

**INTERNAL AUDIT REPORT
CREDIT CARD MANAGEMENT
JANUARY 2016**



Conclusion

Our audit procedures were designed to provide assurance to management and the Gavi Board that Gavi-issued credit cards are being appropriately managed.

Through our audit procedures, we have confirmed that the risks associated with the management of corporate credit cards are understood and are being effectively managed. In addition, we have not found any evidence of misuse of corporate credit cards. We have identified certain areas where there is opportunity to improve the design and operating effectiveness of some of the internal controls so as to minimise the risk of credit cards being misused or mismanaged.

Internal Audit Issue Summary

Issue Description	Rating	Ref	Page
High Individual Credit Card Limits	M	2015-05a.01	4
Allocation of Washington Amex BTA Card Transactions is Delayed	M	2015-05a.02	5
Follow-Up of Unmatched Credit Card Transactions is Delayed	M	2015-05a.03	6
Background Credit Checks for Geneva Employees not undertaken	L	2015-05a.04	8
Clearance Procedures for Staff Leaving the Gavi Washington Office are not Followed	L	2015-05a.05	8
Clear Guidelines on Credit Card Usage are not in Place	L	2015-05a.06	10
Management Information and Analysis from Service Providers not being Optimised	L	2015-05a.07	11
Quarterly Review of Credit Cards on Issue for the Washington Office not Consistently Completed	L	2015-05a.08	11

Summary Performance Ratings on Areas Reviewed

For ease of follow up and to enable management to focus effectively in addressing the issues in our report, we have classified the issues arising from our review in order of significance: High, Medium and Low. In ranking the issues between 'High', 'Medium' and 'Low', we have considered the relative importance of each matter, taken in the context of both quantitative and qualitative factors, such as the relative magnitude and the nature and effect on the subject matter. This is in accordance with the Committee of Sponsoring Organisations of the Treadway Committee (COSO) guidance and the Institute of Internal Auditors standards.

Rating	Implication
High	Address a fundamental control weakness or significant operational issue that should be resolved as a priority
Medium	Address a control weakness or operational issue that should be resolved within a reasonable period of time
Low	Address a potential improvement opportunity in operational efficiency/effectiveness

Contents & Distribution

Contents

Summary of Findings	1
Appendix 1: Detailed Findings and Recommendations	4

Distribution

Title

Managing Director, Finance and Operations
Senior Director, Finance and Chief Accounting Officer
Director, Operations
Director, Human Resources

For Information

Title

Chief Executive Officer
Deputy Chief Executive Officer
Managing Director, Audit & Investigations
Executive Team
Head, Financial Operations
Head, FPA & Management Reporting (Interim)
Head, Risk

Summary of Findings

Audit Objective

Our audit assessed the design and operating effectiveness of the key internal controls in the processes related to the management of Gavi-issued credit cards.

Audit Scope and Approach

We adopted a risk-based audit approach informed by our assessment of the system of accounting and internal controls and tested where necessary a sample of credit cards to validate the proper operation of these controls.

This audit was designed to assess the:

- Design and operating effectiveness of the key controls;
- Economy and efficiency of the utilisation of resources;
- Quality of implemented governance and risk management practices; and
- Compliance with relevant policies, procedures, laws, regulations and where applicable, donor agreements.

The scope of this audit covered corporate credit cards active as at 30 June 2015, as well as those issued and cancelled between 1 January 2014 and 30 June 2015. In particular, the audit covered the following key processes:

- Request and approval of new credit cards;
- Use and management of credit cards;
- Payment of credit card balances by Gavi;
- Management of outstanding expense submissions;
- Dealing with lost or stolen credit cards; and
- Cancellation of credit cards.

Please note that the following areas were excluded from the audit scope:

- Procurement process: this process has been covered in a separate review.

Background

Previously, all Gavi corporate credit cards were provided by American Express (Amex). In 2014 it was decided that corporate credit cards would also be offered by Visa as these cards are more widely accepted in certain jurisdictions. Currently, all new individual corporate cards are provided by Visa with no new American Express cards being issued. However certain employees still have American Express cards and consideration is

currently being given to whether a formal transition of all employees to Visa is necessary.

Individual corporate credit cards are only provided to full-time permanent employees who are required to travel more than two times per year. New corporate credit card requests must be approved by the employee's manager as well as by the Head of Financial Operations (for Geneva-based employees) or the Head of DC Office Services (for Washington-based employees).

Upon leaving Gavi, an HR Exit Form is required to be completed for all employees. This form must be signed by the Head of Financial Operations or Head of DC Office Services confirming the employee's corporate credit card has been returned and that there are no outstanding balances or claims prior to the employee receiving their final termination payment.

As at 30 June 2015, there were approximately 140 individual Amex and Visa credit cards on issue for the Geneva office (compared to 184 permanent staff) and 17 individual American Express cards on issue for the Washington office (compared to 26 permanent staff).

For the Geneva office, most of the airfares are paid via the Business Travel Account (BTA) card held by the Amex travel team. For 2014, approximately CHF 1.9m of expenses were paid on individual credit cards and CHF 2.1m of expenses were paid on the central BTA card.

All transactions on these cards are automatically recorded and processed through the MobileXpense (MBX) expense claim and reimbursement system. The outstanding balances are paid centrally by direct debit on a monthly basis and then reconciled to the expense claims processed through MBX.

In addition to the individual and BTA corporate credit cards, there are also a number of non-individual central credit cards managed by different departments in the Geneva office: Amex Events cards (held by the Operations team and the Governance team), Amex Treasury Low Value Order card (held by the Operations team), and Amex Treasury Travel card (held by the Operations team). These

Summary of Findings

cards are manually reconciled and paid on a monthly basis.

For the Washington office, in 2014, approximately US\$ 600,000 of expenses were paid on individual credit cards. Consistent with the Geneva office, the transactions on these cards are automatically recorded and processed through MBX and the outstanding balances are settled centrally by direct debit on a monthly basis.

For the Washington office, the central credit cards are held by the Head of DC Office Services: Amex BTA card, Amex Treasury Low Value Order card and Visa Business card. Only the Visa card is manually reconciled and paid on a monthly basis with the other cards being recorded and processed through MBX.

Conclusion

Our audit procedures were designed to provide assurance to management and the Gavi Board that Gavi-issued credit cards are being appropriately managed.

In the course of our audit, we tested a sample of new joiners and leavers to ensure that individual corporate credit cards had been appropriately approved, issued and cancelled. We also reviewed a sample of central and individual credit card reconciliations to make sure the credit card balances were being appropriately managed.

Through our audit procedures, we have confirmed that the risks associated with the management of corporate credit cards are well understood and generally risks are well managed. We have identified certain areas where there is opportunity to improve the design and operating effectiveness of some of the internal controls so as to minimise the risk of credit cards being misused or mismanaged.

Summary of Issues Arising

Our audit identified three medium-rated and five low-rated audit issues. A summary of the issues identified along with the agreed management actions is provided below:

High Individual Credit Card Limits

Previously, business flights were required to be paid using the traveller's individual corporate

credit card, as well as hotel expenses and any additional business expenses not covered by the allowances provided. As a result, the limits in place for individual corporate credit cards (CHF 30,000 for Visa, CHF 75,000 for Amex Geneva and unlimited for Amex US) were set to ensure these expenses could be covered.

All airfares should now be booked and paid for using the central Amex BTA card. Therefore, individual corporate credit cards should only be used for hotel bills and business expenses not covered by allowances. In addition, all balances for the individual corporate credit cards are paid in full on a monthly basis via direct debit. As a result, the current limits in place for individual corporate credit cards is considered high.

In order to ensure that credit card limits are appropriate, in line with business requirements and so as not expose Gavi to unnecessary risk, management will review the current limits for individual credit cards with the aim of lowering them and potentially applying a tiered approach based on individual's seniority, role and frequency of travel.

Allocation of Washington Amex BTA Card Transactions is Delayed

For the Geneva office, transactions recorded on the central BTA Amex card are automatically uploaded into MBX and allocated to individual traveller profiles. However this is not the case for the Washington office, where the Amex BTA card transactions are recorded under a central user profile in MBX. These transactions are then required to be manually allocated to individual travellers. Any unallocated transactions remain in the central account and are not processed and recorded in the general ledger.

At the time of the audit, there were 46 unallocated transactions in the central user profile for the Washington office valuing approximately US\$ 17,000 dating back to early 2014. We note that management have now allocated most of these transactions and the balance at the date of this report is just below US\$ 2,000.

In order to ensure that all transactions are appropriately processed and recorded in the

Summary of Findings

general ledger management will ensure all the Amex BTA card transactions are allocated on a monthly basis. In addition, management will update the central user profile in MBX so that it belongs to a current employee and investigate whether the BTA transactions can be automatically allocated to individual user profiles consistent with the process in Geneva.

Follow-Up of Unmatched Credit Card Transactions is Delayed

The individual corporate credit cards get paid centrally via direct debit on a monthly basis, prior to expense claims being submitted in MBX. Therefore, a reconciliation is performed between the expense claims settled in MBX and the payments made to the credit card provider to highlight any discrepancies and ensure that expense claims have been submitted for all payments made.

The current reconciliation process is performed manually in Excel. Due to the manual nature of the reconciliation process and the high number of transactions to be matched, a full reconciliation is performed on an annual basis at which point all unmatched balances are fully understood and resolved. On a monthly basis, the transactions are matched and the remaining unmatched balances are reviewed for reasonableness with outstanding expense claims being followed up.

Through our audit procedures, we identified certain unmatched transactions as at 30 June 2015 requiring further analysis and documentation, particularly in relation to transactions that had remained unmatched greater than 90 days.

In order to reduce the risk of errors remaining undetected due to the time taken to perform the reconciliation, management will investigate whether the matching process can be automated so that unmatched items can be reviewed on an exceptions basis. In the meantime, management will tighten the controls in relation to the reconciliation process by ensuring that explanations are documented for all unmatched transactions greater than 90 days old.

Any other issues identified were considered to be low risk. A detailed analysis of all issues raised has been provided in the appendix.

We will continue to work with management to ensure that these audit issues are adequately addressed and the required actions are undertaken.

We take this opportunity to thank the Finance and Operations team for their assistance during this audit.

Chrysantus Nyongesa,
Head of Internal Audit

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
2015-05a.01	Medium	<p>High Individual Credit Card Limits</p> <p>Currently the limit for individual credit cards is CHF 30,000 for Visa cards and CHF 75,000 for Amex cards for the Geneva office. There is no limit currently in place for the individual Amex cards issued for the Washington office.</p> <p>All airfares should be booked on the central Amex BTA card used by the Geneva and Washington travel agents. Therefore, the only expenses that should be paid for on the individual corporate credit cards are hotel bills and business expenses not covered by the meal, terminal and incidental allowances.</p> <p>Gavi pays the individual credit card balance centrally by direct debit on a monthly basis prior to validation of the expenses.</p> <p>As a result, the current limits appear high given the expected use of the cards and the increased risk as a result of the cards being paid by direct debit prior to validation of the transactions, and the fact that the cards are being used in some jurisdictions where the authorisation PIN is not required prior to payment.</p> <p>In addition, due to the transition from Amex to Visa, 29 employees now have two corporate credit cards: one Amex and one Visa. These employees therefore have a combined limit of CHF 105,000.</p>	<p>Transactions up to the limit amount (or unlimited for Washington employees' cards) could be paid for on the corporate credit cards and settled by Gavi even if they are not appropriate or business-related. This will only be detected during reconciliation and/or when the claim is submitted.</p>	<p>It is recommended that Management:</p> <ol style="list-style-type: none"> 1. Reviews the current limits on the Visa and Amex cards and assesses whether they could be lowered given the expanded use of the Amex BTA cards for all airfares. Consideration should be given to frequency of travel, seniority or role, e.g. a higher limit applied for the small number of high frequency travellers and a lower limit applied for most of the employees. 2. Ensure employees that currently have two individual corporate cards, return the Amex card to Finance for cancellation, unless a specific exception is formally approved. 	<p>We agree with the findings and recommendations. Credit card limits have been reviewed in November 2015 and two separate limits will be applied for all new cards, depending on frequency of travel. The internal application form has been updated accordingly.</p> <p>A further review of existing cards will be performed after the year end, and limits of existing cards will be amended following this review as appropriate.</p> <p>All Amex card holders have been identified, instructed to apply for a new Visa card and return their Amex card. Finance will follow up until all Amex cards are returned.</p>	<p>Managing Director, Finance & Operations</p> <p>Senior Director, Finance & Chief Accounting Officer</p> <p>Director, Operations</p>	31 Jul 16	Open

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
2015-05a.02	Medium	<p>Allocation of Washington Amex BTA Card Transactions is Delayed</p> <p>The Amex BTA card for the Washington office is in the name of the Head of DC Office Services. However, when the transactions are uploaded into MBX, they are recorded under the central user profile of a previous employee who has now left the company.</p> <p>The Senior Administration Assistant reviews the transactions in this central user profile and manually allocates them to the appropriate traveller profile in MBX. However, any transactions which cannot be allocated remain under the central user profile of the previous employee.</p> <p>At the time of the audit, the balance of unallocated transactions under the central user profile was approximately US\$ 17,000 with some transactions dating back to the beginning of 2014. We note that management have now allocated most of these transactions and the balance at the date of this report is just below US\$ 2,000.</p>	<p>If transactions are unallocated in MBX then they are not processed and not recorded as expenses in the general ledger (and therefore not included in cost centre reviews and budget analysis).</p> <p>In addition, long-outstanding unallocated transactions could relate to employees no longer with the company or to disputed transactions.</p>	<p>It is recommended that Management:</p> <ol style="list-style-type: none"> 1. Updates the central user profile to come under the Head of DC Services profile. 2. Seeks for a solution within MBX so that transactions on the Washington office Amex BTA card can be automatically allocated to individual travellers consistent with the process for Geneva. 3. Ensures the Washington office Amex BTA card transactions are fully allocated on a monthly basis and confirmed by the Head of DC Services. 	<ol style="list-style-type: none"> 1. We agree with the finding and recommended action.. Responsible: Head, DC Office Services. 2. We agree with the finding. However the issue has been investigated and at present no solution is currently available. There is no interface between AMEX and MobileXpense to make the automatic allocation possible, and due to a lack of demand on the US market, AMEX are not expected to make this available in the near future. The risk will instead be addressed by 3, below. 3. We agree with the finding and recommendation. A process will be put in place and will be completed monthly. 	<p>Managing Director, Finance & Operations</p> <p>Senior Director, Finance & Chief Accounting Officer</p>	31 Jul 16	Open

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
2015-05a.03	Medium	<p>Follow-Up of Unmatched Credit Card Transactions is Delayed</p> <p>The individual corporate credit cards are paid centrally via direct debit on a monthly basis. Therefore, the credit card balances are paid in full prior to validation.</p> <p>All transactions on the individual credit cards (and the Amex BTA card) are automatically recorded in MBX and require an expense claim to be submitted by the traveller. When the expense claims are approved the transactions are recorded in the general ledger.</p> <p>On a monthly basis Finance perform a reconciliation of the credit card transactions as part of the month-end close process. This reconciliation involves manually matching the corresponding transaction from MBX with the payment to the credit card provider. The remaining unmatched balances are then reviewed for reasonableness and outstanding expense claims are followed up with the individual travellers.</p> <p>The current reconciliation process is performed manually and is time consuming given the number of transactions required to be matched.</p> <p>It is noted that there will always be some unmatched balances due to the credit</p>	<p>The high volume of transactions and manual nature of this reconciliation make the process a time-consuming exercise and potentially error prone.</p> <p>Given that the line items are not fully analysed on a monthly basis, there is always an unmatched balance which is not fully investigated. This implies that there could be items which are incorrect and/or require further investigation but that are not identified on a timely basis.</p>	<p>It is recommended that Management:</p> <ol style="list-style-type: none"> Ensures the Credit Card Holding Account reconciliation is formally reviewed on a monthly basis with any unmatched items older than 90 days being followed up and fully investigated. Investigate whether the reconciliation can be automated (or partially automated) by utilising the existing feeds from the credit card providers into MBX and the general ledger. If possible, implement automatic matching so that transactions are reviewed on an exceptions basis when they cannot be automatically matched. 	<p>Responsible: Head, DC Office Services.</p> <ol style="list-style-type: none"> We agree with the finding and recommendation. The monthly reconciliation is reviewed on a monthly basis and follow up is made for old items. To improve and clarify this process for all items over 90 days we will confirm it is outstanding in MBX and include comments of reasons for being outstanding. Implementation completed in October 2015 for September close by Head, Financial Operations We agree with the finding and recommendation. MBX has been requested to make 	<p>Managing Director, Finance & Operations</p> <p>Senior Director, Finance & Chief Accounting Officer</p>	31 Jul 16	Open

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
		<p>card transactions being paid prior to the MBX expense claims being processed. However these unmatched balances should only relate to recent transactions (i.e. transactions in the current month being reconciled).</p> <p>As at June 2015, the unmatched balance was CHF 572,394 for Geneva (with CHF 27,735 which is 5% of total, older than 90 days) and US\$ 61,443 for Washington (with CHF 16,998 which is 28% of total, older than 90 days).</p> <p>A detailed review and reconciliation of the unmatched balances is undertaken at the year-end as part of the financial close process. It is noted that the write-off of unmatched balances is insignificant (a net amount of US\$ 612 was written-off for the 2013 year end and no write-off occurred for the 2014 year end).</p> <p>We reviewed six travellers with larger and/or older unmatched balances as at 30 June 2015. Some of the individuals had unmatched transactions older than 90 days with some transactions dating back to 2014. The root causes of the unmatched transactions were:</p> <ul style="list-style-type: none"> Expense claims not submitted or supporting documentation not provided for expense claims: these issues were actively being followed up by Finance with the individual travellers; Transactions being disputed, corresponding expense claims or transactions not in MBX or user profiles not set up in MBX: for the June month end we were unable to 			<p>a development for this issue, by Head, Financial Operations by 31 July 2016</p>			

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
		evidence that these issues were being investigated and resolved.						
2015-05a.04	Low	<p>Background Credit Checks for Geneva Employees not Undertaken</p> <p>Currently, reference checks are completed for all employees as part of the recruitment process, but no formal pre-employment background checks are undertaken.</p> <p>For the Geneva office, as Gavi is liable for the individual corporate credit card balances (rather than each individual employee), the credit card provider does not undertake credit checks on individual employees prior to issuing an individual corporate credit card.</p> <p>For the Washington office, Amex undertake credit checks for all new corporate card requests prior to an individual corporate card being issued.</p>	<p>Employees with previous credit issues can be issued corporate credit cards with relatively high limits for which Gavi is liable.</p>	<p>It is recommended that Management:</p> <ol style="list-style-type: none"> 1. Considers the costs and benefits of implementing a risk-based background screening framework to ensure that any issues identified are investigated and considered prior to the issuance of a corporate credit card for Geneva-based employees <p>In addition, we believe that the recommended actions relating to other audit issues identified will mitigate the impact of employees with previous credit issues being issued corporate credit cards:</p> <ul style="list-style-type: none"> • 2015-05a.01: High Individual Credit Card Limits • 2015-05a.03: Follow-Up of Unmatched Credit Card Transactions is Delayed • 2015-05a.07: Management Information and Analysis from Service Providers not being Optimised 	<p>We agree with the finding, however we are not able to comply with the recommendation due to pre-screening across the many different countries being a too timely and costly process. We agree with your comment that implementation of the other recommendations will substantially reduce the risk from fraud or misuse and therefore would prefer to mitigate the risk by reducing the credit limits.</p>	<p>Managing Director, Finance & Operations</p> <p>Director, HR Senior Director, Finance & Chief Accounting Officer Director, Operations</p>	NA	Closed
2015-05a.05	Low	<p>Clearance Procedures for Staff Leaving the Gavi Washington Office are not Followed</p>		<p>It is recommended that Management:</p>		<p>Managing Director,</p>	31 Jul 16	Open

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
		<p>An HR Exit Checklist is used as a key control in ensuring that all the required procedures are completed prior to an employee leaving Gavi. This checklist is required to be signed by the relevant teams to confirm that the required procedures had been undertaken. For example, for the Geneva office, the Head of Financial Operations (or their delegate) is required to sign the checklist to confirm that the employee has handed back their corporate credit card(s) and they have no outstanding balances or claims.</p>	<p>Employees may leave Gavi without the required procedures being completed and therefore they may still have an active corporate credit card and/or outstanding balances/claims.</p>	<ol style="list-style-type: none"> 1. Implements a consistent HR Exit Checklist (or exit workflow process through Me@Gavi) for the Washington office which includes a specific check on outstanding credit card balances and expense claims prior to an employee leaving. 2. Ensure that the HR Exit Checklists (or exit workflow process through Me@Gavi) are consistently completed and maintained for all employees leaving Gavi. 	<ol style="list-style-type: none"> 1. We agree with the recommendation and are in the process of implementing a new workflow, with two DC leavers already having been through the process. Responsible: Head, DC Office Services. 2. We agree with the recommendation and are in the process of implementing. The workflow is up and running and is being completed for all leavers. 	<p>Finance & Operations</p> <p>Senior Director, Finance & Chief Accounting Officer Director, Operations</p>		
		<p>We selected a sample of employees who left Gavi during the audit period and noted that the Geneva and Washington offices are using two different HR Exit Checklists. The Washington version does not have a section for confirmation that there are no outstanding balances or expense claims.</p>						
		<p>In addition, for the one employee selected for the Washington office, we were unable to evidence that the HR Exit Checklist had been completed and signed. However, we were able to confirm that the employee's corporate credit card had been cancelled on their last day of employment and that there were no outstanding balances or expense claims.</p>						
		<p>We also performed a manual review of the Washington credit cards on issue to ensure that all active cards belong to current permanent employees and did not identify any issues.</p>						
		<p>We understand that going forward, the exit process will be automated through</p>						

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
		the workflow in the just introduced Me@Gavi system.						
2015-05a.06	Low	<p>Clear Guidelines on Credit Card Usage are not in Place</p> <p>Guidelines and requirements in relation to the management and use of individual and non-individual corporate credit cards are currently maintained in the Travel and Expenses Policy, the Accounting Procedures and an additional one-page guidelines document for the DC office. However, we were unable to evidence formal guidelines for employees clearly outlining their responsibilities and obligations in relation to the management and use of individual and non-individual credit cards.</p> <p>In addition, there does not appear to be any specific requirements and guidelines for employees that use their corporate credit cards in higher risk jurisdictions (in terms of credit card fraud).</p>	<p>Employees may not understand or know the restrictions on use of corporate credit cards or the principles under which the credit cards should be used. Particularly for the non-individual central credit cards, the cardholders may not be aware of their responsibilities in relation to the use and management of the card.</p>	<p>It is recommended that Management:</p> <ol style="list-style-type: none"> 1. Updates the Travel and Expenses Policy to include further guidelines on employees' responsibilities in relation to the use and management of corporate credit cards. In particular, consider including the following information: <ol style="list-style-type: none"> a) Responsibilities for employees that hold non-individual central credit cards, including consequences for mismanagement and misuse; b) Requirements for where and how corporate credit cards can be used including any suppliers or websites that are prohibited; c) Guidelines on when and how credit card details should be provided to suppliers and what checks should be undertaken prior to providing card details; d) Details on 'red-flags' for employees to be aware of. 2. Consider if additional procedures can be implemented for frequent 	<p>We agree with the findings and recommendations. New guidelines have already been circulated and are available on the Intranet. For travel policy updates and additional procedures for frequent travellers, estimated completion by 31 July 2016 by Head, Financial Operations, Senior Director, Finance & Chief Accounting Officer, and Director, Operations.</p>	<p>Managing Director, Finance & Operations</p> <p>Senior Director, Finance & Chief Accounting Officer Director, Operations</p>	31 Jul 16	Open

Appendix 1: Detailed Findings and Recommendations

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2015-05a.07	Low	<p>Management Information and Analysis from Service Providers not being Optimised</p> <p>The credit card providers and travel agencies produce regular management information and analysis for Gavi on the various aspects of the payments made using the corporate credit cards and travel details.</p> <p>In addition, MBX is able to produce certain reports to analyse aspects of travel-related expenditure as well as employees' behaviour in relation to submission and approval of expense claims.</p> <p>We were unable to evidence any holistic management reporting being undertaken using the analysis and insights available from MBX, the travel agencies and the credit card providers.</p> <p>The management of expenses and credit card payments is tightly controlled on a 'bottom-up' basis but we were not able to evidence holistic management reviews taking place to identify employee behaviour, spending patterns and key suppliers on a 'top-down' basis.</p>	<p>Lack of oversight and insight on spending patterns on corporate credit cards could mean that opportunities to negotiate with key suppliers are missed and unusual spending patterns and/or non-compliant employee behaviour is not identified.</p>	<p>travellers to high risk jurisdictions e.g. replacement of cards on an annual basis to protect the credit card details.</p> <p>It is recommended that Management:</p> <p>Considers whether additional insights can be obtained by consolidating and reviewing information from MBX and the credit card providers. Assess whether indicators can be used to identify unusual spending patterns and non-compliant employee behaviour (e.g. comparison of month-on-month credit card bills settled by direct debit, overview of late bookings and changes to flights, etc.).</p>	<p>We agree with the finding and the recommendation. MBX have already been commissioned to set up reports providing management data. Action Head, Financial Operations and Director, Operations by 31/07/2016</p>	<p>Managing Director, Finance & Operations</p> <p>Senior Director, Finance & Chief Accounting Officer Director, Operations</p>	31 Jul 16	Open
2015-05a.08	Low	<p>Quarterly Review of Credit Cards on Issue for the Washington Office not Consistently Completed</p>		<p>It is recommended that Management:</p>		<p>Managing Director, Finance & Operations</p>	31 Jul 16	Open

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Rating	Issue Description	Risk/Implication	Recommended Actions	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
		<p>A quarterly review is currently undertaken by Finance between the individual credit cards on issue for the Geneva office and the current month's payroll information to confirm that all active cards belong to current permanent employees.</p> <p>This review was not performed by Finance for the Washington office for the period under review (however, we note that this review was performed prior to the audit period in 2013).</p> <p>We performed a manual review of the Washington credit cards on issue to ensure that all active cards belong to current permanent employees and did not identify any exceptions.</p>	<p>If a review of active cards against current payroll information is not undertaken on a regular basis then there is a risk that credit cards not cancelled on a timely basis or issued inappropriately will not be identified in good time.</p>	<p>Implements a quarterly review of active credit cards against payroll information for the Washington office</p>	<p>We agree with the finding and the recommendation will be implemented by 31/07/16 by Head, Financial Operations and Head of DC Office Services.</p>	<p>Senior Director, Finance & Chief Accounting Officer</p>		