

JOBS CREATION COMMISSION (JCC)

MICRO ASSESSMENT COMMISSIONED BY
UNDP

27 August 2020



Hailegiorgis Terefe Anbesse Auditing Service
Chartered Certified Accountants (UK) & Authorized Auditors (Ethiopia)

ZEQUALA Complex, 2nd Floor, Guinea Conakry St. Bambis,
P.O.Box 8362,
Addis Ababa,
Ethiopia

Tel: +(251) 930105504, 0911400970, 0929014485,
Fax: 0114198604,
E-mail hta auditing@gmail.com.

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Hailegiorgis Terere Anbessie Auditing Service

Chartered Certified Accountants (UK) & Authorized Auditors (Eth.)

Date: 27 August, 2020
HTA/C-2/0243/2020

UNDP,
Addis Ababa.

Re: - Introduction

We were assigned by UNDP on 17 August, 2020 to undertake a micro assessment exercise on your implementing partner called Jobs Creation Commission (JCC).

We would like to express our appreciation to the management and staff of JCC for the assistance and courtesy extended to us during the course of the assessment.

We have discussed this report with the management of JCC, who, in general accept our findings and recommendations. We shall, however, be pleased to provide any further explanation that may be required.

Sincerely,

Hailegiorgis Terere (MSc, BA, FCCA)
MANAGING DIRECTOR



ZEQUILA Complex, 2nd Floor, Guinea Conakry St. Bambis,
929014485,
P.O.Box - 8362,
Addis Ababa,
Ethiopia

Tel:+(251) 930105504, 911400970,

Fax: 0114-198604,
E-mail HTAAauditing@gmail.com,

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We deliver the highest value for money!*

1. BACKGROUND, SCOPE AND METHODOLOGY

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 responsible parties.

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 (e.g. 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 IP.

Scope

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

1. A review of the IP legal status, governance structures and financial viability; program management, organizational structure and staffing, accounting policies and procedures, fixed assets and inventory, financial reporting and monitoring, and procurement;
2. 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.

Methodology

We performed the micro-assessment from 22 August up to 27 August 2020 at Jobs Creation Commission (JCC), through discussion with management, observation and walk-through tests of transactions, we have assessed the Implementing Partner and the related internal control system with emphasis on:-

1. 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;
2. 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.

2. SUMMARY OF RISK ASSESSMENT RESULTS

Executive summary of the overall risk assessment

In accordance with our long term agreement to undertake micro assessment of implementing partners signed on 24 August 2018 and the related TOR of the engagement, we have assessed the financial management capacity of Jobs Creation Commission (JCC). Following the assessment, the overall financial management risk of the Implementing Partner for cash transfers is classified as **low**.

It is the conclusion of the assessment team that the Implementing Partner is capable of correctly recording all transactions and balances, the preparation of regular and reliable financial statements, safeguarding the entity's assets and is subject to acceptable auditing arrangements.

The table below summarizes the results and main internal control gaps found during application of the micro-assessment questionnaire (See Annex IV).

Detailed findings and recommendations are set out in section 3 below.

S. No.	Tested subject area	Risk assessment*	Brief justification for rating (main internal control gaps)
1	Implementing Partner	Low	
2	Program Management	Low	
3	Organizational Structure and Staffing	Low	
4	Accounting Policies and Procedures	Low	
5	Fixed Assets and Inventory	Low	
6	Financial Reporting and Monitoring	Low	
7	Procurement	Low	
	Overall Risk Assessment	LOW	

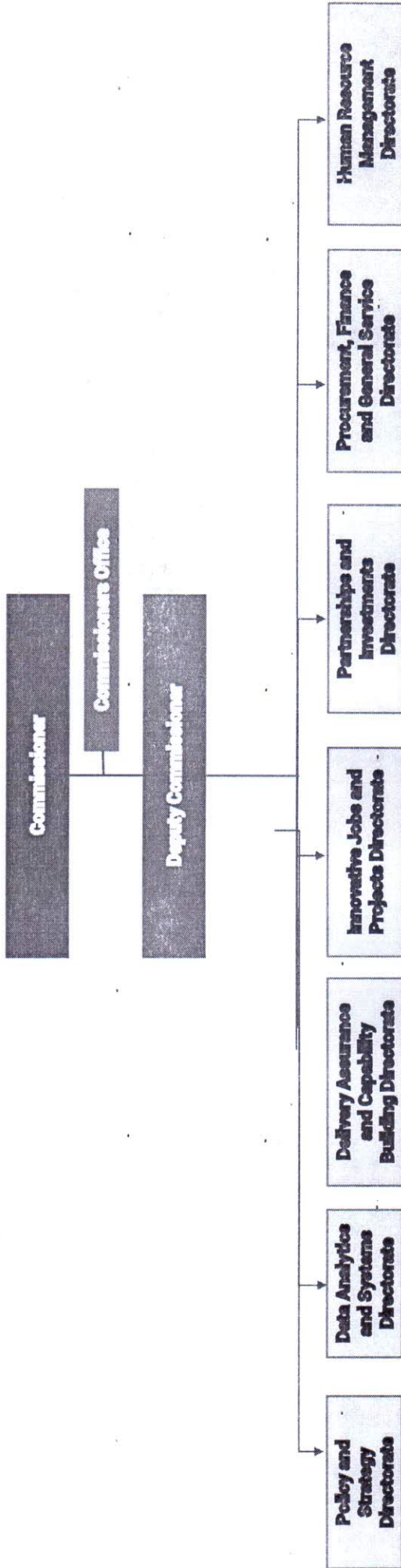
3. DETAILED INTERNAL CONTROL FINDINGS AND RECOMMENDATIONS

S. No.	Description of Findings	Recommendations	Management Comment
1.	We noted that invoices were not cancelled with "PAID" stamp.	We recommend the IP should use "PAID" stamp having space for entering project and account codes on all supporting documents so as to avoid any potential risk of reusing of documents.	We do not use paid stamp for the time being. We appreciate the recommendation of the consultant. We shall have PAID stamp in the name of UNDP in due course of time and documents shall also be marked with project's code and account code.
2.	We found that only vehicles are covered in insurance policy.	We recommend that the IP should include other assets and valuable resources in its insurance coverage policy.	The Commission is one of the government office and so administered by the government rules and regulations. Although, we don't know what will happen in the future, for the time being the insurance coverage is only for vehicle in almost all government offices. However Government was piloting for employee the health insurance which is managed beyond our office. Other assets such as office furniture, computers, documents and others are government property which will be protected as per the government rule and regulations.

Annex I. IP and Programme Information

Implementing partner name:	Federal Democratic Republic of Ethiopia, Jobs Creation Commission
Implementing partner code or ID in UNDP records (as applicable)	-
Implementing partner contact details (contact name, email address and telephone number):	Nigussu Tilahun Gebreamanuel, Commissioner, Nigussu.gebreamanuel@jobscommission.gov.et , Tel. No. +251918341163
Main programmes implemented with the applicable UN Agency/ies (UNDP):	Empower, Digitize and Globalize Entrepreneurs for Ethiopia's Transformation (EDGET) and Supporting an Inclusive and Multi-sectoral Response to COVID-19 and Addressing its Socio-Economic Impact in Ethiopia
Key Official in charge of the UN Agency/ies' programme/s (UNDP):	-
Programme location(s):	All over Ethiopia
Location of records related to the UN Agency/ies' programme/s (UNDP):	Federal Democratic Republic of Ethiopia, Jobs Creation Commission
Currency of records maintained:	Ethiopian Birr
Expenditures incurred/reported to UNDP (as applicable) during the most recent financial reporting period (in US\$);	-
Cash transfer modality/ies used by the UN agency/ies to the IP	DCT through FACE formats
Any special requests to be considered during the micro assessment:	-

Annex II. Implementing Partner's Organizational Chart



Annex III. List of Persons Met

Name	Position
Chema Triki	Senior Advisor to the Commissioner
Tiumezgi Berhe	Director - Partnership and Investment
Alexander Endale	Director - Procurement, Finance, Property, and General Service
Solomon Tadesse	Director - Delivery Assurance and Capability Building
Alemtsehay Dersolign	Director - Innovative Jobs and Projects
Dawit Mulugeta	Senior Manager - Innovative Jobs and Projects
Ewenetu Feleke	Manager - Delivery Assurance and Capability Building

Micro assessment on Jobs Creation Commission (JCC)

Micro-assessment workbook

Annex - IV

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	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 Jobs Creation Commission is established on 13th day of November 2018 as per proclamation 1097/2018 which determines the powers and duties of the executive organs. Subsequently, the regulation 435/2018 promulgated by the council of ministers vested the commission the authority to lead the job creation agenda, coordinate stakeholders, monitor and evaluate performance.
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	JCC has never managed a resource allocated by the UN. Hence no cases have been reported in the past.
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	JCC is expected to submit financial reports to the Ministry of Finance on monthly basis and is subject to external audit by the Office of Federal Auditors General. So far it has been compliant with the requirements.
1.4 Does the governing body meet on a regular basis and perform oversight functions?	Yes			Low	1	JCC performs supervision visits to different sites on quarterly basis.
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	JCC performs quarterly supervision visits in the presence of its Government counterparts to assess and evaluate the national job creation performance with respect to the annual target.
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.	Yes			Low	1	Yes. This is so because JCC's basic financial resources are Government Budget and donation from the government of Netherlands.
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	JCC has never experienced any problems while receiving funds.
1.8 Does the IP have any pending legal actions against it or outstanding material/significant disputes with vendors/contractors? <i>If so, provide details and actions taken by the IP to resolve the legal action.</i>		No		Low	1	JCC doesn't have any pending legal action.
1.9 Does the IP have an anti-fraud and corruption policy?	Yes			Low	1	As part of the Government office, JCC uses the Government's anti-corruption policy instrument.
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	Every employee is informed about fraud and advised to report any suspicion of misuse of JCC's resources to Head of the Commissioner's Office.
1.11 Does the IP have any key financial or operational risks that are not covered by this questionnaire? If so, please describe. <i>Examples: foreign exchange risk; cash receipts.</i>		No		Low	1	There are no issues that have not been covered by the questionnaire.
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:	11					
Risk score	1					

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Fax: 0114198604, E-mail htaaauditing@gmail.com

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Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
Area risk rating	Low					

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
2. Programme Management						
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	JCC has detail written policies, procedures, checklist, planning templates, work plan and schedules to develop programmes and plans.
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	For those donors that do not specify the type of template to use, JCC has used its own templets. JCC reviews its plans and achievements and compare it within the time frame set in for various activities.
2.3 Does the IP identify the potential risks for programme delivery and mechanisms to mitigate them?	Yes			Low	1	The template developed enables JCC to assess any potential risks that may occur and puts in place way to mitigate them.
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	JCC has used various polices, guidelines, checklists and templets for monitoring and evaluation purpose.
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	JCC has a responsible unit dealing with M&E. This unit has got M&E frameworks with indicators and targets for monitoring achievements.
2.6 Does the IP carry out and document regular monitoring activities such as review meetings, on-site project visits, etc.	Yes			Low	1	JCC performs quarter, semiannual and annual review meetings to monitor and evaluate its plan and achievement. It also does a quarterly supervision visit to regions to evaluate the national job target. All review meetings are properly documented.
2.7 Does the IP systematically collect, monitor and evaluate data on the achievement of project results?	Yes			Low	1	JCC monitors and evaluates the achievements of its different undertakings.
2.8 Is it evident that the IP followed up on independent evaluation recommendations? □			N/A	N/A	-	As a principle, the recommendations of an independent evaluation team shall be followed up by JCC although it didn't experience this.
Total number of questions in subject area:	8					
Total number of applicable questions in subject area:	7					
Total number of applicable key questions in subject area:	2					
Total number of risk points:	7					
Risk score	1					
Area risk rating	Low					

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
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	Yes. JCC follows the Government's recruitment policy which ensures the existence of transparency and completion in the process.
3.2 Does the IP have clearly defined job descriptions?	Yes			Low	1	Yes. All JCC's staff have a clearly defined Job Description that goes in line with their roles in the commission.

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Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
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			Low	1	Yes. JCC is comprised of 5 programme management departments, 1 finance & operation department and 1 Human resources department. All departments are fully equipped with qualified and experienced staff.
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	Yes. The Finance Department of JCC is led by a qualified and experienced director. The director has four subordinates who are of professional qualification and experience in their field to perform and properly regulate JCC's financial activities.
3.5 Does the IP have training policies for accounting/finance/ programme management staff? Are necessary training activities undertaken?	Yes			Low	1	JCC has an internal capacity building programme to equip its staff with the necessary analytical, project management and soft skills required to undertake day to day activities. Additionally, JCC prepares external training programmes for its staff as and when required. It has arranged a capacity building training programme for the finance team in the past.
3.6 Does the IP perform background verification/checks on all new accounting/finance and management positions?	Yes			Low	1	JCC performs background checks upon recruitment of all its staff including those in the Finance Department.
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	The Finance department within the JCC has never experienced any turnover of staff.
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	JCC follows the Federal Government human resource and financial management procedures and these procedures have an embedded internal control framework that employees ought to follow. The procedures are subject to periodic review and updates at a national level.
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:	8					
Risk score	1					
Area risk rating	Low					

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
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	JCC has used government accounting system and is supported by IFMIS programme. This programme is used to keep track of accounting records for donations made by the government of Netherlands.

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Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
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?	Yes			Low	1	Cost allocations are made as per the project agreements and list of activities approved.
4.3 Are all accounting and supporting documents retained in an organized system that allows authorized users easy access?	Yes			Low	1	All financial documents are organized and arranged in a way that authorized users can access.
4.4 Are the general ledger and subsidiary ledgers reconciled at least monthly? Are explanations provided for significant reconciling items?	Yes			Low	1	All general ledgers and subsidiary ledgers are reconciled monthly. Explanations are provided for significant reconciling items. Besides, JCC's accounting system is supported by IFIMS programme.
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	Yes the functions are performed by different units. Authorization to execute a transaction is performed by higher level management. Recording of the transaction is performed by Finance department. Custody of assets are performed Warehouse management.
4.6 Are the functions of ordering, receiving, accounting for and paying for goods and services appropriately segregated?	Yes			Low	1	These roles are distributed between the procurement, warehouse management and finance teams and such functions are properly segregated through the use of a computerized system called IFMIS.
4.7 Are bank reconciliations prepared by individuals other than those who make or approve payments?	Yes			Low	1	Yes. The approval of payments is performed by higher level management. The reconciliation is performed by finance team or finance officers.
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	All activities are mapped with a budget amount for ease of monitoring and evaluation.
4.9 Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations from the budget?	Yes			Low	1	Yes. It is compared monthly and significant variations are explained.
4.10 Is prior approval sought for budget amendments in a timely way?	Yes			Low	1	All budget amendments (reallocations) pass through prior approval.
4.11 Are IP budgets approved formally at an appropriate level?	Yes			Low	1	Yes. Depending on the amount to be approved, it will either get approved by a Commissioner or Director.
4d. Payments						
4.12 Do invoice processing procedures provide for: <ul style="list-style-type: none"> • 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	Quantity, price, terms indicated in the award letter and accuracy of calculation are properly checked and verified against supplier's invoices, goods receiving notes and purchase requisition. Besides, detail invoice processing procedures is followed as clearly stated in the federal government disbursement directive issued by MoFEC.
4.13 Are payments authorized at an appropriate level? Does the IP have a table of payment approval thresholds?	Yes			Low	1	Yes. Depending on the amount to be approved, it will either get approved by a Commissioner or Head of the Commissioner's Office.
4.14 Are all invoices stamped 'PAID', approved, and marked with the project code and account code?		No		Significant	6	JCC does not have a paid stamp.
4.15 Do controls exist for preparation and approval of payroll expenditures? Are payroll changes properly authorized?	Yes			Low	1	Controls exist. Payroll changes are authorized by HR department.

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Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assesme	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	Staff are paid by the daily hour he/she puts in. Each staff is required to work 8 hours per day, 40 hours per week. Time sheet is used to control same.
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	DSAs, Travel Costs and other internal cost allocations are subject to internal verification, approval and control.
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	The IP has a stated basis of accounting that is Modified cash basis which is in compliance with the Federal Government requirements.
4.19 Does the IP have an adequate policies and procedures manual and is it distributed to relevant staff?	Yes			Low	1	All policies and procedures are part of the government accounting system and all staff have access to these documents.
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	JCC requires the signatures of the Commissioner or Head of the Commissioner's Office in conjunction with the Finance Director or interchangeably depending on the amount authorized. Besides, timely updates are made when signatories depart.
4.21 Does the IP maintain an adequate, up-to-date cashbook, recording receipts and payments?	Yes			Low	1	The IP maintains an up-to-date cashbook / petty cashbook and recording of receipts and payments.
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 is not participating 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	Bank balances and cash ledgers are reconciled monthly and properly approved. For unusual and aged reconciling items, explanations are given as and when necessary.
4.24 Is substantial expenditure paid in cash? If so, does the IP have adequate controls over cash payments?		No		Low	1	Major payments are made by Cheques.
4.25 Does the IP carry out a regular petty cash reconciliation?	Yes			Low	1	Petty cash reconciliations are made regularly.
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	Yes. Cash and cheques are maintained in a secure location.
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?			N/A	N/A	-	JCC didn't experience electronic payment system.
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?			N/A	N/A	-	JCC does not have subsidiary offices nor does it work with external entities.
4h. Internal audit						
4.29 Is the internal auditor sufficiently independent to make critical assessments? To whom does the internal auditor report?	Yes			Low	1	The internal audit is independent and reporting to Management and MoFEC.
4.30 Does the IP have stated qualifications and experience requirements for internal audit department staff?	Yes			Low	1	JCC uses qualifications and experience requirements for each position of the internal audit function as stated in the civil service manual.

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Fax: 0114198604, E-mail htaaauditing@gmail.com

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Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
4.31 Are the activities financed by the agencies included in the internal audit department's work programme?	Yes			Low	1	The government of Netherland's fund is regularly checked by internal audit.
4.32 Does the IP act on the internal auditor's recommendations?	Yes			Low	1	JCC is ready to act on the recommendations made by Internal Auditors for improvements.
Total number of questions in subject area:	32					
Total number of applicable questions in subject area:	29					
Total number of applicable key questions in subject area:	18					
Total number of risk points:	34					
Risk score	1.172					
Area risk rating	Low					

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	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	JCC uses proper registration system of stock card and bin card to protect its assets from fraud, waste and abuse.
5.2 Are subsidiary records of fixed assets and inventory kept up to date and reconciled with control accounts?	Yes			Low	1	Records of fixed assets and inventory kept up-to-date and reconciled with control accounts at least annually.
5.3 Are there periodic physical verification and/or count of fixed assets and inventory? If so, please describe?	Yes			Low	1	Count and physical verification of fixed assets are made and updated annually.
5.4 Are fixed assets and inventory adequately covered by insurance policies?		No		Moderate	6	JCC has insurance policy for vehicles only.
5b. Warehousing and inventory management						
5.5 Do warehouse facilities have adequate physical security?	Yes			Low	1	Yes. The warehouse is located in the premises of JCC and is closely observed by guards.
5.6 Is inventory stored so that it is identifiable, protected from damage, and countable?	Yes			Low	1	The storage is in line with proper arrangement to make inventory identifiable, protected from damage and accountable.
5.7 Does the IP have an inventory management system that enables monitoring of supply distribution?	Yes			Low	1	JCC has the inventory management system with clear monitoring and supply distribution.
5.8 Is responsibility for receiving and issuing inventory segregated from that for updating the inventory records?	Yes			Low	1	The responsibility of receiving and issuing inventory are clearly segregated from updating inventory records.
5.9 Are regular physical counts of inventory carried out?	Yes			Low	1	Yes. This is carried out annually.
Total number of questions in subject area:	9					
Total number of applicable questions in subject area:	9					
Total number of applicable key questions in subject area:	2					
Total number of risk points:	14					
Risk score	1.556					
Area risk rating	Low					

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
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Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
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	The financial reporting procedures clearly specify type of reports, with reference to source documents, frequency of report preparation, with the necessary contents.
6.2 Does the IP prepare overall financial statements?	Yes			Low	1	Yes, JCC prepares overall financial statements.
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	Annual audit is conducted by Independent Auditor assigned by the government of Netherlands as far as project transactions are concerned. Besides, JCC is subject to audit by the Office of Federal Auditors General considering its use of the government budget.
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 five years?			N/A	N/A	-	The government of Netherlands is the only donor that JCC has in its life of operation and the fund is not yet subject to external audit as it is below a year.
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?			N/A	N/A	-	JCC is a recently established Public Body which has not yet been subject to external audit.
6.6 Is the financial management system computerized?	Yes			Low	1	Yes. Because, JCC used an accounting programme called IFMIS based on Oracle application.
6.7 Can the computerized financial management system produce the necessary financial reports?	Yes			Low	1	Monthly and annual financial reports are produced by IFMIS.
6.8 Does the IP have appropriate safeguards to ensure the confidentiality, integrity and availability of the financial data? <i>E.g. password access controls; regular data back-up.</i>	Yes			Low	1	Financial data is password protected and back up is taken regularly.
Total number of questions in subject area:	8					
Total number of applicable questions in subject area:	6					
Total number of applicable key questions in subject area:	2					
Total number of risk points:	6					
Risk score	1					
Area risk rating	Low					

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	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	JCC uses the Federal Government Procurement Guidelines.
7.2 Are exceptions to procurement procedures approved by management and documented ?	Yes			Low	1	The Commissioner provides special approval for exceptional purchases and it is properly documented.
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.		No		Moderate	2	Not yet computerized. However, purchase request, evaluation, approval, purchase order, and receipt of goods and services and other related processes are done as per the government procurement guidelines.

Hailegiorgis Terefe Anbessie Auditing Service
Chartered Certified Accountants (UK) Authorized Auditors (Eth.)
P.O. Box - 8362, Addis Ababa, Ethiopia
Tel:+(251) 930105504, 0911400970, 0929014485,
Fax: 0114198604, E-mail htaa auditing@gmail.com

Micro assessment on Jobs Creation Commission (JCC)

Micro-assessment workbook

Annex - IV

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
7.4 Are procurement reports generated and reviewed regularly? Describe reports generated, frequency and review & approvers.	Yes			Low	1	Procurement performance reports are generated Quarterly and reviewed and approved by Procurement and Finance Director.
7.5 Does the IP have a structured procurement unit with defined reporting lines that foster efficiency and accountability?	Yes			Low	1	JCC has structured procurement unit with defined reporting lines.
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?		No		Moderate	2	Staff are qualified and able to perform tasks in the government and the government of Netherland's procurement requirements. However, it needs orientation or training on the UN procurement requirements if there is anything special.
7.7 Have any significant recommendations related to procurement made by auditors in the prior five audit reports and/or management letters over the past five years and have not yet been implemented?			N/A	N/A	-	JCC is a recently established Public Body which has not yet been subject to external audit.
7.8 Does the IP require written or system authorizations for purchases? If so, evaluate if the authorization thresholds are appropriate?	Yes			Low	1	Yes. JCC follows the Government procurement agency's authorization limit for authorization of procurement.
7.9 Do the procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria?	Yes			Low	1	Yes the procedure refers to ethical procurement principles and exclusion and ineligibility criteria in accordance to Proclamation No. 649/2011.
7.10 Does the IP obtain sufficient approvals before signing a contract?	Yes			Low	1	Yes. Evaluation, approval by a procurement committee and then by the Commissioner are primary processes which should be fulfilled before a contract is signed.
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	JCC uses the federal government procurement and property administration proclamation and the federal government procurement implementation manual for managing conflict of interest with potential suppliers/procurement agents.
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	The database of active suppliers (registered suppliers) is maintained by the procurement agency. JCC has received the list and has been using it during procurement. JCC also uses public tender notice to procure services and goods.
7.13 Does the IP keep track of past performance of suppliers? E.g. database of trusted suppliers.	Yes			Low	1	JCC has not kept track of past performance of suppliers. However, it has received and used information from the procurement agency especially information about suppliers who are banned from participation of public procurements due to their bad performance or other reasons.
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	1	Yes. A well-defined process is stated in the proclamation and purchase manual. The process includes: specification- invitation-Registration- Technical and financial evaluation/ selection-approval- offer.
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	Price and technical responsiveness are evaluated independently and according to pre-defined basis.

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Fax: 0114198604, E-mail htaaauditing@gmail.com

Micro assessment on Jobs Creation Commission (JCC)

Micro-assessment workbook

Annex - IV

Subject area <i>(key questions in bold)</i>	Yes	No	N/A	Risk Assessme	Risk points	Remarks/comments
7.16 If the IP is managing major contracts, does the IP have a policy on contracts management / administration?			N/A	N/A	-	The IP doesn't manage contracts as part of programme implementation.
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?			N/A	N/A	-	The IP doesn't manage contracts as part of programme implementation.
7.18 Are there staff designated to monitor expiration of performance securities, warranties, liquidated damages and other risk management instruments?			N/A	N/A	-	The IP doesn't manage contracts as part of programme implementation.
7.19 Does the IP have a policy on post-facto actions on contracts?			N/A	N/A	-	The IP doesn't manage contracts as part of programme implementation.
7.20 How frequent do post-facto contract actions occur?			N/A	N/A	-	The IP doesn't manage contracts as part of programme implementation.
Total number of questions in subject area:	20					
Total number of applicable questions in subject area:	14					
Total number of applicable key questions in subject area:	5					
Total number of risk points:	16					
Risk score	1.143					
Area risk rating	Low					

Totals	
Total number of questions:	96
Total number of applicable questions:	84
Total number of applicable key questions:	37
Total number of risk points:	96
Total risk score	1.143
Overall risk rating	Low

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Annex V. Finance staff profile

CURRICULUM VITAE

Alexander Endale

(251)911 412352 (Mobile) (251 11 6671792) Office

E-mail: alexendalelemma@gmail.com, alexander.endale@aau.edu.et

I. PERSONAL DATA

Date of Birth - May 14 1980
Sex - Male
Place of Birth - Addis Ababa
Marital Status - Married
Nationality - Ethiopian
Current Position - Director
Address - Addis Ababa, Sub City Kirkos, Woreda 08 H/N -526
Mobile +251-911-412352
E-mail: alexendalelemma@gmail.com, or [alexander.endale@jobscommission.gov et](mailto:alexander.endale@jobscommission.gov.et)

II. EDUCATIONAL BACKGROUND and Qualification

- ◆ *MSc in Accounting and Finance* -Addis Ababa University March 26,2019
- ◆ *Bachelor Degree in Public Administration & Development Management*-Addis Ababa University, 2018
- ◆ *Bachelor Degree in Accounting*-Alpha University College, 2009

Computer Training/Certificate

- ◆ International Financial Reporting Standards (IFRS) Training

- ◆ Certificate in MS- Word, Ms-excel, Power point, Ms-Access (Computer Software)
- ◆ Certificate in Peachtree accounting software (Accounting Software)
- ◆ Training Quick Book software (Accounting Software)
- ◆ Training Integrated Budget and Expenditure (IBEX)
- ◆ Training Integrated Financial Management Information System (IFMIS)

III. WORK EXPERIENCE

➤ **JOBS CREATION COMMISSION ETHIOPIA**

Director, Procurement, Finance, Property and General service Directorate – November 2019 – till now

➤ **ADDIS ABABA UNIVERSITY PROJECT OFFICE**

Senior Accountant - February 2015 – October 2019

➤ **HIGHER EDUCATION RELEVANCE & QUALITY AGENCY**

Senior Accountant & Finance Head from November 2013 to February 2015

➤ **SNNP REGIONAL HEALTH BUREAU AMAN COLLEGE OF HEALTH SCIENCE**

Accountant from May 2007 to May 2008

Finance Head from June 2008 to June 2009

Development Planning & Budget head from July 2009 to June 2010

Finance & procurement Administration Head from July 2010 to May 2013

➤ **ADDIS ABABA UNIVERSITY SIDA PROJECT**

Part time – Financial report preparation

LANGUAGE

- ◆ Amharic
- ◆ English

SKILLS

Demonstrated ability to listen and to respond effectively and compassionately to client needs. Strong organizational and time management skills. Accuracy and keen attention to detail, ability to prioritize multiple projects and handle confidential information willingness to learn.

REFERENCE

- Pro.Hirut W/Gebreil (Former Addis Ababa University Vice President) Email hirutw@hotmail.com, hirutaketel@gmail.com
- Wro. Hawlet Ahmed (Former Addis Ababa University Finance & Budget Chief executive director)ahmed.bedru@kncvtbc.org, Tel. 251-0911-244958
- Ato Teka Ansa -Deputy Country Director, Operations (Former Higher Education Relevance & Quality Agency Finance & procurement Directorate Director) Tel. 251-0911-500471
- Ato Mentenot Kebede (Former SNNPR Health Bureau Aman Health Science College Dean)