



WMO SECRETARIAT

INTER-OFFICE MEMORANDUM

To: All Directors, C/DPM, RC/NY cc: DSG, ASG
From: Secretary-General
Date: 5 April 2006
Subject: **Oversight Recommendations Database – Follow-up Process**

In rendering independent assurance to our stakeholders the Internal Oversight Office (IOO) is responsible for following-up on actions taken by management on all internal oversight recommendations.¹ Whenever any of these recommendations are addressed to you as responsible managers, it is considered extremely important for the WMO that they are implemented effectively and expeditiously.

It should be emphasized that the WMO Audit Committee has also stressed the need to assign specific personal accountability for all oversight recommendations to both functional and programme managers in order to promote changes in the organizational culture that would strengthen internal control. To this end and to facilitate understanding of all concerned, IOO has developed, in consultation with Executive Management, a protocol and follow-up mechanism on oversight recommendations issued by IOO that encompasses the following:

- For each recommendation issued in an internal oversight report, the action unit or responsible manager should indicate a proposed action plan clearly specifying target dates for implementation. This information will be entered in an Annex described as "Summary of Recommendations", which will become an integral part of the final report;
- For each internal oversight recommendation, IOO will assign a priority according to the following criteria:
 - **High** = Issues for the attention of executive and/or senior management;
 - **Medium** = Important Issues to be addressed by management at different levels of responsibility; or
 - **Low** = Matters of a more minor nature, attention to which offers scope for Improvement.
- For each action proposed by the action unit or responsible manager, IOO will assess whether the action plan addresses (or has addressed) the related internal oversight recommendation or risk identified in an effective manner and will classify such recommendation as follows:

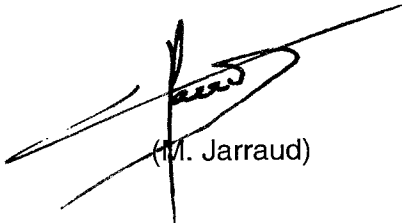
¹ IOO has also assumed responsibility for following up on recommendations issued by the External Auditor and any other relevant oversight bodies.

- **Open** = The action unit or responsible manager has not responded or addressed the reported risk appropriately;
 - **Partially** = The action unit or responsible manager has initiated corrective measures (partial implementation), but not completed its response; or
 - **Implemented** = The action unit has fully addressed the recommendation (implemented as described or through other course of action that properly addresses the reported risk).
- All internal oversight recommendations will be classified by relevant business process and recorded in a recommendations database for record-keeping and future follow-up purposes.
 - IOO will periodically follow-up on all oversight recommendations classified as "**open**" or "**partially**" implemented. (Following a due diligence approach, IOO will assess, on a case by case basis, whether the partial implementation of an oversight recommendation, as reported by WMO management, may suffice to mitigate the reported risk.) This follow-up work may be performed through written confirmations from IOO requesting an update from the action unit / responsible manager on the specific recommendation(s).
 - In addition, IOO will conduct *ad hoc* inspections to validate the management representations made and/or on subsequent responses to the follow-up confirmation work made by the responsible managers.
 - Lastly, IOO will generally conduct a follow-up on implementation of all oversight recommendations, if applicable, and whether considered "**open**", "**partially**" implemented, or "**implemented**", in connection with each new IOO engagement concerning a particular activity, programme or project included in the IOO Plan of Work for the current year.

Moreover, I also refer you to the WMO's Standing Instruction Chapter 5 Article 8.6. Accordingly, IOO will report on the effective implementation of oversight recommendations in its Annual Activity Report to the Executive Council. As a routine matter, IOO will also report to the Audit Committee on progress achieved and the status of implementation.

Managerial integrity and management controls are everybody's business. I am confident that as responsible managers, you understand and appreciate the role that IOO plays in the WMO. Therefore, I suggest you assign responsibility for the development of strong risk management policies and procedures to senior officers under your supervision. A top priority will be to ensure the appropriate and timely implementation of oversight recommendations.

I trust I can count on your full cooperation and support in making this process an effective one. I am also convinced that the work of IOO will add value to our collective efforts to accomplish the mandate entrusted by the WMO Members.



(M. Jarraud)