letters of recommendation (from donors, partners, government, etc.)
The organization has implemented on average over 7 projects per year in the past 3 years	X	1	The OPM has coordinated and operated over 7 humanitarian projects per year that have been funded by the World Bank and the UNDP.	
The organization has implemented on average between 5 and 6 projects per year in the past 3 years		0		
The organization has implemented on average between 3 and 4 projects per year in the past 3 years		0		
The organization has implemented on average 2 or less projects per year in the past 3 years				
2.4 Needs Assessments - Are the organisation's programme priorities and services based on need assessments?	1	10.5%		1. Needs assessment tools and formats for collecting information 2. Needs assessment reports 3. Sample of recent proposals (check if they make reference to needs assessments)
Current programme priorities and services are defined on the basis of both internal and external needs assessments and institutional expertise	X	1	The Office of the Prime Minister is tasked in coordinating the National Development Plan that is the overarching policy that governs the Somali Government Development Agenda. This policy has been developed quite robustly and it was a result of the Somali needs assessment as well feedback from discussion with the public.	

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
Current programme priorities and services are defined on the basis of external needs assessment but not of assessments carried out by the organization nor of its institutional expertise		0		
Current programme priorities and services are not defined on the basis of needs assessments nor of institutional expertise				
2.5 Technical standards - Does the organization follow technical guidance in the implementation of its programs (from cluster, International Organisation, or from the organization itself)?	1	10.5%		1. Programme planning policy 2. Annual reports for the last 3 years 3. List of previous and on-going projects implemented in the country over the last 3 years with funding per project 4. Reports from a sample of these projects 5. Reports from external and internal evaluations, reviews and studies undertaken in the last three years by the organization in the country 6. Sample of recent proposals (check if they make reference to technical standards/guidance)
The organization consistently follows technical guidelines and standards in the implementation of its programmes	X	1	The office of the OPM has detailed policies, procedures and guidelines to undertake monitoring and evaluation for each project that is managed within the OPM office. Donor funded projects by the World Bank and the UNDP have detailed policies and procedures for monitoring and evaluation that have been developed by the donors and the OPM is required to use them. For the implementation of the National	

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM			
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
			Development Plan projects, the monitoring and evaluations are done by the Ministry of Planning and the Ministry of Finance.	
The organization follows technical guidelines and standards but not consistently across the implementation of its programmes	0			
The organization does not follow technical guidelines and standards in the implementation of its programmes				
2.7 References - Does the organization have positive references from its donors and partners?	0	10.5%		1. List and contact details of previous and current donors for the last 3 years (country-specific only) 2. List and contact details of previous and current implementing for the last 3 years, and projects implemented (country-specific only) Assessor will approach these stakeholders and collect information from the OCHA Country Office and particularly field sub-offices on the quality of field activities, field coordination, corruption or reputational concerns
The organization has consistently positive references from its donors and partners		0		
The organization has mixed references from its donors and partners		0		
The organization has consistently negative references from its donors and partners				
The organization is unable to produce references from its donors and partners	X		OPM has not provided references from the donors	

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UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
2.8 Accountability to affected populations - Does the organization have feedback and complaint systems for beneficiaries?	1	10.5%		1. Code of conduct 2. Reports from a sample of previous and on-going projects implemented in the country over the last 3 years (check if the organization reported the existence of such systems) 6. Sample of recent proposals (check if they make reference to such systems)
The organisation has a comprehensive feedback and complaints mechanisms for beneficiaries and applies it systematically to its programmes	X	1	All government employees have been advised as to whom they should report to in case of suspected fraud as outlined in the law of civil servants for the Government also referred to as Law 11. Each employees is given a copy of Law 11 written in Somali.	
The organisation has a feedback and complaints mechanisms for beneficiaries but it is not systematically applied		0		
The organisation does not have feedback and complaints mechanisms for beneficiaries				
4. Coordination and partnerships (5%)	**3%**	**100%**		
4.1 Cluster membership - Is the organisation a member of one or several clusters (working groups/ taskforces) and actively participates **(at central OR regional level)** in sector coordination?	0	20.0%		1. Membership certificates of coordination bodies in country 2. Reference letters from clusters 3. Evidence of active engagement: participation in meetings, sharing documents/information on a regular basis, contributing to the development of SOPs, etc.

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM			
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
The organisation is a member of at least one cluster, regularly attends, shares valuable information and is considered a key member.		0		
The organisation is a member of one or some clusters but rarely attends meetings or contributes information		0		
The organisation is not an active member of any clusters or working groups	X		The OPM is not an active member to any cluster.	
4.2 Partnership - does the organization have experience of implementing joint programmes with other humanitarian partners (UN, national and international NGOs)?	1	25.0%		1. List and contact details of previous and current implementing for the last 3 years, and projects implemented (country-specific only) 2. Reference and/or letters of recommendation from partners 3. List of previous and on-going projects implemented in the country over the last 3 years (with list of implementing partners)
The organisation has extensive experience in joint programming (more than two years and/or more than two partners) , and has played both the prime (lead) and sub-grantee roles	X	1	The OPM does not directly implemented projects but rather coordinates projects jointly with other ministries, departments and agencies.	
The organisation has extensive experience in joint programming (more than two years and/or more than two partners) , but has never played the prime (lead) role		0		
The organisation has limited joint programming experience (less than two years and/or one or two partners in the past 5 years)		0		
The organisation has had no joint programme experience in the past 5 years				

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM			
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
4.3 Implementing Partner - Is the organisation an implementing partner for any other UN, international or national NGO?	1	30.0%		1. List and contact details of previous and current implementing for the last 3 years, and projects implemented (country-specific only) 2. Reference and/or letters of recommendation from partners 3. List of previous and on-going projects implemented in the country over the last 3 years (with list of implementing partners) 4. Annual financial statements for the last 3 financial years 5. Annual reports for the last 3 years
The organisation has worked with many national, international NGOs and UN agencies in the last five years, including for contracts above US$500,000	X	1	The Aid Coordinating Unit within the OPM has consistently managed contracts with UNDP that has both direct and indirect payment of over $500,000 per year. It has currently signed a new contract for the period beginning 2019 of over $1million. The World Bank CIP project had a funding of over $3,5 Million for 2018	
The organisation has worked with many national, international NGOs and UN agencies in the last five years, always for contracts under $500,000		0		
The organisation has been an implementing partner for a few national or international NGOs in the last five years for contract under $100,000, but not for UN agencies		0		
The organisation has never been an implementing partner				

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
4.4 Partnership - Does the organization share its 3/4W information on a regular basis?	0	25.0%		1. Information from clusters, OCHA 3Ws
The organization shares its 3/4W information on a regular basis		0		
The organization share partial 3/4W information		0		
The organization never share 3/4W information on a regular basis	X		OPM does not share 3/4 W information.	
5. Financial management (30%)	**2%**	**5%**		
5.6 Audits - Have the organization's financial statements been regularly externally audited in the past three years?	1	5.0%		1. Reports from a) external audits of financial statements for the last 3 financial years, and b) external audits of projects completed in the last 12 months 2. Review evidence of implementation of audit recommendations
The organization's financial statements were regular externally audited in the past three years	X	1	Yes. The OPM's overall government's spending is audited by the Auditor General. The audit reports for the periods ended 31 December 2017 and 2018 were both unqualified. For the ACU project in the OPM financial statements were audited for the period ended 31 December 2016 by BTM and for the period 1 October 2017 to 31 December 2018 by Deloitte. Both firms issued an unqualified opinion on the ACU project.	
The organization's financial statements were externally audited in the past three years but not following a regular schedule		0		

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

Criteria	Assessment		Remarks by assessors	Observations and documentation to be received & reviewed
The organization's financial statements were not externally audited in the past three years				
6. Human resources (10%)	**4%**	**40%**		
6.3 Stable Staffing Structure - Is the organisation able to maintain a stable staffing structure?	1	10.0%		1. Organogram of the organization in the country showing positions, names and length of service of staff members 2. Recruitment records over the last 3 years 3. Review recent vacancy announcements 4. Review posts against project budgets
The organization has had low turnover of staff over the years based on a steady income and effective human resource planning	X	1	There was no staff turnover in OPM's key positions. Key staff members such as PS and other senior directors in the finance department, have been with the Ministry for more than four years.	
The organization has maintained core positions over time but the overall staffing structure is dependent on project funding		0		
The organization's staffing structure is fully dependent on funding, with staff hired on a project basis and a lack of core positions maintained over time				
6.4 Salary/Benefits Policy - Does the organization have a clearly structured salary and benefits policy?	1	10.0%		1. Human resource policy 2. Salary and benefit policy 3. Salary scale against staff salaries
The organization has a clearly structured salary and benefits policy which is systematically applied	X	1	OPM salaries are based on the civil service salary structure. The Advisors who are contracted under the World Bank Capacity Injection Programme (CIP), their salaries	

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM			
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
			are paid in accordance with the world bank consultant remuneration policy.	
The organization has a salary and benefits policy but it is not systematically applied		0		
The organization does not have a clear policy for salaries and benefits; salaries are ad-hoc based on project funding and the candidate				
6.5 Gender composition of staff - What is the percentage of female staff employed by the organization?	0.5	10.0%		1. List of staff members and positions disaggregated by gender (country-specific)
Over 50% of the organization's staff is female		0		
Between 25-50% of the organization's staff is female	X	0.5	There are a total of 122 staff working in the OPM office as per the staff register. 40 of them are female i.e. 32.7% of the staff.	
Less than 25% of the organization's staff is female		0		
6.6 Performance management - Does the organization have a system for planning and assessment of staff performance?	1	10.0%		1. Human resource policy 2. Review samples of performance assessments and work plans 3. Check employee files for consistency of available documents
The organization has a system for planning and assessing staff performance and compliance that is regularly enforced and monitored	X	1	The OPM staff perform annual staff performance review. Each employee completes an evaluation form and submits it to their immediate supervisor. We reviewed the sample evaluation performance for Harun Mohamed whose performance we reviewed by the Finance and Administration Director.	

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
The organization has a system for planning and assessing staff performance but it is not regularly implemented		0		
The organisation does not have a staff performance planning and assessment system				
7. Logistics (15%)	**5%**	**35%**		
7.2.2 Independence of the procurement committee - Do procurement committee members sign the declarations for independence and impartiality?	1	10.0%		1. List of procurement committee members 2. Procurement policy 3. Procurement related documentation
All procurement committee members have signed declarations for independence and impartiality	X	1	All procurement members sign no conflict of interest declaration before participating in a bid review. Any person conflicted cannot be allowed to sit on the review.	
Some of the procurement committee members have signed the declarations for independence and impartiality		0		
All procurement committee members have not signed the independence and impartiality declarations				
7.4 Stock Management - Does the organisation have a stock management system in place with a clear disposal policy that is fully operational?	0	5.0%		1. Procurement and logistics policy 2. Review stock management system and disposal policy
The organisation has a stock management system in place with a clear disposal policy that is fully operational		0		

Micro Assessment of the Office of the Prime Minister, Somalia (OPM Somalia) Commissioned by United Nations Children's Fund Somalia

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
A stock management system is in place and a disposal policy exists, but there are gaps in implementation		0		
No stock management system in place or disposal policy	X		The OPM does not manage stock hence it does not have a stock management system.	
7.5 Asset management and disposal policy - Does the organisation have an asset management system in place with a clear disposal policy that is fully operational?	1	10.0%		1. Procurement and logistics policy 2. Review asset registry, and asset management procedures and records
The organisation has an asset management system in place with a clear disposal policy that is fully operational	X	1	The OPM follows the Cash Basis financial reporting procedures where all expenses all assets. However, it keeps a fixed asset register in excel sheet. The register indicates the asset type, asset ID number, date of purchase and the location of the asset. The OPM has a fixed asset management policy that has been approved by the Permanent Secretary.	
An asset management system is in place and a disposal policy exists, but there are gaps in implementation		0		
No asset management system in place or disposal policy				
7.6 Policy on Information Communication and Technology - Does the organisation have a data back-up policy and procedure manual?	0.5	10.0%		1. ICT policy/data back- up policy
Organisation has a data back-up policy		0		

UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM				
Criteria	**Assessment**		**Remarks by assessors**	**Observations and documentation to be received & reviewed**
Organisation does not have a back-up policy but staff can demonstrate they back up data	X	0.5	OPM Organisation does not have a back-up policy but staff can demonstrate they back up data. SFMIS runs on Oracle database has an elaborate data security and back up procedures. Backups are automatically done locally with the backup equipment is located in a secure highly guarded room in the Ministry of Finance. The ACU uses QuickBooks reporting system and has only has 2 users who both use passwords to access the system. The ACU team also uses external hard drive as well as Google Cloud system to back up the data. Backup is done every 2 days.	
Organisation does not have a data back-up policy				
8. Monitoring and Evaluation (10%)	**1%**	**10%**		
8.4 Monitoring expertise - What is the level of monitoring and evaluation expertise in the organisation?	1	10%		1. Review CVs of all monitoring staff employed by the organization at the time of the assessment against their job descriptions with particular emphasis placed on awarded degrees and experience relevant to the position
The organisation has strong monitoring expertise				

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	X 1	Yes. The Office of the Prime Minister is tasked in coordinating the National Development Plan that is the overarching policy that governs the Somali Government Development Agenda. These projects are monitored depending on the funds sources of funding received i.e. a) World Bank CIP program - The OPM uses the World Bank' Project Implementation Manual to develop programmes and plans. b) ACU Programmes - Since the Aid Coordinating Unit (ACU) manages the UNDP projects, the Unit uses the Annual Work Plans (AWP) as well as the UNDP programme templates to develop programme and plans c) FGOS - programme policy - The OPM uses the FGoS budgetary process to develop any programmes and projects that the various Government Ministries including the OPM to develop programmes and policies. Medium Term Expenditure Framework (MTEF) reviews to undertake	
The organisation has limited monitoring expertise	0		
The organisation has no monitoring expertise			

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UNICEF-OCHA Selected Quantitative and qualitative questions Micro Assessment Report - OPM			
Criteria	**Assessment**	**Remarks by assessors**	**Observations and documentation to be received & reviewed**
TOTAL SCORE	**25%**		
RISK LEVEL	**TBD**		

Qualitative questions

Question	Narrative response	Rationale for this question	
Is the IP also registered in any country or countries outside of Somalia? If yes, *describe* the statutory obligations in all countries of registration. Review compliance with the same.	No it is not. This is a constitutional office that is governed by the Somali constitution and not any other country's constitution.	In the absence of a clear definition of the term 'international NGO' for the purpose of the 7% headquarters support allocation, we can review these records and determine if the NGO is 'truly international' based on how much is being utilized on the 'headquarters' costs, and what these funds are particularly being used for.	Low
Does the IP operate in parts of Somalia that are controlled by non-state hostile groups? If yes, does the IP have a policy/guideline for accessing and operating in such areas? Describe the components of the policy, and whether there have been notable *challenges* or *successes* with implementation of the policy/guideline.	Yes. The OPM office operates in the entire country. The Government operates using the constitution and the laws of the land. In Somaliai, there is an insecurity risks caused by Al Shabaab Militia and this delays project implementation.	To establish if the partner is at risk of interference or extortion of project resources (cash and/or supplies) by non-state hostile entities, and if the partner has mitigating measures against such risk. Where there have been success stories with access and operations in such high-risk areas, these can be used to identify best practices.	High
Does the IP appear to have close associations or relationships with local authorities, business actors, or other NGOs? If yes, which ones?	Yes. The OPM office has a strong relationship with all donor organisations such as the World Bank, UN, Islamic Development Bank and AfDB. They also have strong relationship with the Somali Business Community as well as the civil society.	Suspected family/personal relations with authorities, actors, etc.	Low

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Criteria	**Assessment**	**Remarks by assessors**	**Observations and documentation to be received & reviewed**
What does the IP consider to be the top challenge(s) to programme implementation, under *each* of the following 4 areas? (a) Human resources management, (b) Financial management, (c) Relationships with stakeholders such as UNICEF, other donors, other NGOs, government authorities, clan elders, communities, etc., (d) Overall programming context	1. Security - The major challenge for the OPM is to get the security for the country improved to enable ease of doing business in the country 2. Finance - The OPM is focused on getting debt relief for Somalia in order to unlock financial resources from the international community 3. Human capital - The OPM is focused on getting quality personnel to help run the country's bureaucracy. 4. Project implementation - The major challenge in project implementation is the security situation in the country that delays the execution of projects.	These challenges can help UNICEF establish the level of risk associated with partnership with the NGO; and guide UNICEF's efforts in providing support/troubleshooting.	Low
What does the IP consider to be its most significant programme achievement to date? What does the IP management consider to be the most important lesson(s) learnt from its time working in Somalia? Does the IP obtain any (in)formal feedback from its beneficiaries?	1. Enhancing security of the country 2. Putting the country towards the role of debt relief with the World Bank and other agencies for purposes of Somali being able to access the international funding.	Lessons learnt can be extrapolated to other partners. Beneficiary feedback is useful to corroborate the information in the progress/narrative reports.	Low

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How often do IP staff visit project sites? Are there monitoring and/or status update reports prepared from these visits? Are there project sites that the IP staff cannot routinely access? If yes, how does the IP obtain information about project implementation status?	Yes. The progress reports are submitted for all projects to the respective donors. We reviewed the CIP and ACU progress reports for the quarters ended March and June 2019. The Prime Minister holds cabinet secretary meeting every Thursday and the progress of the projects are discussed and documented during these meetings.	Programme monitoring is paramount to the success of interventions. Where access is limited or impossible, partners should have in place means of substituting staff monitoring	Low
Does the partner manage supplies as part of its programme implementation? If Yes, describe the IP's supply chain management system.	No it does not manage any supplies.	This should capture warehouse management, stocks movement (approval, dispatch, reconciliations),physical security of supplies, accounting for supplies and other pertinent information	Low
Does the IP have a strategy to raise funds from entities other than UNICEF or the UN? e.g. diaspora, zakat, local community, etc. If yes, has the IP successfully raised funds from such non-UNICEF, non-UN sources? How does the IP utilize and monitor these funds?	1. The government has been increasing its revenue collection and hence the budget for the OPM has increased by an average of 8% in the last 3 years. 2. The OPM plans to get Somalia debt relief with the World Bank and other agencies for purposes of Somali being able to access the international markets. This shall enable external borrowing form multi-national and bi-lateral agencies hence increase the government resources. .	Ideally, CSOs should be able to fund their operations outside of UNICEF funding. They should have fund raising strategies that would enable them to survive should UNICEF not fund their operations and programmes	Low

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Criteria	**Assessment**	**Remarks by assessors**	**Observations and documentation to be received & reviewed**
Does the IP have an established policy on disciplinary measures for employees who engage in misconduct? If yes, has the policy ever been applied? Does the IP have an established policy for employees to raise grievances? If yes, has the policy ever been applied?	Yes. The conduct for all employees and the disciplinary measures are governed by the Somali Civil Law 11. There have been no cases of disciplinary measures in the OPM during the period under review.	All CSOs are expected to have a complaint mechanism that enables misconduct within the organisation to be reported to the appropriate channels, and the reporters and witnesses protected from retaliation	Low