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**Global Green Growth Institute**

Eleventh Meeting of the Management and Program Sub-Committee

April 29, 2020; via videoconference

## **Update on Travel Management**

### **Background**

1. The Office of Internal Audit & Integrity (OIAI) performed a Compliance and Value for Money Audit of GGGI Travel Management for the period 2017/18 during the first quarter of 2019. They presented their findings to Members of the Management & Program Sub Committee (MPSC) at their April 2019 meeting.
2. Members of the MPSC noted the findings and recommendations made by OIAI and requested the Institute to implement all of the recommendations in its future travels, effective immediately. Members requested the Institute to submit an action plan, as soon as possible, listing (a) the actions that need to be taken, (b) who would be accountable, and (c) the deadlines for each action. Delegates also suggested that the Institute implement all actions before the Council Session in October and provide a short presentation to the Council.

### **Conclusion**

3. Attached is the final Travel Audit Report Action Plan which sets out in detail actions which have been taken and the date of implementation. Management considers that all the OIAI recommendations have now been implemented and that the travel policy and practice are in full alignment.
4. OIAI will perform an audit of GGGI travel during the third quarter 2020 to confirm implementation. They will perform twice yearly audits of GGGI travel going forward.

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Annex 1. Travel Audit Report Action Plan

## Annex 1.

### Travel Audit Report Action Plan

#	Observations	OIAI Recommendations	Action Plan	Completion by	Responsible
1	Cases of procedural weaknesses found within GGGI's Travel Management	<p>1) Ensure that the current travel management practices mirror the Travel Rules in its entirety;</p> <p>2) Reassess the current travel practices to identify areas of weaknesses and implement measures to streamline relevant processes so that various units that are responsible for overseeing and implementing travel management, as indicated in the Travel Rules, can exercise their duties effectively and efficiently;</p> <p>3) Ensure that all exceptions to the Travel Rules, including those approved by the traveler's supervisor, are reported to ASU so that the monthly exceptions report completely captures all exceptions and corrective recommendations;</p> <p>4) Organize mandatory Travel Management training for all staff so that the Travel Rules are clearly understood and fully complied with by all staff.</p>	<p>i) Introduce a revised version (3rd edition) of Travel Rules to clarify and incorporate any changes to the Rules</p> <p>ii) Conduct staff training on the revised Travel Rules</p> <p>iii) Monthly exceptions report captures all exceptions and corrective recommendations</p>	<p>31 December 2019</p> <p>31 January 2020</p> <p>31 January 2020</p>	ASU
Current Status as of 31 March 2020		<p><b>Recommendations Completed</b></p> <p>i) The Travel Rules were revised to further streamline relevant processes and to reflect best travel management practice. They were approved by the Director General on 17 December 2019 and the effective date was 1 January 2020.</p> <p>ii) Training for all staff on the implementation of revised Travel Rules was held during the month of January 2020. It is proposed to hold regular training for staff. Additional staff training was held on 2 &amp; 3 April 2020.</p> <p>iii) Monthly exceptions reports now include all exceptions to the Travel Rules.</p>			
2	Overpayment of travel expense claims	<p>1) Management should reinforce to approvers their responsibilities and ownership in approving travel requests and claims so that approvals are given with due care; 2) Management should</p>	<p>i) During staff training on the revised Travel Rules management will reinforce to approvers their responsibilities</p>	31 January 2020	ASU / ERP / Finance

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		explore the possibilities of implementing system controls built into GGGI’s ERP system in addressing the issues noted in the observation above to limit the reliance on manual checking.	and ownership in approving travel requests and claims ii) Management will introduce into the GGGI’s ERP system an additional control which will automatically calculates the eligible days of DPEs travelers are entitled to claim.	31 March 2020	
Current Status as at 31 March 2020		<b>Recommendation Completed</b> i) Training for all staff on the implementation of revised Travel Rules was held during the month of January 2020. Additional staff training was held on 2 & 3 April 2020. ii)The ERP Team has implemented a revised system for the calculation of Daily Personal Allowances paid to travelers in the ERP system. The date of completion to the system change is 31 March 2020			
3	Travel Rules on “Combined Official Travel and Personal Travel” not strictly complied with	Management should take tangible measures to establish a streamlined guideline on combining official and personal travel that fully reflects the requirement by the Travel Rules; and conduct staff training on the guideline to ensure effective implementation.	Introduce a revised version (4th edition) of Travel Rules and incorporate the recommended streamlined guidelines on combining official and personal travel in the revised Rules.	31 March 2020	ASU
Current Status as at 31 March 2020		<b>Recommendation Completed</b> A revised 4 <sup>th</sup> version of the Travel Rules was approved on 31 March 2020. The revised rules incorporate the recommended streamlined guidelines on combining official and personal travel. Under the revised travel rules GGGI staff not permitted to combine personal with official travel. Staff are not be permitted to deviate from the official route to the mission destination for personal reasons.			
4	Non-submission or incomplete submission of travel claims	Management should ensure that the travel management system allows the effective and efficient tracking and follow up of travel requests so that all travel requests which involved the upfront payment of travel costs are appropriately settled and supported by documents as required by the Travel Rules. If necessary, Management should provide staff training on the subject issue so that the	(i) The revised Travel Rules stipulate the requirement for the submission of a Travel Expense Claim following the completion of all missions (para 13.1). All travel advances will be treated as advances and liquidated after the completion of the mission by the submission of a Travel Expense	31 December 2019	ASU / Finance

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		requirements under Clause 13 of GGGI's Travel Rules are properly adhered to.	Claim. Staff training has been provided so that the requirements under Clause 13 of GGGI's Travel Rules are properly adhered to.	31 January 2020	
Current Status as at 31 March 2020		<b>Recommendation Completed</b> i) The revised Travel Rules now stipulate that all staff must submit a Travel Expense Claim following the completion of all missions (para 13.1). ii) Staff training has been provided to all staff on completing a Travel Expense Claim in January 2020. Additional staff training was held on 2 & 3 April 2020.			
5	Non-submission or incomplete submission of mission reports	Management should reinforce the requirements under Clause 14 of GGGI's Travel Rules to ensure that mission reports are completed satisfactorily and submitted within the timeframe given.	The revised version of the GGGI Travel Rules strengthen controls over the submission of travel reports. Staff must now submit Reports in the new CRM system. This will strengthen the processes over mission reporting and their timely submission.	31 December 2019	
Current Status as at 31 March 2020		<b>Recommendation Completed</b> i) Completed: the submission of Travel Request and Mission Report is now moved to the CRM system			
6	Insufficient consideration for the cost effectiveness of the travel arrangement by the traveler	Management should ensure that the immediate supervisors and budget holders exercise their due care in approving the mission request and claims by questioning, where appropriate, the travel plans proposed by the traveler and considering the operational and financial impact of each official travel to GGGI. A clear audit trail where appropriate to demonstrate adherence to the guiding principles set out in the Travel Rules should be maintained for ongoing and future verifications.	Management has conducted training for all supervisors and managers and again emphasized the importance of exercising due care in approving the mission request and claims by questioning, where appropriate, the travel plans proposed by the traveler and considering the operational and financial impact each of official travel to GGGI.	31 January 2020	Management

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Current Status as at 31 March 2020		<b>Recommendation Completed</b> Training for all staff on the implementation of revised Travel Rules was held during the month of January 2020. Additional staff training was held on 2 & 3 April 2020.			
7	Insufficient number of days between issuance of travel tickets and the scheduled departure date for mission travel	OIAI is aware that Management has identified this issue since 2017 and is actively monitoring instances of non-compliance. Management is thus recommended to continue the current travel monitoring practice and reinforce the rules to staff where non-compliance has been noted.	Management will continue the current travel monitoring practice and reinforce the rules to staff where non-compliance has been noted.	Completed	
Current Status as at 31 March 2020		<b>Recommendation Completed</b> This issue has been specifically addressed in the revised travel rules. The general rule is that all tickets for international travel must be issued more than 21 days in advance of the scheduled departure date. The revised travel rules strengthen the controls over the issuance of tickets where this has not been possible due to business reasons.			
8	Opportunities to improve the contract management and operational arrangements with the Travel Management Company	<p>Contract Management: the terms within the TMC contract should be properly understood, followed, and managed by concerned units within GGGI through close monitoring.</p> <p>Operational Arrangement: Management should review the current flight reservation terms with the TMC (e.g. assess if TMC should provide flight options with more restrictions but are more economical, especially given that staff are not required to book 'cancellable' tickets via the 'self-bought' ticket option). In the longer term, Management should actively perform a market competitive/pricing analysis to assess TMC's performance against the market to ensure service efficiency.</p>	<p>GGGI will review the issue of booking non-cancellable tickets during the review of the Travel Rules.</p> <p>Management of travel was put out for competitive tender with a closing date for receipt of proposals end of September 2019. As part of the tender review process operational arrangements have been reviewed. The procurement is now complete and a contract has been awarded to SM Town to continue to provide travel management services.</p>	31 December 2019	ASU / Procurement
Current Status as at 31 March 2020		<b>Recommendation Completed</b> i) The travel company does now provide increased flight options to include non cancellable tickets.			

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		ii) A new contract with the travel agency was signed on 18 December 2019 following a competitive procurement process.			
9	Certain Travel Rules appear overlooked and not enforced by Management	For the instances of non-compliance noted in Observation 9 above, Management should either amend the rules in the next revision to the Travel Rules so that practice is in line with GGGI's documented policy (after considering the risks of removing any rules), or reinforce compliance to all official Travel Rules	GGGI will introduce a revised version (3rd edition) of Travel Rules to provide flexibility.	31 December 2019	ASU
Current Status as at 31 March 2020		<b>Recommendation Completed</b> The revised Travel ensures that going forward the practice is in line with the official policy by removing such ambiguity from the revised rules.			
10	Travel cost reimbursements were made outside of GGGI's regulatory framework	Management should ensure that transactions outside of GGGI's regulatory framework are generally prevented. If special consideration is needed, such transaction must be properly reviewed, justified, consented, and documented prior to giving exceptional approval.	GGGI will introduce a revised version (3rd edition) of Travel Rules which will address this issue.	31 December 2019	ASU
Current Status as of 31 March 2020		<b>Recommendation Completed</b> The revised version of the GGGI Travel Rules includes the recommendation that no travel cost reimbursements be made outside of GGGI's regulatory framework			

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