

FIN.SOP.X.002

eImprest – Final closing of account *ACT/FNM*

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.

1. INTRODUCTION

1.1. Overview/Description

This SOP provides guidance on closing an Imprest account and the actions to be followed before end dating the associated PI Key.

1.2. General Guidance / Business Rules

1.2.1. Closure of an Imprest Account

As per the WHO eManual X.3.11 (Closure of Account) and in accordance with Financial Rule 107.7, an Imprest account can be closed under the instruction of the official designated by the Director-General (the Comptroller or ADG/GMG for Headquarters or the Regional Director for the regional/country offices) upon completion of the planned activities or for other reasons such as a change in local currency, a change in the banking relationship/financial institution, new legislation, etc. Treasury and the regional Budget and Finance Officer (BFO) must be informed of the account closure request to ensure all required steps are taken to close the Imprest account(s). The account closure request is usually submitted in the form of a memorandum from the Comptroller or ADG/GMG or Regional Director to the associated financial institution.

If an Imprest bank account is being closed, the associated Imprest cash account must also be closed. However, an Imprest cash account can be closed while the associated Imprest bank account can remain open.

When there is a currency change or a change to the financial institution holding the Imprest account, the Imprest account must be closed and a new Imprest account opened in its place. Bank account number changes or a change to the address of the existing financial institution can be made by Treasury in the Treasury module without initiating an account closure request.

1.2.2. Actions to be completed to close an Imprest Account:

The following steps/verification activities are completed by the Imprest Holder/Imprest Focal Point/Imprest Finance Assistant prior to closing the account:

1. All transactions posted in the cash book WHO 412 are submitted with the status “Transferred” and each transaction is reconciled.
2. All external transactions (Account Payables, Travel, Procurement, SHI, Payroll) are paid through the bank account or cancelled if necessary. No additional transactions should be processed against the account’s PI Key thereafter. Refer to 1.2.3 for additional details of actions to be taken in GSM by GSC and Treasury.
3. All IPOs linked to the elmprest bank account being closed are reviewed to ensure all deliveries of goods and services have been completed. These IPOs are then closed.
4. The GL account associated with the Imprest account is reviewed to ensure it contains all the transactions entered in the cash book.
5. A final reconciliation of the bank statement to the cash book and the cash book to the GL account is performed.
6. All the transactions appearing on the bank reconciliation page have the status “ Reconciled”.
7. Items appearing on the the Outstanding Items Report are cleared and the report is blank.
8. The bank, GL, and elmprest balances are nil. This means that any remaining balance in the bank accounts have been transferred to either another Imprest account or back to the main regional or headquarter bank accounts. Refer to 1.2.4.

Once the above steps are completed and all balances are nil, the following final procedures are performed:

1. The final Imprest account reconciliation is submitted to the Imprest Holder for review and approval.
2. A copy of the final WHO 412 and 413 is printed for filing (copy to BFO) along with the account closure request memo.
3. The Imprest account is frozen in the elmprest module for the period.

The Imprest Holder, regional BFO or the controlling office (HQ) as applicable are responsible for ensuring that the above actions are completed.

1.2.3. Actions to be completed in GSM

The regional BFO/controlling office for HQ/Treasury informs GSC and SHI of the pending closure of the Imprest account(s). The following activities are to be completed to ensure that no new transactions are charged against the Imprest account:

Task/Process	Role/Responsibility
• Clear unpaid supplier invoices in AP from all sources (SIEBELSR, ERS, Imprest, Travel Agent, Travel).	GSC/GFI – Accounts Payable
• Clear transactions pending formatting in CPP (AP, SHI and Payroll).	GSC/GFI – Accounts Payable
• Review the supplier accounts where the account's PI Key is selected for payment and make the required changes as applicable.	GSC/GFI – Accounts Payable
• Review employee bank accounts where the account's PI Key is selected for salary distribution. Make the necessary changes.	GSC/GFI - Payroll
• Return approved registrations pending conversion to an Imprest PO	GSC/GPL – Procurement
• Where the account is being closed due to a currency change, ensure there are no open encumbrances	GSC/GPL – Procurement
• Review the bank accounts of SHI Beneficiaries where the account's PI Key is selected for payment distribution and make the required changes as applicable..	FNM/SHI
• End date the PI Key (Travel and elmprest).	GSC/GFI-AP and FNM/TSY FNM/TSY
• End date the Imprest account and if required end date the currency.	FNM/TSY
• End date the supplier site.	GSC/GFI-AP
• End date the GL account.	FNM/ACT

1.2.4. Transfer of Imprest Account Balance

Upon closure of an Imprest Cash Account, the Imprest Holder or designated individual will deposit the cash on hand into the main Imprest Bank Account. When an Imprest Bank Account is closed, funds remaining in the bank account will be transferred to another

Imprest account or the regional/HQ main bank account as designated by Treasury or the regional BFO as appropriate. An Imprest voucher/JV is created to account for the(se) transfer(s).

1.2.5. PI Key and GL Account Closure

Once the actions in 1.2.2, 1.2.3 and 1.2.4 are complete and the balances in elmprest, the bank and the GL are nil, the Imprest Holder sends a communication to Treasury confirming that the Imprest account (PI Key and the GL Account) can be closed. Treasury will verify that the balances are nil, and will disable the PI Key. Treasury then sends a communication to Global Accounting to close the GL Account. Once Global Accounting has confirmed the closure of the account, Treasury advises the regional BFO / Management Officer (HQ) that GL accounts are closed and that the Imprest account and relevant PI Keys have been de-activated.

1.3. Reference Material

1.3.1. Financial Regulations

- Financial Regulation I – Applicability and Delegation of Authority – 1.3
- Financial Regulation X - Custody of Cash and Cash Equivalents – 10.1 and 10.2
- Financial Rules – Rule I – Applicability and Delegation of Authority – 101.6
- Financial Rules - Rule VII – Internal Control – 107.7 and 107.8

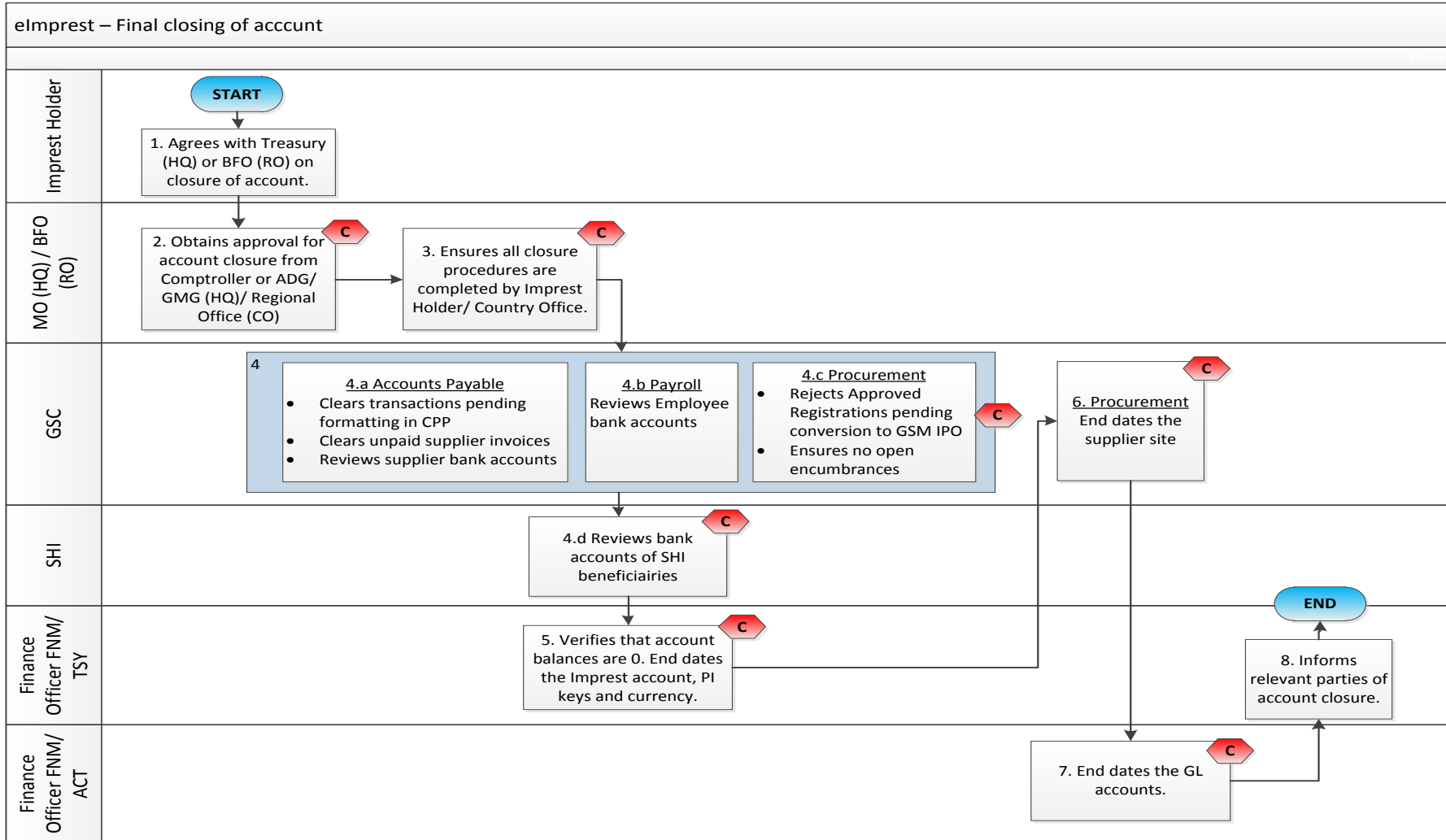
1.3.2. WHO eManual

- X.3.11 Closure of Account

1.3.3. Related SOPs

- FIN.SOP.X.001 elmprest Creation of Accounts
- FIN.SOP.X.003 elmprest New User Access
- FIN.SOP.X.004 elmprest Bank and Cash Reconciliation
- FIN.SOP.X.070 Bank Account Opening/Closing/Signatories

2. PROCESS FLOW



3. PROCESS STEPS

Step	Control (C)	Type	Process	Role / Responsibility
1		Offline	Obtains agreement from Treasury (HQ) or BFO to close the Imprest bank account.	Imprest Holder
2	C	Offline	Obtains approval from the Comptroller or ADG/GMG for Headquarter accounts or the Regional Director for the regional/country office accounts for account closure. The Comptroller or ADG/GMG for Headquarter accounts or the Regional Director for the regional/country office accounts drafts a communication to the bank requesting account closure. <i>For contact information, please refer to the Treasury intranet site (http://intranet.who.int/homes/tsy/).</i>	BFO (RO) / Management Officer (HQ)
3	C	Offline	Ensures all steps per 1.2.2 above are completed by the Imprest Holder/Country Office.	BFO (RO) / Management Officer (HQ)
4	C	Offline	Request FNM/TSY (HQ) to close GSM account and informs GSC and SHI on closure of account and requests appropriate actions to be taken per 1.2.3 above. <i>For contact information, please refer to the GSC and SHI intranet sites: GSC: http://intranet.who.int/homes/gsc/contactus/ SHI: http://intranet.who.int/homes/ins/staffhealthinsurance/</i>	BFO (RO) / Management Officer (HQ)
4.a	C	GSM	Clears transactions pending formatting in CPP. Returns unpaid supplier invoices. Verifies that the account to be closed is not associated with any supplier. If the	GSC/Accounts Payable (AP)

			account to be closed is associated with a supplier, links the supplier to another appropriate account.	
4.b	C	GSM	Verifies that account to be closed is not associated with Employee bank accounts. If the account to be closed is associated with an employee, links the account to another appropriate account.	GSC/Payroll (PAY)
4.c	C	GSM	Rejects approved registrations pending conversion to an Imprest PO for that particular Imprest account. Ensures no open encumbrances for the currency to be closed.	GSC/Procurement (GPL)
4.d	C	GSM/Offline	Verifies that account to be closed is not associated with beneficiary bank account information. If the account to be closed is associated with a beneficiary, links the beneficiary to another appropriate account.	FNM/SHI
5	C	GSM	Verifies that GL account balance, Imprest balance and bank balance is 0. End dates the Imprest account, PI Keys and currency (if applicable). Informs accounts payable and FNM/ACT.	Finance Officer TSY (HQ)
6	C	GSM	End dates the supplier site.	GSC/Procurement (GPL)
7	C	GSM/Offline	End dates the associated GL accounts and confirms the closure of the GL accounts with Treasury.	Finance Officer FNM/ACT
8		Offline	Advise BFO (RO) / Management Officer (HQ) that the Imprest bank and cash account, currency(if applicable) and relevant PI keys have been de-activated and associated GL accounts are closed.	Finance Officer TSY (HQ)

4. KEY RISKS & COMPENSATING CONTROLS

Risks	Compensating Controls	Process Step
Delays in meeting supplier obligations due to premature closing of bank accounts.	The Imprest Holder, regional BFO or the controlling office (HQ) as applicable ensure that all necessary actions are completed.	2,3
	GSC and SHI ensure that the bank account to be closed is no longer associated with obligations.	4
Remaining funds are not recorded promptly.	Finance Officer TSY (HQ) verifies that GL account balance is 0 before the Imprest bank account and relevant PI keys are de-activated and the GL account is closed.	3
Bank and GL accounts are not closed in GSM and they remain active post facto.	Imprest accounts, PI Keys, currency (if applicable) and GL account are end dated in GSM.	5,6,7