



To : Aboubucarr Toure
Senior Operations Adviser
RBA

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*Empowered lives.
Resilient nations.*

From : Aissata De
Resident Representative
Gambia CO

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Subject : Request for Write-Off of Common Service Projects with Deficit Balances

In line with corporate compliance requirement, The Gambia country office has been diligently pursuing the closure of all legacy projects ensuring due diligence for all necessary documentation and ensuring all financial obligations are cleared.

The two projects namely; UN Dispensary (00039887) and UN House (00059503) ceased to exist since 2004 and were both operationally closed. Both projects were financially closed in previous years but re-opened recently due to negative fund balances. The closure of these projects is compulsory within the framework of clearing outstanding Country Office OAI audit recommendation.

Brief overview of the projects is below:-

1. **The project ID 00039887 Covered the UN Dispensary activities in 2004. It overspent for USD 90 749 on 11935. It was operationally closed on 07 Dec 2011 with the negative balance (-\$90 749).**
2. **The project ID 00059503 covered the UN House management services in 2008 and have an overspending of USD 15,671.27 on fund 11920. Thereafter, it was operationally closed on 30 June 2009 with a negative balance (-\$15,671.27)**

The UNDP Gambia Country Office is seeking a write-off of the deficit balance on the two projects based on the following justification

- a) Both project deficits represents CO legacy deficit from the period 2004-2008. More importantly neither project is a management nor programme/projects but rather Common Service projects for which UNDP incurred costs on behalf of other agencies; which for some reasons adequate action were not taken at that time. The CO at this point do not have enough management budget to cover up for a deficit of over \$100,000.
- b) Noting that these projects ceased to be operational since 2004 and 2008 respectively, a period of over 10 years; the CO can no longer locate the applicable MOUs signed with other agencies in order to determine who should contribute what, identify the default contributors and pursue collection/ recovery of over-due balances. Additionally, the

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representation of UN agencies and the portion of staff of each agencies resident at the time is unknown making it almost impossible to undertake an objective analysis and apportionment of costs.

- c) A thorough review of all available files was undertaken including reaching out to some former staff members who were responsible for Common Service management at the time. All effort to locate any document related to the cost sharing basis that underlined contribution to these two projects during their existence did not generate any result. All relevant staff members from said period are no longer with the CO.
- d) It should be noted that prior to the 2018 CO audit, CO audit were had in 2013 and 2007; neither of which had flagged the issue.

It is important to note that these projects were financed from the other existing projects in the country office. However, traceably to those old projects is impossible currently because most of the projects that existing during that period are financially closed. It also must be noted that if the deficit is covered, it will be a revenue for the UNDP CO since it is services rendered by the UNDP CO to other UN Agencies.

