

FIN.SOP.IV.013

In-Kind and In-Service Awards (FNM/ACT)

FNM Standard Operating Procedure
Target Audience: All Staff

DISCLAIMER

Standard Operating Procedures (SOPs) provide a step-by-step guide for staff directly involved in the processing of administrative actions to support and facilitate the implementation of WHO policies and procedures. The SOPs are for guidance only; they are neither authoritative nor binding. The SOPs reflect the policies and procedures of WHO at the time of writing; however, policies and procedures change from time-to-time. In the case of a conflict between the SOPs and the WHO eManual provisions, the WHO eManual provisions take precedence.

DOCUMENT SPECIFICATIONS

Version	Date of revision	Author (s) / Dept / Unit	Approver	Indicate which section changed compared to previous version
1.0	Dec 2011	TARIGA, Gilda (FNM/ACT)	STEWART PAPPAS, Jane Margaret; JEFFREYS, Nicholas Richard	
2.0	June 2012	TARIGA, Gilda (FNM/ACT)	STEWART PAPPAS, Jane Margaret; JEFFREYS, Nicholas Richard	In Service and JPOs, eExpenditure batch use of new SOP template
3.0	Dec 2013	TARIGA, Gilda (FNM/ACT)	HOGG, Charlotte; STEWART PAPPAS, Jane Margaret	Clarification of procedures (proof of receipts, responsibilities) for recording eEBs, new fund type 2SPIKC, programme/ categories, expenditure codes starting 2014, clarification in valuation of JPOs
4.0	Nov 2015	TARIGA, Gilda (FNM/ACT)	HOGG, Charlotte; STEWART PAPPAS, Jane Margaret	Clarification of procedures in recording in-kind donations at the warehouse

Contents

1	INTRODUCTION.....	6
1.1	Overview/Description	6
1.2	General Guidance / Business Rules.....	6
1.2.1	Revenue recognition	6
1.2.2	Form of the contribution	7
1.2.3	Valuation of the contribution.....	8
1.2.4	Budget.....	9
1.2.5	Creation of in-kind and in-service awards.....	9
1.2.6	Recording, monitoring and regular follow up.....	11
1.3	Reference Material.....	11
1.3.1	Staff Regulations and Staff Rules	11
1.3.2	WHO eManual.....	11
1.3.3	Related SOPs	11
2	PROCESS FLOW – IN-KIND AND IN-SERVICE AWARDS	13
3	PROCESS STEPS.....	14
4	KEY RISKS AND COMPENSATING CONTROLS.....	16
5	ANNEX 1 – Recording of in-kind/service contributions	17
5.1	Expenditure codes	17
5.2	Required supporting documents	17
5.3	Award Manager/Administrator (AM/AA).....	19

5.4	<i>Country Office (CO)</i>	19
5.5	<i>Regional Office/Budget Finance Unit (RO/BFU)</i>	19
5.6	<i>GSC/AWC</i>	20
6	<i>ANNEX 2 – Review and Monitoring</i>	21
7	<i>ANNEX 3 - IN-SERVICE CONTRIBUTION - Junior Professional Officers (JPOs)</i>	22
7.1	<i>BACKGROUND:</i>	22
7.2	<i>RECORDING OF JPO PROGRAMME IN-SERVICE CONTRIBUTIONS TO WHO ACCOUNTS.</i>	22
7.2.1	<i>Award Manager/Administrator (HRD):</i>	23
7.2.2	<i>Budget Center</i>	23
7.2.3	<i>GSC/AWC :</i>	24
7.3	<i>PROCESS FLOW – JPO RECORDING</i>	25
7.4	<i>PROCESS STEPS – JPO RECORDING</i>	26
8	<i>ANNEX 4 – EXAMPLE OF CERTIFICATE OF WORK PERFORMED</i>	28
9	<i>ANNEX 5 – EXAMPLE OF DELIVERY RECEIPT (Proof of Receipt)</i>	29
10	<i>ANNEX 6 – Country Office Report to Regional Office/Budget Finance Office</i>	30
11	<i>ANNEX 7 – IN-KIND AND IN-SERVICE CATEGORIES</i>	31
12	<i>ANNEX 8 - Donations of inventory items to who warehouses</i>	33

1. INTRODUCTION

1.1 Overview/Description

Non-monetary voluntary contributions from Member states and other entities are recognized as revenue and expenditure in WHO and related entities accounts.

According to Information Note 33/2014, 'it is a breach of WHO rules to receive any goods or services on behalf of the Organization without an award being established. An award is created pursuant to existing WHO procedures, including being supported by a donor agreement before the goods, services or cash is received by WHO.'

All agreements for in-kind contributions require prior approval from LEG and CRM. FNM should also be informed of all in-kind contributions to ensure that these are recorded in WHO accounts. As for cash contributions, in-kind contributions from private sector entities need to undergo a due diligence and risk assessment by PSD.

This instruction provides guidance on the creation of in-kind and in-service awards, accounting for related revenue and expenditure, and periodic review and reconciliations to ensure that in-kind/service contributions are captured completely, accurately and on a timely manner in WHO accounts.

1.2 General Guidance / Business Rules

1.2.1 Revenue recognition

IPSAS 23, section 95 states that gifts and donations are recognized as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be reasonably measured. Both in-kind and in-service contributions are recognized in WHO accounts. An award is created based on a signed agreement and both revenue and expense are recorded in the period of delivery to final recipient or to the WHO warehouse. (Please refer to Annex 1 for guidance on recording of in-kind/service revenue and expenditure.)

Materiality

In-kind/service contributions are recorded in WHO account only if the value of the contribution is equal to or more than USD50,000. However, if agreement with the Donor indicates that the in-kind contribution be included in the WHO financial report, the donation will be recorded in the accounts notwithstanding the materiality threshold.

Inventory

Where the in-kind donations are in WHO possession, these are recognized as an asset (inventory) as the other procured items in the warehouse. Periodically, the Asset Management Group (AMG) verifies and establishes the inventory balances. The in-kind donations are included in the total inventory balances. However, if the award is available and the amount of the donation is material (i.e. => USD50,000), an expenditure batch will be created to record the in-kind donation in the award.

Please see Annex 8 for additional guidance relating to donated items in the warehouse.

1.2.2 Form of the contribution

Non-monetary contributions most commonly take the following forms:

1. In-kind contributions comprise the donation of medicines/vaccines, office space, equipment, vehicles, etc.
2. In-service donations comprise the secondment of staff such as medical research or field personnel or Junior Professional Officers (JPOs). Other WHO consultants or staff that do not receive compensation from the Organization are included in this category.

It is the responsibility of the Health Technical Unit (HTU)/RO receiving the in-kind or in-service contribution to inform FNM/ACT/Awards of such contribution by submitting an AAR with supporting documentation on a timely basis such that income and expenditure are recorded in the correct period.

1.2.3 Valuation of the contribution

In-kind and in-service contributions should be recognized at fair value as specified in the donor agreement. If the donor agreement is silent, the WHO letter of acceptance, sent by the responsible technical unit acknowledging the contribution contains a mandatory clause requesting the value of the contribution from the donor.

1. For in-kind contributions, the donor's valuation for drugs, medical supplies and equipment should be included in the signed agreement. Office spaces are based on formal valuations from the landlord or the cost of renting a similar property at a similar location.
2. In-service contributions are valued based on the average cost of the planned position. Where a specific amount is indicated in the agreement, this amount is taken even if it is different from the WHO standard cost.

Where in-service secondments have a top-up in the form of an additional cash payment, the cash portion should be accounted for through an in-cash award and the in-service contribution should be valued at the average cost of the planned position less the 'top-up'. If an in-service agreement spans two biennia, and the average cost changes from one biennium to the next, an Award Amendment Request (AMR) should be submitted to revise the award amount.

Refer to Annex 3 for detailed procedures relating to Junior Professional Officers (JPOs).

1.2.4 Budget

As of the 2014-15 biennium, all in-kind and in-service awards will be implemented against Categories/Programmes that are 'outside' the Programme Budget. A 'mirror' results structure has been created for this purpose (see Annex 7). Budget centers (BCs) must have a budget allocation in the relevant in-kind/service Programme in order to budget and expense the in-kind/ service awards in their workplans. Requests for budget allocation should be submitted to Director, PRP as per standard procedure with the relevant justification and reference to donor agreement or approval of JPO.

According to the WHO business rule to not include PB and non-PB results in the same workplan, separate workplans must be created for in-kind/service contributions. Some Regions and HQ clusters have created separate workplans at the regional/cluster level to 'group' the in-kind/service awards and avoid multiplication of small in-kind/service workplans. Regional Budget Finance and/or Programme Management Units, or HQ Management Officer, should be consulted on this point.

The cost of the JPO should be planned and budgeted using the post cost averages for the country office where the JPO will be posted. (Please consult the PRP intranet for current standard costs rates at <http://intranet/homes/prp/budget/costaverages/>)

1.2.5 Creation of in-kind and in-service awards

Creation of in-kind and in-service awards follows the same procedures as all other voluntary contributions awards. The award is created based on a signed Award Activation Request (AAR) accompanied by a link to supporting documentation submitted by the Award Manager/Administrator to awards mailbox (awards@who.int). The list below highlights differences in procedures for in-kind/service awards:

Specific factors for in-kind/service contributions:

- New fund type: Starting 2014, all in-kind/service awards are recorded under fund type 2SPIKC. In-kind/service contributions are reported outside of the PB in Categories 81 to 86. Please refer to Annex 7 for the list of Categories and related descriptions.
- Since the contribution is not in cash, no project support cost (PSC) is deducted. The contribution reflects the value of the goods or services donated. The award will only have a general instalment with 100% of the award value available for distribution.
- As no cash will be received for these awards, no billing event is set up to create a receivable and revenue entry.
- For in-service awards, a link is not created as the agreement may contain terms of reference or personal/salary details. A copy of the signed Agreement and other related documents should be sent to awards mailbox together with the AAR.
- The Awards Descriptive Flexfield (DFF) should include 'in-service' or 'in-kind' as opposed to 'in-cash' in the form of award field to allow these awards to be clearly identified and sorted.
- Awards are put 'on hold' immediately after creation of the awards or when eExp batches are not being processed in GSM.
- For in-service awards, the TU will map the post in the HR module and mark it as 'in service' to denote that it is not included in the payroll (WOCN). This does not apply to JPOs as JPOs are contingent workers and not included in the HR plan. Please refer to ANNEX 3 for detailed instructions on JPOs.
- The recording of expenditure by means of a one-sided expenditure batch generates a counterpart entry in the in-kind/service revenue account GL 412003. (Please refer to Annex 1 for more information on recording of in-kind/service revenue and expenditure.)

1.2.6 Recording, monitoring and regular follow up

It is necessary to verify that where such arrangements exist and awards have been created for in-kind and in-service contributions that expenditure and revenue are recognized on a timely basis. TUs/ROs are responsible to submit eExp batches with complete supporting documentations in a timely manner. Periodic review of in-kind and in-service awards is carried out by GSC/AWC and FNM/ACT.

On exceptional basis, GSC/AWC assists in the creation of expenditure batches when appropriate supporting documents are readily available and it is more efficient that recording is done by GSC/AWC. FNM/ACT will coordinate recording between GSC/AWC and TU/RO.

Please refer to Annex 1 for the specific instructions on recording of in-kind/service contributions, including guidance on the required minimum acceptable supporting documents and clarification of the related responsibilities of the Award Managers (AM), Country Office (CO), Regional Office (RO) and GSC/AWC.

1.3 Reference Material

1.3.1 Staff Regulations and Staff Rules

- 440.4 – Appointment Procedure

1.3.2 WHO eManual

- IV.1.3 – In-kind contributions
- IV.1.4 – In-service contributions
- III.4.7 – Interorganization transfer, loan, secondment

1.3.3 Related SOPs

- FIN.SOP.IV.011 – Award creation and review
- FIN.SOP.IV.029 – Entering award distribution
- FIN.SOP.IV.030 – Entering workplan funding

- FIN.SOP.IV.010 – Award end to end
- FIN.SOP.X.004 – eExpenditure Batch
- IPSAS 23 – WHO Policy Guidance Manual for IPSAS, 20 July 2011

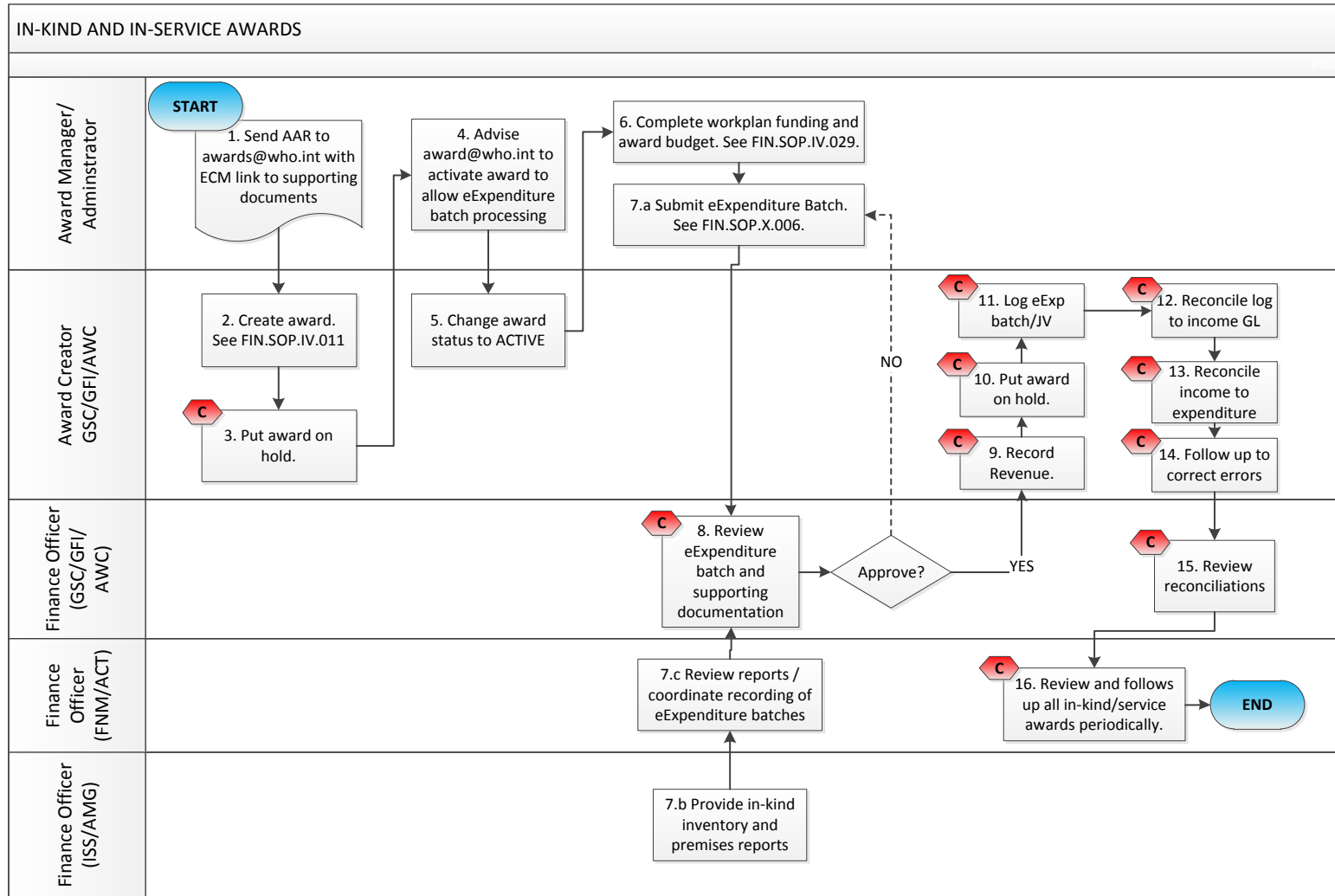
1.3.4 Information Notes

- 33/2014 – In-kind Contributions



Information Note 33
2014 - In-kind contrib

2 PROCESS FLOW – IN-KIND AND IN-SERVICE AWARDS



3 PROCESS STEPS

Step	Control (C)	Type	Process	Role / Responsibility
1		Offline	Sends awards (awards@who.int) with the ECM link to the supporting document(s) for in-kind contribution. No ECM link is required for in-service awards due to confidentiality. The distribution should be provided with the AAR.	Award Manager/ Administrator
2		GSM	Creates award (refer to FIN.SOP.IV.011 – Award Creation and Review)	Award Creator/ Revisor
3	C	GSM	Puts the award 'ON HOLD' to avoid the risk of entering encumbrances or cash expenditure in an IN-KIND /SERVICE award in error	Award Creator/ Revisor
4		Offline	Advises awards (awards@who.int) to activate award to allow processing of eExp batch	Award Manager/ Administrator
5		GSM	Changes the award status to 'ACTIVE' to allow processing of eExp batch	Award Creator/ Revisor
6		GSM	Completes work plan funding and award budget as for all awards (refer to FIN SOP IV 030 – Entering Workplan Funding)	Award Manager/ Administrator
7.a		GSM	Submits eExp batch for GSC/AWC review and approval (administrative approval). Also refer to Annex 1 – Recording of in-kind/service contributions and FIN.SOP.X.004 - eExpenditure Batch.	Award Manager/ Administrator
7.b		Offline	Periodically, forwards inventory report of donated goods in the warehouses and list of donated premises.	Finance Officer (ISS/AMG)
7.c		Offline	Reviews in-kind inventory and donated premises reports; Coordinates recording of eExpenditure batches.	Finance Officer (FNM/ACT)
8	C	Offline, GSM	Reviews and approves eExp batch for completeness, accuracy, timeliness and adequacy of supporting documents (refer to Annex 1 – Recording of in-kind/service contributions and FIN.SOP.X.004 – eExpenditure Batch.)	Finance Officer (GSC/AWC) In kind/In service focal person

9	C	GSM	Puts the award 'ON HOLD' or closes the award after eExp batch is processed	Award Creator/ Revisor, In kind/In service focal person
11	C	Offline	Logs the eExp batch approved/submitted	Award Creator/ Revisor, In kind/In service focal person
12	C	Offline	On monthly basis, reconciles the log to the income GL (refer to Annex 2 – Review and Monitoring),	Award Creator/ Revisor, In kind/In service focal person
13	C	Offline	Reconciles income to expenditure (refer to Annex 2 – Review and Monitoring), and	Award Creator/ Revisor, In kind/In service focal person
14	C	Offline	Follows up to correct errors, submit missing eExp batch (refer to Annex 2 – Review and Monitoring).	Award Creator/ Revisor, In kind/In service focal person
15	C	Offline	Reviews reconciliations.	Finance Officer (GSC/AWC)
16	C	Offline	Periodically, at least twice a year, FNM/ACT reviews and follows up all in-kind/service awards to validate amounts that will be reported in the Financial Statements. In addition, ensures policies and procedures are up to date and/ or recommends and coordinates changes to improve current process.	Finance Officer (FNM/ACT)

4 KEY RISKS AND COMPENSATING CONTROLS

Risks	Compensating Controls	Process Step
Entering encumbrances and cash expenditure	All In kind/ in service awards are put 'ON HOLD' until eExp batch submitted, reconciliation between revenue and expenditure	3, 13
Incomplete documentation	Review of supporting documentation before eExp batch is approved by GSC/AWC	8
Incomplete, inaccurate capture	Logs all eExp batch processed, monthly reconciliations, reviews reports from AMG	11, 12, 13, 14, 15
Untimely capture	Periodic review and follow up	7.c, 14, 16
Non-cash contributions not recorded	This is the responsibility of the TU receiving the contribution. Periodic follow-up, reminder	16

5 ANNEX 1 – Recording of in-kind/service contributions

5.1 Expenditure codes

The following expenditure codes are used for the recording of in-kind/service expenditure as follows:

- 509 – Staff cost in-service
- 522 – Vaccines in-kind
- 523 – Medical supplies in-kind
- 528 – Other field supplies in-kind
- 529 – Office rental in-kind

The use of these expenditure codes generates automatic credit entries in revenue account - GL 412003 (Contributions in-kind). Hence, there will be no need for GSC/AWC to create manual JVs to record the corresponding in-kind/service revenue. It is important to note that these expenditure codes **SHOULD ONLY BE USED** to record in-kind/service expenditure.

5.2 Required supporting documents & Timing of Recording

To record the in-kind/service contributions in the WHO accounts, the HTU/RO submits eExp batch and attaches scanned copy of supporting documents in GSM. Timing of eExp batch is based on the following:

1. For in-kind contributions of medicines and vaccines, **on proof of delivery to final destination** (e.g. regional NGO, Ministry of Health or similar)
2. For other in-kind contributions, **on proof of delivery and use in WHO** (e.g. upon receipt of donation of computer units from the Government of Korea)
3. For in-kind donations of office premises, **when use of space is confirmed for entire or part of the year.** This means that the donated premises (or free use of office space) may be recorded at the start of the year, based on the preceding year's Premises Report from AMG. At the end of the year, the amounts recorded will be reviewed and compared with AMG's current year's Inventory Report to effect adjustments if necessary.

4. For in-service arrangements, **based on contract served at end of contract or end of year whichever comes first.** If there is no change foreseen in the Agreement with the staff, the value of service for the current year may also be recorded during the 2nd quarter of the year to avoid the heavy work load during yearend.

It is necessary to provide adequate documentations to support the eExp batch. The acceptable supporting documents are as follows:

- For in-kind – delivery receipt (see Annex 5), invoice, packing list, airway bill

Normally, when sending medicines, vaccines or other in-kind contributions to the country, the shipping advice is sent to and received by the WHO country office (CO) and the Ministry of Health (MoH) or other 3rd party final beneficiary in advance of the goods. This document is easily recognizable by the CO, customs, MoH and delivery agents and clearly identifies the shipment as WHO delivery. This document, if it summarizes the items delivered, can be used as a proof of delivery if stamped and signed by the MoH with the wording ‘These items have been received complete and in order’ (or words to that effect.) If this wording is not indicated anywhere in the shipping advice, the CO may use a rubber stamp to add this information on the face of the document on which the MoH representative may sign. If there are any exceptions in the quality and quantity of goods received then a delivery receipt (see Annex 5) should be used instead. The CO arranges for the document to be signed by the MoH (the final recipient) when the goods are handed over.

In some occasions, the receiving report (RR) is sent by the supplier/delivery agent together with the shipping advice to the CO and the MoH. This RR, if signed by the representative of the MoH or the 3rd party final recipient, fulfils the requirement for proof of delivery/receipt and scanned copy of which should be sent by CO to the RO/HTU to support the eExp batch.

- In exceptional cases, an email from the 3rd party recipient confirming receipt of goods may also be accepted as supporting document to record the contribution.
- For in-service – certificate of work performed (see Annex 4)

The following are the responsibilities of the Award Manager/Administrator, Regional Office, Country Office and GSC/AWC **in the recording** of the in-kind/service contribution (the listing is not sequential – but rather a clarification of roles and responsibilities):

5.3 Award Manager/Administrator (AM/AA)

1. The AM ensures that the country office (CO) focal person is aware of all shipments in the country.
2. The AM also ensures that the related original documents (POs, invoices and shipping advice) are filed intact and accessible and available for review when required. If original documents are sent to the CO, a copy should be sent to and kept by the AM. The AM should obtain assurance/confirmation from the CO that the original documents are kept in the CO and will be retained according to WHO document retention policy.

5.4 Country Office (CO)

1. As the CO is in direct contact with the final recipient, normally the MoH, it is the responsibility of the concerned CO where the goods/items are delivered to obtain the proof of receipt or to arrange for the shipping advice to be stamped and signed by the representative of the MoH. (Note: The statement should be clear on the face of the document where the final beneficiary representative will stamp and sign that the goods are received complete and in order.)
2. The scanned copy of the proof of receipt is then forwarded to the respective RO/BFU to support the recording of the contribution and expenditure.
3. The CO summarizes the items delivered to the final recipient and forwards the information periodically (at least quarterly) to the RO. See sample report in Annex 6.

5.5 Regional Office/Budget Finance Unit (RO/BFU)

1. The RO/BFU ensures that adequate supporting documents are obtained and filed for all eEBs entered in GSM.
2. Where it is not practical to obtain the copies of invoices and shipping advice from the AM or the CO, the RO obtains the proof of receipt as a minimum requirement.

3. The RO enters the eEBs in the system and does not approve in-kind/service eEBs. The administrative approver for all in-kind/service awards is **Ms Gomathi Subramanian** (GSC/AWC).

5.6 GSC/AWC

1. GSC/AWC reviews the eExp batch and checks the following PTAE0 details:
2.
 - P - checks that WP funding and award budget exists under the award/project combination
 - T - not checked, relies on HTU/RO to complete correctly
 - A - award is active and set up as in-kind/service
 - E - checks expenditure code used is correct
 - O - organization
3. GSC/AWC reviews the adequacy of supporting documents (proof of receipt, certificate of work performed, etc.)
4. Administrative Approver approves eEBs.
5. GSC/AWC ensures that revenue is reconciled to expenditure recorded by award on a monthly basis.

The eExp batch is a one sided entry charging the expenditure to the award and crediting the revenue account 412003 for the amount of the expenditure.

6 ANNEX 2 – Review and Monitoring

All in-kind/service awards and expenditure batches are logged in the in-kind/ service log. In order to ensure that all transactions forwarded to AWARDS for processing have been recognized, a monthly reconciliation is carried out between the general ledger (412003 – Contributions in-kind) and the log of transactions in the current financial period. GSC/AWC in-kind/service awards focal staff:

- Ensures that log is up to date and complete (all expenditure batches received have been entered in the log)
- Sub-totals the log entries for lines entered for the year to date
- Compares the total per the trial balance with the total per log, identifies reconciling items and follows up correction if necessary

On a monthly basis, the expenditure recorded in the award is compared with the income recognized in GL 412003 – Contributions in-kind. This review discloses if income recorded is understated or if cash expenditure has been entered. GSC/AWC follows up to correct reconciling items if any.

Below is a copy of the In-kind/service log maintained by GSC/AWC:

Ref	Award Number	Form	Donor	Item Date	EB sent by	Resp Org	RO	Unit	MO	Date EB submitted	JV GL	Description of In Kind Contribution/ Name of Secondee In Service	Exp Code	END Date	Amount (USD)	Checked By	Approved By	Supporting Documents	Batch Number	Link
2	61624	In Kind	WHO - NOVARTIS	31-Jan-15	EL DERINY, May	HQ/NTD C	EM	EM/QAT	104	12-Feb-15	Jan-15	IKC S NOVARTIS IN KIND LEPROSY	523	31-Dec-15	500.00	Farah	Gomathi	YES	EEXB-EM/DAF-15-003111	Yes
3	61624	In Kind	WHO - NOVARTIS	31-Jan-15	EL DERINY, May	HQ/NTD C	EM	EM_EGY	104	12-Feb-15	Jan-15	IKC S NOVARTIS IN KIND LEPROSY	523	31-Dec-15	17,827.00	Farah	Gomathi	YES	EEXB-EM/DAF-15-003116	Yes
4	61624	In Kind	WHO - NOVARTIS	16-Feb-15	EL DERINY, May	HQ/NTD C	EM	EM_JRQ	104	31-Jan-15	Jan-15	IKC S NOVARTIS IN KIND LEPROSY	523	31-Dec-15	338.00	Liyana	Gomathi	YES	EEXB-EM/DAF-15-003266	Yes
5	61624	In Kind	WHO - NOVARTIS	23-Feb-15	EL DERINY, May	HQ/NTD C	EM	EM_AFG	104	22-Feb-15	Feb-15	IKC S NOVARTIS IN KIND LEPROSY	523	31-Dec-15	1,076.00	Liyana	Gomathi	YES	EEXB-EM/DAF-15-003603	Yes
6	61624	In Kind	WHO - NOVARTIS	25-Feb-15	EL DERINY, May	HQ/NTD C	EM	EM_MOR	104	25-Feb-15	Feb-15	IKC S NOVARTIS IN KIND LEPROSY	523	31-Dec-15	671.00	Liyana	Gomathi	YES	EEXB-EM/DAF-15-003793	Yes
7	61617	In Kind	WHO - MERCK	25-Feb-15	EL DERINY, May	HQ/NTD C	EM	EM/DAF	104	25-Feb-15	Feb-15	Recording of In-Kind Medical Supplies de	523	31-May-16	202.00	Santhi	Gomathi	YES	EEXB-EM/DAF-15-003788	Yes
8	61617	In Kind	WHO - MERCK	03-Mar-15	EL DERINY, May	HQ/NTD C	EM	EM/SUD	104	03-Mar-15	Feb-15	Recording of In-Kind medical supplies de	523	31-May-16	1,159,430.00	Santhi	Gomathi	YES	EEXB-EM/DAF-15-004094	Yes
9	61622	In Kind	WHO - GLAXOSMIT	04-Mar-15	EL DERINY, May	HQ/NTD C	EM	EM/SUD	104	04-Mar-15	Feb-15	Recording of In-Kind medical supplies de	523	31-Dec-15	8,320.00	Santhi	Gomathi	YES	EEXB-EM/DAF-15-004137	Yes
10	61625	In Kind	WHO - GLAXOSMIT	04-Mar-15	EL DERINY, May	HQ/NTD C	EM	EM/SUD	104	04-Mar-15	Feb-15	Recording of In-Kind Medical Supplies de	523	31-Dec-16	123,580.00	Santhi	Gomathi	YES	EEXB-EM/DAF-15-004147	Yes
11	61624	In Kind	WHO - NOVARTIS	03-Mar-15	EL DERINY, May	HQ/NTD C	EM	EM/SUD	104	03-Mar-15	Mar-15	IKC S NOVARTIS IN KIND LEPROSY	523	31-Dec-15	24,487.00	Liyana	Gomathi	YES	EEXB-EM/DAF-15-004099	Yes
12	62094	In Kind	WHO - GILEAD SCIE	04-Mar-15	EL DERINY, May	HQ/NTD C	EM	EM_SUD	104	04-Mar-15	Mar-15	IKC S GILEAD IN KIND AMBISOME	523	31-Dec-17	134,875.00	Liyana	Gomathi	YES	EEXB-EM/DAF-15-004144	Yes

Periodically or as needed, FNM/ACT/Awards reviews in-kind/service contributions and sends follow up and reminder to Award Managers and Administrators on needed actions relating to in-kind/service recording and reporting. FNM/ACT/Awards also reviews procedures and proposes, coordinates and communicates changes/improvements to procedures.

7 ANNEX 3 - IN-SERVICE CONTRIBUTION - Junior Professional Officers (JPOs)

7.1 BACKGROUND:

The JPO Programme is an on the job training opportunity for young professionals who wish to pursue a career as international civil servants. The JPOs are normally sponsored by their respective governments. The Programme is administered by the JPO Service Center (JPOSC) which is an outpost of the UNDP's Office of Human Resources. In this regard, JPOs are considered UNDP staff members on loan to WHO (with the donor for WHO as UNDP).

The JPO Programme represents a significant resource for WHO as it serves to augment professional staffing capacity and gives Country Offices immediate access to human resources with recognized talent, up-to-date general or specialised knowledge and academic credentials. (JPO Service Center website)

7.2 RECORDING OF JPO PROGRAMME IN-SERVICE CONTRIBUTIONS TO WHO ACCOUNTS.

The following are the general steps involved in the administration and recording of a JPO contribution:

- 1 At the request of the Award Manager (HRD), GSC/AWC (awards@who.int) establishes an award to record the JPO Programme in-service contribution. For ease of recording and monitoring, a new JPOs award is created each biennium.
- 2 The BC forwards the request for JPO to HR.
- 3 HR advises the BC and PRP once the request is approved.
- 4 BC will either be able to immediately incorporate the JPO into the HR work plan within the current allocation, or will need to make a request for additional budget allocation.
- 5 PRP approves request for additional budget allocation.
- 6 BC provides the PTAE0 to HR.
- 7 Periodically, HR provides the list of JPOs with PTAE0s to GSC/AWC (awards@who.int).
- 8 GSC/AWC enters the distribution, submits work plan funding and budget.
- 9 Workplan manager approves the budget.
- 10 At least twice a year, GSC/AWC submits eExp batch based on the JPO list and certificates of work received from HR and BC respectively. Upon approval of the eExp batch using the designated expenditure code 509 – Staff cost in-service, the corresponding revenue is entered automatically in the GL account 412003 – Contribution in-kind.

Note: *To reflect expenditure for a JPO in the salary work plan, it is not necessary to initially go through the process of creating positions for JPOs in the HR Plan. This is because JPOs are recognized as contingent workers and therefore are not entered against positions in the HR plan of a budget center.*

The following are the responsibilities of the Award Manager/Administrator, Budget Centers and FNM/ACT/Awards in the recording and monitoring of the JPO contribution (the listing is not sequential – but rather a reflection of roles and responsibilities):

7.2.1 Award Manager/Administrator (HRD):

1. *Forwards an AAR to awards mailbox (awards@who.int) to create an award at the start of a biennium.*
2. *Informs the BC, as well as PRP, once a JPO is approved.*
3. *Obtains the PTAE0 from the BC.*
4. *Maintains an up to date list of all JPOs including other necessary information (e.g. unit/department/location, grade, start date, end date, total estimated salary cost, BC, SO/OWER/Categories, PTAE0)*
5. *Forwards to awards mailbox (awards@who.int) the updated list of JPOs at least twice a year (May and November) to distribute 'contribution' to BCs.*

7.2.2 Budget Center

1. *If JPO is approved during the biennium, an ad hoc budget allocation request will need to be submitted to Director, PRP making use of the standard template memo available from the PRP website.*
2. *Once the required budget allocation has been recorded in GSM, the Budget Centre creates a separate specific task in the in-service salary workplan to record the JPO in-service expenditure in due course. This task must be linked to the relevant in-kind/service Category/Programme area. Please note that some Regional Offices and HQ clusters have dedicated in-kind and in-service workplan at the RO/Cluster level.*
3. *Advises AM/Administrator of the PTAE0*
4. *Workplan manager approves award budget in GSM.*
5. *At the end of contract, or end of year whichever is earlier, submits the certificate of work performed covering the period being recorded (see Annex 5 for sample of certificate).*
6. *Once the JPO has finished his/her assignment, informs AM and GSC/AWC (awards@who.int) and submits a certificate of work performed for remaining cost to be reflected in the accounts.*

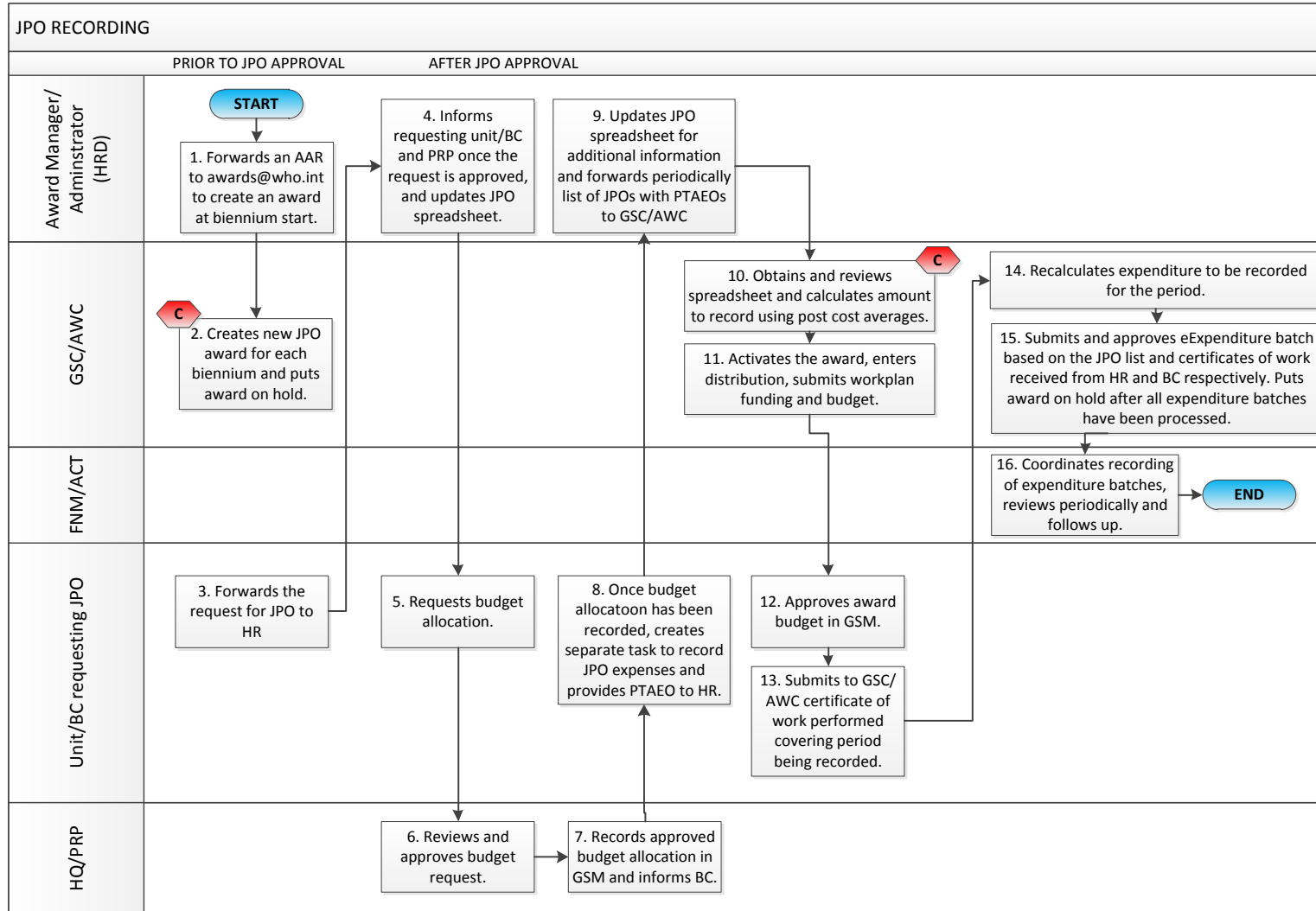
7.2.3 GSC/AWC :

1. *Creates the JPO award based on the signed AAR and puts the award ON HOLD.*
2. *Obtains the list of JPOs from AM/Administrator.*
3. *Calculates the expenditure to record (JPO salary cost) using the current biennium's post cost average for the grade/post in the country where the JPO is assigned.*
4. *Distributes to BCs according to the JPO spreadsheet and calculated figures above.*
5. *Enters and approves workplan funding.*
6. *Enters budget and requests the workplan manager to approve the budget.*
7. *Puts the award on hold once the award has been funded/budgeted.*
8. *Periodically, at least twice a year, reviews thoroughly the JPO spreadsheet and follows up to record expenditure.*
9. *Obtains consolidated certificate of work from HRD.*
10. *Activates the awards to process eExp batches.*
11. *Reviews and approve (as administrative approver) eExp batches based on JPO spreadsheet data and supporting documents (e.g. certification from HRD)*
12. *Puts award on hold once all eExp batches have been processed.*

For more information, please contact your Management Officer or BFO/Planning Unit (for RO and CO)

For information related to JPOs management, please contact Ms Cornelia Griss, grissc@who.int.

7.3 PROCESS FLOW – JPO RECORDING



7.4 PROCESS STEPS – JPO RECORDING

Step	Control (C)	Type	Process	Role / Responsibility
1		Offline	Forwards an AAR to awards mailbox (awards@who.int) to create an award at the start of a biennium.	Award Manager/Administrator (HRD)
2	C	Offline	Creates the JPO award based on the signed AAR and puts the award ON HOLD.	GSC/AWC
3		Offline	Forwards the request for JPO to HR.	BC/Requesting unit / department
4		Offline	Informs the BC, as well as PRP, once a JPO is approved, and updates the JPO spreadsheet.	Award Manager/Administrator (HRD)
5		Offline/GSM	If JPO is approved during the biennium, an ad hoc budget allocation request will need to be submitted to Director, PRP making use of the standard template memo available from the PRP website. The cost of JPO should be budgeted using the post cost average of the grade/post in the country office where the JPO will be assigned. (Please consult the PRP intranet for current standard costs rates at http://intranet/homes/prp/budget/costaverages/)	BC/Requesting unit / department
6		Offline	Reviews and approves budget allocation request.	PRP
7		GSM	Records approved budget allocation in GSM and informs BC.	PRP
8		GSM/Offline	Once the required budget allocation has been recorded in GSM, the Budget Centre creates a separate specific task in the in-service salary workplan to record the JPO in-service expenditure in due course. This task must be linked to the relevant in-kind/service Category/Programme area. Please note that some Regional Offices and HQ clusters have dedicated in-kind/service workplan at the RO/Cluster level.	BC/Requesting unit / department

			In addition, provides AM/Administrator with the PTAE0.	
9		Offline	Updates JPO spreadsheet for additional information and forwards to awards mailbox (awards@who.int) updated list of JPOs at least twice a year (May and November) to distribute funds to BCs. Maintains an up to date list of all JPOs including other necessary information (e.g. unit/department/location, grade, start date, end date, total estimated salary cost, BC, SO/OWER/Categories, PTAE0)	Award Manager/Administrator (HRD)
10	C	GSM	Reviews the spreadsheet and calculates the amount to record using post cost averages.	GSC/AWC
11		GSM	Activates the award, enters distribution to BCs according to the JPO spreadsheet, enters and approves workplan funding, enters award budget and requests the workplan manager to approve the budget.	GSC/AWC
12		GSM	Approves award budget.	BC/Workplan approver Requesting unit / department
13		Offline	Periodically submits the certificate of work performed covering the period being recorded (see Annex 5 for sample of certificate).	HRD
14	C	Offline	Recalculates the expenditure to record JPO salary cost using the current biennium's post cost average for the grade/post in the country where the JPO is assigned.	GSC/AWC
15	C	GSM	Submits eExpenditure batch at least bi-annually based on the JPO list and certificates of work received from HR and BC respectively. After all eExpenditure batches have been entered and approved, puts the award 'On Hold.'	GSC/AWC
16		Offline	Coordinates recording of eExpenditure batches, reviews periodically and follows-up.	FNM/ACT

8 ANNEX 4 – EXAMPLE OF CERTIFICATE OF WORK PERFORMED

Date: _____

CERTIFICATION OF WORK PERFORMED

Dr/Mr/Mrs/Ms _____ is a direct-pay secondee from _____. He has
been working as _____ with the _____ since
_____ and his current contract expires on _____.

Name/title and signature
of direct secondee's supervisor

9 ANNEX 5 – EXAMPLE OF DELIVERY RECEIPT (Proof of Receipt)

Date: _____

DELIVERY RECEIPT

The following items have been received in good order from the World Health Organization on _____.

QTY	ITEMS	DESCRIPTION

 Name/title and signature
 of final recipient representative

10 ANNEX 6 – Country Office Report to Regional Office/Budget Finance Office**In-kind Contributions Received****01 January – 31 March 2013****Country Office: Madagascar****Region: AFRO**

Date	From	To Destination/ Port of Entry	Award Number	Items	Quantity	Unit	Value in USD (if given)
15-Jan-2014	Sanofi	Antananarivo	60299	Medicines	9,944,200	tablets	461,601

11 ANNEX 7 – IN-KIND AND IN-SERVICE CATEGORIES

APPROPRIATION SECTION 80
81 1COMk Communicable diseases, in-kind
81 001 11HIVk HIV/AIDS, in-kind
81 002 12TUBk Tuberculosis, in-kind
81 003 13MALk Malarai, in-kind
81 004 14NTDk Neglected tropical diseases, in-kind
81 005 15VPDk Vaccine-preventable diseases, in-kind
82 2NCDk Noncommunicable diseases, in-kind
82 001 21NCDk Noncommunicable diseases, in-kind
82 002 22MHSk Mental health and substance abuse, in-kind
82 003 23VIPk Violence and injuries, in-kind
82 004 24DISk Disabilities and rehabilitation, in-kind
82 005 25NUTk Nutrition, in-kind
83 3PHLk Promoting health through the life-course, in-kind
83 001 31RMCK Reproductive, maternal, newborn, child and adolescent health, in-kind
83 002 33AGEk Ageing and health, in-kind
83 003 34GERk Gender, equity and human rights mainstreaming, in-kind
83 004 35SDHk Social determinants of health, in-kind
83 005 36HENk Health and the environment, in-kind
84 4HSYk Health systems, in-kind
84 001 41NHPk National health policies, strategies and plans, in-kind
84 002 42IPHk Integrated people-centered health services, in-kind
84 003 43AMTk Access to medicines and health technologies and strengthening regulatory capacity, in-kind
84 004 44HSIk Health systems information and evidence, in-kind

85 5PSRk Preparedness, surveillance and response, in-kind
85 001 51ARck Alert and response capacities, in-kind
85 002 52EPDk Epidemic- and pandemic-prone diseases, in-kind
85 003 53ERMk Emergency risk and crisis management, in-kind
85 004 54FOSk Food safety, in-kind
86 6CORk Corporate services/ enabling functions, in-kind
86 001 61GOVk Leadership and governance, in-kind
86 002 62TARk Transparency, accountability and risk management, in-kind
86 003 63SPRk Strategic planning, resource coordination and reporting, in-kind
86 004 64ADMk Management and administration, in-kind
86 005 65COMk Strategic communications, in-kind

12. ANNEX 8 DONATIONS OF INVENTORY ITEMS TO WHO WAREHOUSES

DEFINITION OF DONATION

An in-kind donation is a non-monetary contribution to WHO in the form of goods (i.e. medicines, vaccines or medical supplies) from a Member State or other third party.

PROCEDURE FOR ACCEPTANCE OF DONATIONS

Information Note 33/2014 states that “It is a breach of WHO rules to receive any goods or services on behalf of the Organization without an award being established. An award is created pursuant to existing WHO procedures, including being supported by a donor agreement before the goods, services or cash is received by WHO”.

All agreements for in-kind contributions, including donations of inventory items to WHO warehouses, require prior approval by LEG/HQ and CRM/HQ. In-kind contributions from private sector entities also need to undergo a due diligence and risk assessment by PSD/HQ. Country Offices should forward all documentation relating to expected donations to their Regional Office (BFO) to ensure:

- The above clearances and approvals are obtained
- An award is created based on the approved agreement

RECORDING OF DONATIONS IN INVENTORY REPORTS

Only inventory items that meet the above definition, i.e. items that were not purchased by WHO but physically donated to WHO by a third party, should be recorded as donations.

The following should not be listed as donations:

- Inventory items that were purchased using donated funds. These items should be listed as purchases.
- Inventory items that were sent to the warehouse free of charge by another WHO office or warehouse.

When a donation is recorded in the inventory report, the following details should be provided:

- Award number: to be obtained from the Technical Unit or Regional Office.
- Fair market value: this should be specified in the donor agreement. If this is not the case, the responsible Technical Unit should ask the donor for the value to be indicated in the letter of acceptance.