



*Empowered lives.
Resilient nations.*

3 March 2017

Dear Ms. McCreery,

2016 HACT Transitional Financial Audit

Each year selected nationally executed (NEX) projects are audited based on criteria established by UNDP Headquarters. For this year's audit, the following criterion has been used to determine which programmes/projects are included in the NEX Audit plan:

- All UNDP projects with estimated 2017 expenditure of over US \$450,000.00
- Once in a lifetime
- Previous awards which received a qualified audit opinion in the prior year NIM audit, irrespective of the expenditure amount.
- Awards that are considered high risk by the country office.
- Projects randomly selected by the Office of Audit and Investigations (OAI)

To this end, the project which meets the above criteria projects randomly selected by the Office of Audit and Investigations (OAI) and therefore qualifies for audit is:

00095631 – Derisking the Transition for Fossil Fuel to Renewables (The Ten Island challenge)

In order to meet the required deadline of **10th April 2017** for the submission of all Audit reports to Headquarters, we have engaged the services of Lochan & Co to carry out the audits. The cost of the audit will be commissioned from the 2017 approved Annual Work Plan for the project.

Ms. Heather McCreery
Chief Financial Officer
Rocky Mountain Street
1820 Folsom Street
Boulder, CO 80302
USA



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Given the 10th April deadline, the audit firm has scheduled field visits between 20-23 March for your Colorado location and 23-28 March for the Washington DC site. To expedite this process kindly see annexed templates for Statement of Cash Position and Statement of Assets & Equipment to be completed by the relevant staff member and for verification by the audit team upon arrival.

We look forward to working with you to successfully undertake this audit

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Chisa Mikami', is positioned above the printed name.

Chisa Mikami
Deputy Resident Representative

cc – Mr. Steven Doig – Managing Director
Mr. Justin Locke – Director of Islands
Mr. Christopher Burgess – Director of Projects
Ms. Katya Whyte – Senior Associate