



INTERNAL AUDIT DIVISION

OFFICE OF INTERNAL OVERSIGHT SERVICES

AUDIT REPORT

Audit of the Special Operations Cash Fund at ICTY

18 December 2007

Assignment No. AA2007/270/01

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OIOS · BSCI

TO: Ms. Carla Del Ponte, Prosecutor
A: International Criminal Tribunal for the Former Yugoslavia

DATE: 18 December 2007

REFERENCE: AUD- IAD (07- 00817)

FROM: Dagfinn Knutsen, Director
DE: Internal Audit Division, OIOS



SUBJECT: **Assignment No. AA2007/270/01 - Audit of the Special Operations Cash**
OBJET: **Fund at ICTY**

1. I am pleased to present the report on the above-mentioned audit, which was conducted in from July to August 2007.

2. Based on your comments, we are pleased to inform you that we will close recommendations 6 and 7 in the OIOS recommendations database as indicated in Annex 1. In order for us to close the remaining recommendations, we request that you provide us with the additional information as discussed in the text of the report and also summarized in Annex 1.

3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as critical (i.e. recommendations 1, 2, 4 and 9) in its annual report to the General Assembly and semi-annual report to the Secretary-General.

4. IAD is assessing the overall quality of its audit process and kindly requests that you consult with your managers who dealt directly with the auditors and complete the attached client satisfaction survey form.

cc: Mr. W. Sach, Assistant Secretary-General, Controller
Mr. H. Holthuis, Registrar, ICTY
Mr. K. St. Louis, CAO, ICTY
Mr. S. Goolsarran, Executive Secretary, UN Board of Auditors
Mr. J. Childerley, Chief, Oversight Support Unit, Department of Management
Mr. B. K. Min, Programme Officer, OIOS
Mr. C. F. Bagot, Acting Chief, Nairobi Audit Service, OIOS

INTERNAL AUDIT DIVISION

FUNCTION

“The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization” (General Assembly Resolution 48/218 B).

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EXECUTIVE SUMMARY

Audit of the Special Operations Cash Fund at ICTY

The Office of Internal Oversight Services (OIOS) conducted an audit of the Special Operations Cash Fund (SOCF or the fund) from July to August 2007. The overall objective of the audit was to assess the efficiency and effectiveness of arrangements for managing the SOCF. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

The SOCF was established in 2004 to facilitate the activities of the Tracking, Intelligence, and Fugitives Unit (TIFU) in securing information or evidence relating to the tracking of fugitives, and for conducting investigations. The audit focused on the arrangements put in place by the International Criminal Tribunal for the former Yugoslavia (ICTY or the Tribunal) to manage the activities of the SOCF from 1 January 2003 to 30 June 2007. During this period, the SOCF had expenditures totaling approximately \$238,000.

The overall assessment was that the management of ICTY had taken steps, since July 2004, to significantly improve the internal controls over the SOCF and provide adequate guidance and procedures. However, there were opportunities to improve the operations and management of the fund, as follows.

- As payments to sources had declined by 43 per cent from 2003 (Euro (€) 59,268/\$80,747) to 2006 (€34,155/\$46,533) OIOS recommended that ICTY should periodically review the continued relevance of the SOCF and evaluate whether they obtained value for the amounts spent. ICTY agreed to undertake such reviews every six months, the first to be completed by the end of 2007.
- A written job description had not been prepared or classified for the Office of The Prosecutor (OTP) Administrative Officer position, which included duties relating to his custodianship of the fund. ICTY agreed to produce and classify a job description covering all the duties related to the SOCF.
- OIOS found several discrepancies in documentation including lack of written justifications on requests for payments, requests not signed by all parties, and lack of authorization of payments by the Chief of Investigations. ICTY did not agree that procedures needed to be strengthened to ensure that requests for payments were properly substantiated and supported. They however accepted that the execution of the existing procedures was lacking in the cases noted and committed to avoid a recurrence in the future. Whilst appreciating the ICTY position, OIOS remains concerned that the Tribunal runs a high risk of payments being unsubstantiated and unsupported without enforcing more formal arrangements. The recommendation therefore remains open pending further clarification on how

ICTY intends to strengthen current procedures to address the issues identified.

- Documentation suggested payments had been made to three public officials as information sources and OIOS considered their recruitment to be inappropriate because of their official positions. ICTY stated that the recipients in question were only acting as intermediaries, though this was not evident from the records. They agreed to issue guidance reminding staff of who is eligible to be recruited as a source.
- Specimen signature cards were not used to verify that disbursements were received by correct sources. ICTY immediately introduced the cards but disagreed with OIOS on the need to seek supporting evidence for a missing receipt for €1,000 (\$1,363). ICTY maintained that there was a mistake on the receipt documentation. OIOS is unable to close the recommendation unless ICTY can demonstrate that there was a mistake or obtain documentation for the missing amount.
- ICTY lacked a formal mechanism to periodically evaluate whether it obtained value for money from the SOCF. ICTY agreed to extend current review procedures to include an assessment of the value of information received and to document their assessment in a more comprehensive manner.

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I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the Special Operations Cash Fund at the International Criminal Tribunal for the Former Yugoslavia (ICTY or the Tribunal) from July to August 2007. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

2. The Special Operations Cash Fund (SOCF or the fund) is a fund established in 2004 to enable the confidential funding of the activities of the Investigations Division's Tracking, Intelligence, and Fugitives Unit (TIFU). These confidential expenditures are made to secure information or evidence relating to the tracking of fugitives as well as for investigations from identified sources. As many of the sources are placed in sensitive positions for providing information, ICTY must keep the transactions confidential. Because of its unique nature, SOCF was established through written procedures approved by the Assistant Secretary-General, Controller on 27 May 2004. Prior to the establishment of the fund, expenditures were made through payment of advances to the responsible personnel of the Office of the Prosecutor (OTP).

3. The management functions of SOCF were originally carried out by the Head of the TIFU, who reported to the Chief of Investigations (COI). In July 2004, the position of Head of TIFU was eliminated, and the Administrative Officer of the OTP was appointed as the custodian of the fund. Under both custodians, certification must be given by the COI, and the Chief of Administration (CAO) serves as the Alternate Certifying Officer for the account. The OTP Administrative Officer reports to the COI for SOCF purposes. This reporting structure will need to be re-evaluated in the future as the COI position could be eliminated by the end of 2007 or the middle of 2008.

4. The following table represents the expenditures of the fund:

Table 1: SOCF Disbursements

Period	Euro (€)	\$
2003	59,268	80,092
2004	41,702	56,354
2005	36,008	48,659
2006	34,155	46,155
January – June 2007	5,050	6,824
Total Disbursements	176,183	238,084

5. Comments made by the Office of the Prosecutor, ICTY are shown in *italics*.

II. AUDIT OBJECTIVES

6. The overall objective of the audit was to assess the efficiency and effectiveness of arrangements for managing the SOCF. This included:

-
- (a) Evaluating the adequacy, effectiveness and efficiency of internal controls;
 - (b) Evaluating whether adequate guidance and procedures were in place;
 - (c) Assessing compliance with United Nations Regulations and Rules and Administrative Instructions;
 - (d) Assessing reliability and integrity of financial and operational information; and
 - (e) Assessing effectiveness and efficiency of operations.

III. AUDIT SCOPE AND METHODOLOGY

7. OIOS focused on the arrangements put in place by ICTY for the management activities of the SOCF from January 2003 to 30 June 2007, with expenditures totaling approximately \$238,000. The audit included an assessment of SOCF internal control systems based on interviews with staff, analysis of applicable data, and reviews of relevant documentation available at the time of the audit. Due to the sensitive nature of the operations, OIOS was not able to conduct a detailed and thorough review of debriefing reports and such other confidential information, though redacted versions of some documents were made available to the auditors.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Strategic Management and Governance

Establishment and mandate

8. The SOCF was properly established in accordance with United Nations Regulations and Rules. Its mandate was clearly defined and communicated to all staff involved with its operation.

Future of the SOCF

9. At the time of the audit, SOCF operations had not been reviewed as part of the completion strategy of ICTY, to reflect the reduction in both the number of fugitives at large and the level of expenditure. The staffing strength of TIFU remained unchanged at three investigators from the time that most indictees were at large, to 2007 when only four fugitives remain to be apprehended.

10. The SOCF usage has declined, reflecting the reducing numbers of fugitives at large. OIOS estimated that payments to sources had declined by 43 per cent from 2003 (€59,268/\$80,747) to 2006 (€34,155/\$46,533). In analyzing the confidential payments made per investigator in 2005 and 2006, OIOS

observed that except for one investigator, the payments to sources had declined rapidly (Table 2). This trend continued into 2007 with the total payments made from the SOCF equivalent to just over €5,000 (\$6,750) for the first half of 2007. Against the \$50,000 obligated for 2007, approximately 14 per cent has been used as the time of the audit. The operation and administration of the Fund mainly involves the custodian, the COI, the Deputy COI and the three TIFU investigators. Considering the amount of time and effort invested in the Fund, the relatively low levels fund usage is a matter of concern. In OIOS's assessment, given the relatively low levels of utilization and the winding down of the Tribunal, the OTP should review the need for six professional staff to be involved with the SOCF and also its continued relevance in the present context.

Table 2: Expenditures per Investigator (2005 and 2006)

Period	X		Y		Z		Total	
	€	\$	€	\$	€	\$	€	\$
January to June 2005	6,960	9,482	11,115	15,143	2,300	3,134	20,375	27,759
July to December 2005	3,200	4,360	9,750	13,283	4,465	6,083	17,415	23,726
January to June 2006	3,600	4,905	8,250	11,240	7,700	10,490	19,550	26,635
July to December 2006	2,300	3,134	5,630	7,670	8,425	11,478	16,355	22,282
Total	16,060	21,881	34,745	47,336	22,890	31,185	73,695	100,402

11. The OTP explained that it expects TIFU and the SOCF to continue to exist for as long as a need is perceived. They explained that besides tracking fugitives, TIFU investigators also gather intelligence, get access to witnesses, and gather information for trials. The OTP has sought continuation of the three TIFU investigator posts till the end of 2009.

Recommendation 1

(1) The ICTY Administration should, given the completion strategy of the Tribunal and pattern of declining expenditures over the past five years, periodically review the time and effort devoted to operating the Special Operations Cash Fund, and its continued relevance to ICTY operations.

12. *The ICTY Administration accepted recommendation 1 and stated that the OTP is of the opinion that expenditure in this area, both in terms of human resources and through the very modest payments to sources, represents excellent value for money and should be retained. The OTP management will continue to review the need for this account every six months effective immediately. The first review will be completed by 31 December 2007. Recommendation 1 remains open pending receipt of a copy of the results of the first review.*

Accountability

13. A written job description has not been prepared or classified for the OTP Administrative Officer position. Without this, there is a lack of accountability

and a risk that tasks may not be completed and responsibilities may not be assumed by anyone. For example, procedures approved by the Controller state that some reference should be made to the personal accountability and responsibility of the custodian for the safekeeping and accurate accounting of the SOCF. However, no such reference has been made even though monies have been disbursed from the fund.

Recommendation 2

(2) The ICTY Administration should ensure that a job description for the Administrative Officer (Office of the Prosecutor) is prepared and classified. The job description should cover all required duties and responsibilities relating to the Special Operations Cash Fund and other such functions deemed necessary. In particular, ICTY should ensure that reference is made to accountability and responsibility for the safekeeping and accurate accounting of the funds.

14. *The ICTY Administration accepted recommendation 2 and stated that the job description covering all the points raised will be in place by the end of November 2007. ICTY however pointed out that the custodian duty is less than one per cent of the incumbent's time and the function could easily be covered under 'other duties assigned' so as not to cloud the other more important duties. As for accountability and responsibility, these are covered under the delegation of authority from the Controller and the guidelines/procedures which have been developed by ICTY and approved by the Controller. Recommendation 2 remains open pending receipt and review of a copy of the job description.*

Designated alternate custodian

15. When the OTP Administrative Officer is out of the office for an extended period of time, the Deputy COI acts as the alternate custodian with regard to managing the SOCF. However, the Deputy COI has not been formally designated as the alternate. No policies or procedures have been written and approved to allow such a practice.

Recommendation 3

(3) The ICTY Administration should formally designate an alternate custodian to replace the Administrative Officer (Office of the Prosecutor) when he is out of the office.

16. *The ICTY Administration accepted recommendation 3 and stated that the CAO will be requested to appoint, as a permanent alternate custodian, the Deputy COI, to replace the Administrative Officer when he is away. Recommendation 3 remains open pending receipt of correspondence appointing the Deputy COI as a permanent alternate custodian.*

B. Organizational Structure

17. OIOS concluded that there was a clear definition of reporting lines, structure, and roles and responsibilities. Prior to July 2004, the Head of TIFU was the custodian and also carried out operational responsibilities. The combination of administrative and operational tasks created a situation where management responsibilities in terms of proper accounting, timely reporting and monitoring of expenditures were neglected. Since July 2004 there has been a clear segregation between operational and administrative duties, with the former being carried out by the three TIFU Investigators under the COI and the latter entrusted to the OTP Administrative Officer. As the designated custodian, the OTP Administrative Officer is now responsible for the management of the SOCF. For the purposes of the SOCF, the OTP Administrative Officer reports to the COI.

C. Policies and Procedures

18. There is a Confidential Cash Fund Procedures document, approved by the Controller in May 2004, which provides detailed policies and procedures for the management of SOCF. OIOS confirmed that the policies and procedures were in line with the delegated authority and that the procedures were in conformity with United Nations Regulations and Rules. No exemptions had been sought for operating the SOCF, and all staff involved in the operation of SOCF were aware of the procedures.

D. Financial Management

Cash counts

19. OIOS was satisfied with the range and extent of checks carried out by the Finance Section. Cash counts were performed by the Accounts Unit of the Finance Section about twice or thrice a year. OIOS reviewed copies of cash counts performed from 2004 to 2007, and no problems were noted. In addition the Chief Finance Officer also undertook periodical scrutiny of the SOCF files to verify compliance with procedures.

Financial reporting

20. Overall, the financial reporting of the SOCF has improved significantly since the separation of administrative and operational responsibilities in July 2004 and no problems were noted. The financial reports generated since July 2004 were assessed as reliable and generally complete. The custodian maintained all documentation of expenditures.

Documentation discrepancies

21. OIOS reviewed documentation for all expenditures from 1 January 2003 to 30 June 2007 and noted the following which suggest that arrangements for oversight of completeness and accuracy of documentation required improvement. The OTP acknowledged that the discrepancies observed by OIOS were correct,

but noted that these had been observed only in very few cases, with the exception of those relating to lack of written justification.

Table 3: Documentation Discrepancies

Problem/Discrepancy	Number of Payments
Lack of written justification for requests for payments - This information should be given for the COI to make an informed decision as to whether or not the request should be approved or rejected.	16
Request not signed by investigator	1
Request not signed by custodian	2
Lack of authorization - request not signed by the COI	2
Same signature of custodian and the COI - by having only one individual sign, there is a lack of segregation of duties and internal controls are weakened	5

Recommendation 4

(4) The ICTY Administration should develop procedures outlining the responsibility of the Chief of Investigations (COI) to ensure that requests for payments from the Special Operations Cash Fund are properly substantiated and supported. In his oversight capacity, the COI should periodically review the supporting documentation to ensure the validity, completeness, and timeliness of the documentation. The procedures should also include the requirement to obtain signatures of two authorized officials for funding requests, to ensure segregation of duties.

22. *The ICTY Administration did not accept recommendation 4 and stated that there are procedures in place, as the COI currently examines all requests for funds and decides whether or not to approve. In ICTY's view, only one area warrants necessary attention due to the number of observed omissions i.e. 'lack of written justification' where the written justification was not included in the file in 16 cases (out of a total of 372 cases in the past three and a half years). More attention will be paid to this matter in the future as procedures are in place but their execution was lacking in these cases. OIOS acknowledges the explanation provided by ICTY and recommendation 4 will remain open pending further clarification on how ICTY intends to strengthen current procedures to address the issues identified by the audit.*

Inappropriate payments of sources

23. Documentation reviewed suggested that three public officials had received payments as sources. Since they were public officials, their recruitment as informants should not have been permitted. At issue is the legality of these payments and the view Member States would have of such payments. OIOS noted that no written policy exists to provide guidance on who may be recruited as sources. The OTP clarified that the public officials to whom payments were made acted only as intermediaries receiving payments on behalf of the actual source. However, this was not obvious from the documentation.

Recommendation 5

(5) The ICTY Administration should issue guidance to the investigators of the Tracking, Intelligence, and Fugitives Unit on eligibility to receive payment as a source and require that when payments are received by intermediaries, this is clearly indicated in the supporting documentation.

24. *The ICTY Administration partially accepted recommendation 5 and stated that guidance will be issued again by the middle of November 2007 to spell out clearly that funds should not be disbursed to government officials for providing information to ICTY. ICTY reemphasized that in this case, the officials were passing on money to sources on behalf of ICTY. Recommendation 5 remains open pending receipt of a copy of the updated guidelines on eligibility to receive payments as a source.*

Timeliness of approvals

25. OIOS noted that the authorization by the COI for disbursing funds was not performed in a timely manner from January 2003 to July 2004. Requests were regularly approved months after the disbursement of funds had occurred. For example, funds that were given to the investigators in February 2003 were not approved by the COI until October 2003. Over 50 requests for funds were approved on 13 October 2003 even though the funds had actually been disbursed between 28 February and 2 September 2003. Similarly in the first half of 2004, 25 payments made between January and June 2004 were approved only in July 2004.

26. In the absence of timely or concurrent approvals, OIOS noted many cases where the former Head of the TIFU was on paper both the requesting and authorizing officer. This represented a control weakness in terms of absence of segregation of duties. While the custodial duties were generally satisfactorily performed OIOS found one instance of inappropriate use of the fund by the Head of the TIFU wherein he spent €250 (\$341) for hospitality expenditures unrelated to payments to confidential sources. This payment made in October 2003, was submitted for the COI's approval only in July 2004, whereupon the COI had noted that had prior approval for the payment been requested, it would have been rejected. In OIOS' assessment, allowing the Head of TIFU/custodian to withdraw funds and incur expenditures without timely supervisory review could allow inappropriate use of cash to occur and go undetected. OIOS observed that since July 2004 when the OTP Administrative Officer became the custodian of the fund, the timeliness of the approvals is no longer an issue and as such no recommendation is being raised. The ICTY Administration commented that the segregation of custodial and operational responsibilities is a lesson learned for the COI regarding the management of the SOCF.

Payment validation and verification

27. Current procedures for validating that sources receive payments need to be strengthened. The Confidential Cash Fund Procedure requires that upon disbursement, the investigator, the recipient and another team member if available should sign the receipt. This was not consistently done and OIOS found several instances where only the source signed the receipt and this was not corroborated or countersigned by the investigator or a witness. In one case pertaining to the period under the former custodian, a payment of €5,700 (\$7,766) was made in January 2004, but the receipt acknowledged by the source was for only €4,700 (\$6,403). A notation on the request form stated that €1,000 (\$1,363) was advanced by the then Head of TIFU, but no details of this payment were available. As no receipt was found for the €1,000 (\$1,363), this payment could not be substantiated.

28. Specimen signature cards were not in use to ensure that payments are properly received by the confidential sources. The current custodian tried to implement the use of specimen cards when he first took over the SOCF, but it was not considered practical for sources to sign their names on cards, as the sources sometimes changed names for security purposes. In the opinion of OIOS, specimen signatures, or an equivalent control, should be introduced to verify that disbursements have been made to the correct sources. This is essential because the current custodian has not performed any type of review or verification to determine whether sources actually received the payments. The custodian relies solely on the receipts signed by the sources and provided to the custodian by the investigators. The Deputy COI stated that in view of the small amounts being paid, it did not make economic sense to independently verify payments to sources. OIOS agrees that because of the small amounts of the disbursements and the confidentiality of the source, it may not be practical to independently verify all disbursements payments, but some level of checking is required to provide assurance that sources actually received the money.

Recommendations 6 to 8

The ICTY Administration should:

(6) Develop procedures to ensure that disbursements from the Special Operations Cash Fund are made to the correct source. This should entail the use of specimen signature cards, periodic independent verification or an equivalent system for identifying and verifying that sources actually receive payments;

(7) Ensure that upon disbursement, the investigator of the Tracking, Intelligence, and Fugitives Unit, the recipient and another team member, if available, sign the receipt; and,

(8) Ensure that an explanation is sought from the former Head of Tracking, Intelligence, and Fugitives Unit regarding

the missing receipt for €1,000 (\$1,363) and if feasible, the receipt is retrieved and placed on file.

29. *The ICTY Administration accepted recommendation 6 and stated that specimen signature cards are being collected. Based on the action taken by ICTY, recommendation 6 has been closed.*

30. *The ICTY Administration accepted the principle of recommendation 7 but pointed out that it may not be best practice to use team members external to TIFU in dealings with sources, except in exceptional circumstances. To date this has never been done. The security and safety of both TIFU officers and sources are of paramount importance to the OTP. TIFU sensitive sources, because of the very nature of the work, could find this suggestion unacceptable and potentially dangerous. Its implementation could erode the working relationship established between handlers and sources. To partially meet the objectives of this recommendation, it is intended to have the language assistant co-sign the receipts when a language assistant is used. In addition, the COI, his Deputy or the CAO could co-sign receipts on odd occasions when they are present at the time payment is made. OIOS thanks OTP for the clarification and the outline of how they intend to strengthen controls in this area. Based on the response, recommendation 7 has been closed.*

31. *The ICTY Administration did not accept recommendation 8 but admitted there was a mistake in the receipt. The only receipt available had a figure €4,700 and in brackets immediately below this were the words either 'four' or 'five' thousand seven hundred in writing (unclear). On the attached request for TIFU Operative Funds, which was requested in January 2004, was an amount of €5,700. At the conclusion of the mission, €5,700 was once again indicated on the form. It is therefore reasonable to assume although admittedly not clearly signed for, that the intention was to pay the full amount of €5,700 to this informant. As this incident occurred in 2004, and as the complete system has subsequently changed with the departure of the former Head, TIFU, the ICTY Administration did not believe that contacting the former Head will result in the provision of a revised or new receipt. However, the issue will be raised with him to see if he recollects this particular payment and can provide any advice. It should be noted that approximately 500 receipts had been collected and \$238,084 spent from this account in the past five years with only one mistake identified with receipts. OIOS cannot close recommendation 8 unless documentation to support the expenditure of €1,000 is obtained.*

E. Monitoring, Evaluation and Reporting

Value for money

32. Whilst the COI adequately monitored the achievement of the SOCF mandate through financial and debriefing reports, OIOS was unable to establish that ICTY had adequate arrangements in place to satisfy itself that it was getting value for money from the amounts paid to sources. Since SOCF operations are by their very nature confidential and funds are spent at the discretion of the investigators, it is necessary to ensure that two principles are observed. First, that

the resources will be applied towards the intended purpose, and second, that resource utilization is optimized. OIOS calculated the highest paid sources in 2005 – 2006 (Table 4).

Table 4: Highest Paid Sources 2005 – 2006

Source	Disbursements	
	€	\$
XX	16,295	22,200
YY	12,835	17,486
WW	7,025	9,571
ZZ	3,850	5,245

33. The SOCF procedures provide that copies of all debriefing reports will be coded and kept on file in the OTP so that they can be directly linked or matched with payments to a specific confidential source. This did not happen and in the absence of a complete and proper document trail in the form of source debriefing reports, investigator daily logs, and/or mission reports, it is unclear to OIOS how ICTY verified that the resources were applied towards the intended purpose, and were optimally utilized.

34. The COI stated that it was difficult to establish scientifically that payments to sources yielded direct value for money. Intelligence collection is a slow process and often it was a combination and analysis of information collected from different sources that could result in a worthwhile lead. Sometimes information provided could result into an indirect lead that may have to be developed through another source. The information so collected may be useful several months after it is received. Some payments to sources have had no direct benefit for the ICTY but that is part of the risk that has to be taken in such matters. Sources that consistently did not provide useful information are no longer used. He concluded by stating that in the past few years, three arrests could be attributed to information collected by the SOCF. The OTP stated that confidential sources are constantly monitored and evaluated as to the quality of information being provided by them. In addition, the concerned investigator also files a detailed report of the meeting with the source which is then analyzed by the two analysts in the OTP. The Deputy COI stated that in 2007, evaluations of some sources have been carried out and the amounts paid to them scaled down. Whilst appreciating the clarification and additional information provided, OIOS is of the opinion that ICTY should have in place a mechanism to periodically assess and document the value it is receiving for the money spent from the SOCF.

Recommendation 9

(9) The ICTY Administration should develop a mechanism to periodically assess and document the value it is obtaining for the money spent from the Special Operations Cash Fund.

35. *The ICTY Administration partially accepted recommendation 9 and explained that the material received is reviewed by analysts within TIFU who in turn brief both the COI and his Deputy who have the final say on how the*

information is used. The focus to date has been to gather the information as soon as possible and react to any information that might provide a lead to locating fugitives. This work is being completed by a very small team with very little resources. However, the OTP is willing to extend its activities and review and assess the value it is receiving in a more comprehensive manner every six months, effective immediately. The first review and verification will be completed by 31 December 2007. Recommendation 9 remains open pending receipt and review of a copy of the assessment report due end of December 2007.

V. ACKNOWLEDGEMENT

36. We wish to express our appreciation to the Management and staff of the International Criminal Tribunal for the former Yugoslavia for the assistance and cooperation extended to the auditors during this assignment.

STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	C/O ¹	Actions needed to close recommendation	Implementation date ²
1	O	Review of the continued relevance of the SOCF	31 December 2007
2	O	Preparation and classification of the job description for the Administrative Officer (Office of the Prosecutor)	30 November 2007
3	O	Designation of the Deputy Chief of Investigations as alternate custodian.	16 November 2007
4	O	Strengthening of review procedures for approval of expenditure from the fund.	Not provided
5	O	Revision of the guidelines on eligibility to receive payments as a source.	16 November 2007
6	C	Action completed	Implemented
7	C	Action completed	Implemented
8	O	Documentation to support payment of €1,000 made in January 2004	Not Provided
9	O	Report on the assessment of the value for money derived from the operations of the SOCF	31 December 2007

1. C = closed, O = open

2. Date provided by ICTY in response to recommendations.

UNITED NATIONS



OIOS Client Satisfaction Survey

Audit of: Special Operations Cash Fund at ICTY

(AA2007/270/01)

	1	2	3	4	5
By checking the appropriate box, please rate:	Very Poor	Poor	Satisfactory	Good	Excellent
1. The extent to which the audit addressed your concerns as a manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The audit staff's understanding of your operations and objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Professionalism of the audit staff (demeanour, communication and responsiveness).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The quality of the Audit Report in terms of:					
• Accuracy and validity of findings and conclusions;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Clarity and conciseness;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Balance and objectivity;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Timeliness.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The extent to which the audit recommendations were appropriate and helpful.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The extent to which the auditors considered your comments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Your overall satisfaction with the conduct of the audit and its results.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please add any further comments you may have on the audit process to let us know what we are doing well and what can be improved.

Name: _____ Title: _____ Date: _____

Thank you for taking the time to fill out this survey. Please send the completed Survey as soon as possible to: Mr. Dagfinn Knutsen, Acting Director, Internal Audit Division, OIOS, Room DC2-518, United Nations, New York, NY 10017. You can also send it via e-mail (knutsen2@un.org) or by fax (+1-212-963-2185).