



**UNITED NATIONS  
NATIONS UNIES**

*This report is protected under the provisions of  
ST/SGB/273, paragraph 18, of 7 September 1994"*

**STRICTLY CONFIDENTIAL**

**OFFICE OF INTERNAL OVERSIGHT SERVICES  
INVESTIGATIONS DIVISION**

**REDACTED  
REPORT OF INVESTIGATION**

**ID CASE NO. 0553/03**

**16 December 2004**

**REPORT INTO THE ALLEGATION OF FRAUDULENTLY REACTIVATING CHEQUES  
ID CASE No. 0553/03**

**TABLE OF CONTENTS**

---

	Page	No.
<b>I. INTRODUCTION</b>		<b>3</b>
<b>II. APPLICABLE LAW</b>		<b>3</b>
<b>III. METHODOLOGY</b>		<b>4</b>
<b>IV. BACKGROUND INFORMATION</b>		<b>4</b>
<b>V. INVESTIGATIVE DETAILS</b>		<b>5</b>
Interviews with Budget/Finance and IT Staff Members		5
Interviews with Official of the Two Local Banks		7
Interviews with the Two Payees		8
Interview with an Official of the US Embassy in Addis Ababa		9
Interview with the Wife of staff member		10
Interview with a retired staff member		11
<b>VI. EVIDENCE: FINDINGS OF FACTS</b>		<b>12</b>
<b>VII. CONCLUSIONS</b>		<b>14</b>
<b>VIII. RECOMMENDATIONS</b>		<b>15</b>

## I. INTRODUCTION

1. The Investigations Division of the Office of Internal Oversight Services (OIOS) received a complaint that ten duplicate Economic Commission for Africa (ECA) cheques were fraudulently issued by a Cash Office staff member and subsequently cashed resulting in a loss to the Organization of \$179,365. When the report of the incident was sent to the Controller by ECA on 4 December 2003 it was also copied to OIOS.

## II. APPLICABLE LAW

2. **Article 383 - Material Forgery** - of the Ethiopian Penal Code provides that "Whosoever, with intent to injure the rights or interests of another, or to procure for himself or another any undue advantage: (a) falsely executes an instrument, such as, a writing a deed or any document or material means constituting proof of, or capable of proving, a fact material, or susceptible of becoming material, to legal proceedings - is punishable with rigorous imprisonment not exceeding five years.

3. **Article 386 - Use of Forged Instruments** - of the Ethiopian Penal Code provides that "Whosoever, not being a party to the forgery, knowingly makes use of a forged instrument or of an instrument falsified by a third party, is punishable under Article 383."

4. **Article 630 - Theft** - of the Ethiopian Penal Code provides that "Whosoever, with intent to obtain or to procure to a third person an unlawful enrichment, abstracts a movable or a thing detached from an immovable, the property of another, whether by taking and carrying or by direct appropriation, or by having it pass indirectly to his own estate - is punishable with simple imprisonment, or, according to the gravity of the case, with rigorous imprisonment not exceeding five years."

5. **Article 641 - Breach of Trust** - of the Ethiopian Penal Code further stipulates (1) "Whosoever, with intent to obtain or to procure to a third person an unjustifiable enrichment, (a) appropriates, in whole or in part, a thing which is the property of another and which had been entrusted to him for a specific purpose, is punishable with simple imprisonment, or, according to the gravity of the case, with rigorous imprisonment not exceeding five years."

6. **Article 647 - Receiving** - of the Ethiopian Penal Code stipulates that (1) "Whosoever receives a thing, which he knows or has reason to believe is the proceeds of an offence committed against property by another, or acquires the thing, or receives it on loan, as a gift, in pledge or in any manner whatsoever, or consumes it, retains or hides it, re-sells it or assists in its negotiation, is punishable with simple imprisonment, or, according to the gravity of the case, with rigorous imprisonment not exceeding five years and fine."

7. **Staff Rule 110.1** stipulates that "Failure by a staff member to comply with his or her obligations under the Charter of the United Nations, the Staff Regulations and Staff Rules or other relevant administrative issuances, or to observe the standards of conduct expected of an international civil servant, may amount to unsatisfactory conduct within the meaning of staff regulation 10.2, leading to the institution of disciplinary proceedings and the imposition of disciplinary measures for misconduct."

### **III. METHODOLOGY**

8. OIOS investigation of this matter included interviewing of staff members, local bank officials, an official at the US Embassy in Addis Ababa, the wife of the concerned staff member and a retired ECA staff member suspected to have facilitated encashment of the fraudulent cheques. Relevant documents, including the ten forged cheques were also obtained, reviewed and analyzed. A visit was also made to the two local banks where the forged cheques were deposited and cashed.

### **IV. BACKGROUND INFORMATION**

9. The concerned staff member worked at ECA for over ten years in the Cash Office. On 1 December 2003, while on leave, he applied for a visa with the US Embassy in Addis Ababa which was declined. Information obtained from his wife indicated that after the refusal of the visa, he went to Nairobi and obtained a US visa. The US Mission in Nairobi has stated that it did not issue a visa to the subject.

10. On 18 December 2003, the staff member purportedly sent a fax to Mr. Abraham Indieka, Chief Budget and Finance Section from "Kinkos", an office supply chain in Sandy Springs, Atlanta, Georgia, USA. In the fax, the staff member informed Mr. Indieka

that he had worked for ECA for 12 years and that he had found a better job in the USA and was therefore terminating his services with ECA as from 15 December 2003. It is unconfirmed that the subject traveled to USA as OIOS has received reports that he has been seen in Addis Ababa, Ethiopia.

11. The retired staff member who endorsed and deposited the forged cheques into his bank accounts retired as an ECA staff member on 30 April 1999. He joined ECA in February 1969 as a driver and later became a mechanic in the General Services Section. His main business interests now include lending money on interest at black market rates, real estate and transportation. His office is located behind the rear gate entrance of ECA.

12. In 1997, before the staff member retired from the Organization, he was involved in another cheque fraud case (ID Case No. 0109/97). In collusion with another retired ECA staff member, they forged four ECA cheques and defrauded the Organization of \$30,263.78. No disciplinary action was taken against them since they had separated from the Organization before completion of the investigation and ECA decided not to pursue either of these offenders through the Ethiopian criminal justice system.

## **V. INVESTIGATIVE DETAILS**

### **Interviews with Budget/Finance and IT Staff Members**

13. While conducting a banking reconciliation exercise in November 2003, Ms. Linda Ryan (Chief of Accounts) and Ms. Birtuken Kebede observed that there were duplicate payments that did not make sense. They found duplicate payments of a cheque made to the same payee for exactly the same amount, however, the duplicate cheques would bear different signature endorsements but in the name of the same payee. The duplicate cheques were all dated 23 August 2003 (which was a Saturday) and were deposited at two local banks in Addis Ababa - NIB International Bank and the Wegagen Bank. Consequently, the cheques were sent by the local banks to JP Morgan Chase in New York for clearance and the ECA account with Chase was debited.

14. Mr. Dawit Tsadik - Information Technology team leader, explained that a mechanism existed in the Finance Unit of ECA where a cheque could be duplicated (re-activated) if the

original cheque was found to contain an error or was improperly printed.

15. He said that at the time of the commission of the fraud in August 2003, only two staff members had access to the password to re-activate, the previous Cashier Mr. Aferworke and the staff member.

16. He explained that there are two user IDs - one for IMIS and one for cheque printing. A user ID password is created specifically for the person(s) printing cheques in the Cash Office. On 30 October 2000, a User ID "chqaa\_\_1" for Cheque Reactivation was created for the staff member. Prior to that, on 16 September 2000, he had created an IMIS user ID for the staff member.

17. When he was shown the list of cheques that were printed on 23 August 2003, Mr. Tsadik was able to identify that it was the staff member who printed the ten cheques in question. He pointed out that the staff member's use of the computer was reflected by the code "chqaadz1" which appeared in relation to the ten cheques in question. He explained that "chq" refers to cheque printers, "aa" to Addis Ababa, "\_\_" to the initials of his name and "1" to the fact that he is the first person with these initials printing cheques.

18. OIOS asked Mr. Tsadik if it was possible that the concerned staff member gave his password to someone else who could have printed those cheques. He said that this is possible but that he is certain that it was the concerned staff member who printed the cheques because it was also discovered that the staff member also accessed IMIS on that day. He said it was highly unlikely that anyone would disclose his or her IMIS password to another person. Mr. Tsadik explained that the code that appears if the staff member uses IMIS is "bfsaa\_\_1" "bfs" refers to budget and finance section, "aa" to Addis Ababa and "\_\_" to the initials for his name and "1" to the fact that he is the first person with these initials assigned this code to access the IMIS. The code "bfsaa\_\_1" appeared which made Mr. Tsadik conclude that the staff member also accessed IMIS that day.

19. On conducting preliminary inquiries, Mr. Indieka telephoned the staff member who at the time was on leave and asked him to come to the office to explain some discrepancies, which he discovered at the Cash Office. Shortly thereafter, the staff member telephoned the Cash Office to say that he would be there in ten minutes. When he arrived he was interviewed in the

presence of Mr. Kassahun Hassan and Mr. Daniel Teshome both staff from the Cash Office. Mr. Indieka showed the staff member a cheque dated 23 August 2003 and payable to Mr. Ramadan in the sum of \$24,591.27 and asked the staff member to explain why it was necessary for a replacement cheque to be printed. The staff member said that Mr. Ramadan explained to Mr. Indieka that he had lost the cheque and required a replacement cheque. Mr. Indieka pointed out to the staff member that at the time he was on leave and that Mr. Ramadan did not come to him. The staff member then indicated that he could have gone to the Officer in Charge at the time. Mr. Indieka explained that when a staff member wanted a cheque reissued the normal procedure was to write a letter to him requesting a new cheque.

20. Mr. Indieka asked the staff of the Cash Office to produce the signature sheets for the ten duplicate cheques. On searching for them they discovered that they were all missing.

21. On 18 December 2003, Mr. Indieka received a handwritten fax dated 14 December 2003 purportedly sent by the staff member from "Kinkos" Sandy Springs, Atlanta, Georgia, USA. The fax was also copied to Ms. Anne Tanmizi, Chief Human Resources Services Section. In the fax, the staff member indicated that he had worked for ECA for 12 years and that he had found a better job in USA and was therefore terminating his services with ECA as from 15 December 2003.

22. According to Mr. Teshome, when Mr. Aferworke retired at the end of August 2003, the staff member was the only person responsible for approving disbursements until October 2003 when the staff member went on leave. He explained that it was only when the staff member went on leave that he was given the password User ID that permitted him to print and also reactivate cheques.

23. He said when Mr. Indieka asked him to show how cheque reactivation worked, he demonstrated cheque reactivation to him. He was able to do so because by this time he had been given his password. He said that when Mr. Aferworke left, the staff member became the supervisor until he started his leave.

#### **Interviews with Officials of the Two Local Banks**

24. Mr. Addis Fanthaun, a Manager of Wegagen Bank, was shown one of the fraudulent cheques payable to Mr. Oluwatele Olokodana dated 23 August 2003 in the amount of \$22,055.83. After going through the bank records, he found duplicate copies of two other

fraudulent cheques and indicated that the retired staff member who has an account with the Bank presented the cheques for clearance. He said that the retired staff member is a well-known customer and he always came in person to deposit such cheques. He further stated that the retired staff member deposited the fraudulent cheques and explained to the bank that all cheques had been endorsed by the payees.

25. As indicated in the cheque deposit slip, the retired staff member presented two cheques dated 23 August 2003 - Cheque number 934 in the sum of \$16,000.00 payable to Kibbenesh Wolde Gabriel and cheque number 927 of \$10,202.00 payable to Dyna C. Arhin. The cheques were deposited in the retired staff member's account. Subsequently, the two cheques were sent to JP Morgan Chase in New York and were cleared.

26. Mr. Haddis Said is a foreign exchange clerk with NIB and in the presence of his manager, Mr. Hailesillassie Mekonnen, he stated that the retired staff member normally presented ECA cheques to the bank. He said that the retired staff member has been a customer of the bank for about four years and used to work at the ECA but had retired. Mr. Said confirmed that the retired staff member deposited into his bank account seven of the forged cheques. Six of them were credited to his account but one cheque in the name of Mr. Wa-Mundangu Matemu (deceased) dated 23 August 2003 in the amount of \$15,000.71 had a stop payment and therefore was not credited.

27. He explained that the retired staff member had a company called "Ade" and that he is a shareholder of the NIB International bank. It was also disclosed that number "36152866" was the NIB bank account at Citibank in New York and that Citibank was their correspondent bank.

28. He said that the retired staff member usually withdraws large sums, i.e. \$50,000 - \$60,000 on a daily basis. He said that the bank had a contract with him in that when he presented the cheques his account would be credited immediately and if there were any difficulties with the cheques the bank would debit his account.

29. NIB International bank provided ID with copies of the relevant documents in relation to the fraudulent cheques including the deposit slips, which showed that the money was deposited into the retired staff member's account.

## **Interviews with the Two Payees**

30. Mr. Oluwatete Olokodana was shown two cheques - genuine and forged - that indicated that he was the payee. The cheques were for \$22,055.83 each. The first cheque was dated 24 June 2002 and the second cheque was dated 23 August 2003. Both cheques were endorsed on the reverse side and Mr. Olokodana identified his signature and handwriting at the reverse side of the genuine cheque of 24 June 2002. He denied writing or endorsing the signature on the reverse side of the forged cheque of 23 August 2003.

31. Also at the reverse side of the genuine cheque that was paid to him there was a signature endorsement of the retired staff member that Mr. Olokodana positively identified. When he was asked to identify the signature at the reverse side of the cheque, Mr. Olokodana replied that he strongly believed that it was the retired staff member's signature. He said that the genuine cheque was his education grant payment and to get the cash, he endorsed the cheque to the retired staff member and sent his son to collect the cash from him. He said that the retired staff member had been his friend for the last 20 years. He added that he endorsed the cheque to the retired staff member because he had previously borrowed money from him and that it was not the first time that he endorsed a cheque to the retired staff member.

32. Ms. Tsigereda Assayehegn is based at Kigali as an Associate Finance Officer in the Sub - Regional Development Centre (SRDC) of ECA.

33. She was shown her genuine cheque of \$13,620 dated 27 June 2002 and she identified her signature on the reverse side of the cheque. This payment was for three month's DSA in Kigali. She said that she had endorsed the cheque and asked for it to be transferred to UN Savings and Credit Association (UNSCCA). She looked at another forged cheque that was drawn in her favour for the same amount dated 23 August 2003 and said that the signature on it was not hers.

## **Interview with an Official of the US Embassy in Addis Ababa**

34. Mr. Sonny Busa the Consul First Secretary at the US Embassy in Addis Ababa, Ethiopia indicated that the staff member had applied for a US visa on 30 November 2003. On 1 December 2003, the staff member's application was reviewed and declined on the grounds that he had weak economic ties. In his application, the

staff member had indicated that he had a sister in Atlanta, USA but did not provide her name or any other particulars about her.

35. Further, the staff member in his application indicated that while on a two-month vacation in the US, he would be staying with Talema Teshome whose address he gave as "7306 Six Mile Lane # 11, Louisville, USA" and "Home Phone 5024938063".

36. An Internet search conducted by the Embassy revealed that the name, address and telephone number matched the ones given by the staff member in his application. At the same time all the US Embassies in the world were contacted and none indicated that the staff member was issued with a visa.

37. Mr. Sonny was shown a copy of a fax sent by the staff member from Kinko's (public bureau), Atlanta. The signature on the visa application differed from the signature that was in the fax. He said that the Embassy would inquire further whether the staff member is in the US using false documents and revert back to OIOS.

#### **Interview with the Wife of the staff member**

38. The staff member's wife indicated that she is a secretary at Microbase Computer System in Addis Ababa. She said that she used to work at the UN. She informed OIOS that her husband is now settled in USA and that she had a conversation with him recently. He disclosed that he would not come back to Ethiopia. He promised her that one day, he would take her and their two children out of the country to join him in USA.

39. The wife stated that while her husband was on leave in late November 2003, he applied for a visa with the US Embassy in Addis Ababa but was denied. She said that after the failure to secure a visa, he proceeded to Nairobi where he stayed for about fifteen days and then obtained a US visa. Thereafter, the staff member traveled to the US and on reaching there telephoned her, saying that he would explain how he had obtained a visa in Nairobi when they met again in the USA. He also told her that he had secured a better job in the USA - working with his sister as a vendor for Ethiopian traditional food around restaurants in Atlanta, Georgia, USA.

40. The wife stated that since the staff member had left Ethiopia, he has been supporting her financially for they have two young children. When asked how the staff member sends money to her, the wife replied that it was through the Western Union

and also through another friend of his whom she could not recall by name but referred to him as a "traveler". She said that the last time she received money from the subject was about 10 days ago. She said that she last received a phone call from the staff member seven days ago. She stated that she did not keep the receipt from the Western Union after she had received money nor could she provide documents of any payments made to her to show a US origin.

#### **Interview with the retired staff member**

41. The retired staff member informed ID that he is now in private business. He said that he has an Elementary School called Seferase Lam and that he has a residential house for rental. He stated that he is also a licensed Commission Agent - a business he conducts with his son that is located behind the rear entrance to the ECA compound. He explained that ECA staff members bring him dollar (\$) cheques and he discounts the same in Ethiopian Birr at a 3% Commission. He said that he knows many ECA staff members, that his main clients are international staff members and that he had been in this business with his wife for the last five years. He said that besides his family, he has another employee called Mr. Getahun Mariam.

42. All of the ten forged cheques were dated 23 August 2003 and had the retired staff member's signature endorsed on the reverse side of the cheques. In Mr. Olokodana's case, besides the forged cheque bearing the retired staff member's signature on the reverse side, there was also a genuine cheque dated 24 June 2002 for the same amount that had the retired staff member's signature endorsement. The retired staff member stated that Mr. Olokodana is his friend and that he usually sends security personnel to cash cheques for him on his behalf. He also said that Mr. Olokodana sometimes gives his children instructions to cash cheques on his behalf and if the retired staff member knows them he accepts the said cheques. He said that to avoid bouncing of cheques, he accepts the cheques of the people that he knows.

43. The retired staff member stated that he is familiar with the signature of Mr. Olokodana having worked with him at ECA for a long time. He said that Mr. Olokodana can even send a messenger and his cheque will be honoured. In case of personal cheques, he normally confirms with the payee if a messenger is sent. He also said that he was aware that payees have to endorse their signatures on the reverse side of each cheque.

44. When the retired staff member was shown all ten of the forged cheques, he identified the signature endorsement on the reverse side of the cheques as his. At the time he was shown the cheques he asked the Investigators what was wrong with the cheques. It was pointed out to him that he was familiar with Mr. Olokodana's signature and yet he accepted Olokodana's cheque, which was a forgery. He told the Investigators that he had never seen a stolen cheque and that he believed in ECA people whom he had worked with for a long time.

45. When he was asked how he paid Mr. Olokodana his cheque in the year 2002, he said that Mr. Olokodana must have sent his son. It was at this juncture that he was shown the two cheques that were for Mr. Olokodana with different dates but same amounts. The retired staff member then repeatedly said "Oh my God". He said that whenever he saw a cheque from ECA having been signed by two signatories, he could not doubt the authenticity of the cheque. When he was informed that the cheques were printed without authorization, he again repeated "Oh my God".

46. The retired staff member explained that his children must have accepted those cheques and that his role was only to sign. He recalled that his son called him on the phone and told him that the subject, the staff member had brought the cheques. He said that the staff member was a well-known person so there was no doubt that the cheques were genuine and therefore, he had to tell his son to accept the cheques. He stated that he does not record cheques as they are cashed. It was reiterated to him that all the cheques were forgeries. He stated that he had already been paid by the bank to pay the payees of the cheques. When he was informed that the fraud entails a loss of nearly \$200,000, he recalled that the staff member had told his son that the cheques were meant to be salaries of the payees and that the cheques were not brought on the same day. He still insisted that his children run the business but his attention was drawn to the fact that he had endorsed the cheques and subsequently deposited the same in his bank accounts.

## **VI. EVIDENCE: FINDINGS OF FACTS**

47. The issues to be addressed in this case are threefold. Firstly, whether or not the staff member fraudulently created ten false cheques and subsequently presented them for payments to the retired staff member and received cash.

48. Interviews with witnesses and documentary evidence obtained in the course of the investigation disclosed that the staff member on 23 August 2003 (which was a Saturday) printed ten duplicate cheques. He used the user ID allocated to him by IT to print the cheques in question. This was confirmed by Mr. Tsadik of IT who had assigned the staff member the User ID "chqaa\_1" that reflected that the computer user on that day was him and that the same code appeared in relation to the printing of the ten cheques in question. According to Mr. Tsadik, the staff member also accessed IMIS that day thereby eliminating the possibility that someone else used the staff member's User ID code.

49. Further, on being questioned by Mr. Indieka, his supervisor, in the presence of his Cash Office colleagues, the staff member did not deny that he was in the office on the material day - Saturday 23 August 2003. He did not deny that he printed other cheques that day besides the ten in question whose signature sheets were available. Signature sheets that were missing for that day were only for the ten forged cheques. After printing the cheques, evidence has been adduced that the staff member sold the cheques to the retired staff member at face value less 3% discount.

50. Upon realizing that the fraud had been discovered while on leave, the staff member went to the US Embassy in Addis Ababa and applied for a US visa - a request that was turned down due to his financial status. Interviews with his wife indicated that he later traveled to Nairobi where he purportedly obtained a US visa. The US Mission in Nairobi when contacted stated that the subject was not issued with a visa. Although his current location could not be ascertained by OIOS, ECA staff have indicated that there have been sightings of him in Addis Ababa, Ethiopia and that in fact he may not be in the US as he and his wife claim.

51. The second issue is whether or not the retired staff member knew the ten cheques to be fraudulent and therefore committed fraud on the Banks- by presenting ten cheques to two banks which he knew to be fraudulent and whether or not The retired staff member and the staff member were in conspiracy- at any time during the fraud.

52. During interviews with OIOS the retired staff member admitted purchasing the said cheques from the staff member. The retired staff member then without the knowledge or authority of

the payees named on the forged cheques endorsed the cheques to facilitate them being honoured by the bank. This endorsement was suspect since the retired staff member admitted being familiar with the signatures of some of the payees as for example Mr. Olokodana whom he said that, he had worked with at ECA for a long time.

53. When it was pointed out to him that he was familiar with Mr. Olokodana's signature and yet he accepted Mr. Olokodana's cheque with a different signature, which was a forgery, his response was that he had never seen a stolen cheque and that he believed in ECA people whom he had worked with for a long time.

54. During interviews with the Investigators, the retired staff member said that he was aware that payees have to endorse their signatures on the reverse side of each cheque. But in this case, he did endorse the cheques without the authority of the payees. All the cheques in question were deposited in the retired staff member's bank accounts as confirmed by the bank officials. At the time of depositing the cheques, the retired staff member explained to the bank officials that all cheques had been endorsed by the payees-which he knew was not true.

55. The third issue is whether or not the evidence shows that criminal offences (or ten of them) were committed in both Ethiopia and the USA.

56. Forgery has been defined as the making of a false document with intent to deceive or defraud. The evidence of this case reveals the fraudulent printing of ten cheques and converting the same for cash for personal use by the staff member and the retired staff member. The retired staff member facilitated the fraud. He purchased the cheques from the staff member at a discount. Before banking the cheques in his bank accounts, the retired staff member endorsed the cheques without the knowledge and authority of the payees - some of whom he knew but advised the Banks that the payees had endorsed the cheques.

57. In 1997, before retiring from the Organization, the retired staff member was involved in a similar fraud. In concert with another retired staff member, they forged four cheques and defrauded the Organization of \$30,263.78.

58. Further, there is evidence that suggests that the staff member planned his fraud with some degree of ease because he could easily exercise his intention to defraud the Organization by exploiting the system's weaknesses. For example, the

principle of separation of functions in cheque re-activation was lacking. This allowed for the cheque re-activation facility to be abused by the subject - because he had the sole authority to print cheques without involving either the certifying or approving officer. In addition, bank reconciliation which is supposed to be conducted on a monthly basis was not up to date and a number of items were outstanding for over one year.

## **VII. CONCLUSIONS**

59. The evidence adduced in this investigation indicates that the allegations reported in this matter have been substantiated. As indicated above, the subject the staff member fraudulently obtained a total of \$179,365 from the Organisation by printing duplicate cheques.

60. The fraud was facilitated by the retired staff member who purchased the forged cheques, endorsed them and eventually deposited the cheques into his local bank accounts that were used as a conduit to cash the forged cheques.

## **VIII. RECOMMENDATIONS**

### **Recommendation 1**

Since the staff member and the retired staff member have separated from the Organization, it is recommended that consideration should be given to referring the case to the relevant law enforcement authorities for criminal prosecution. In making this recommendation, OIOS strongly suggests that ECA reverts to the Investigations Division of OIOS to take advice on how to proceed with criminal jurisdiction; (ID Rec. No. IV03/553/01)

### **Recommendation 2**

To safeguard against future frauds, it is recommended that in addition to stamping disbursement vouchers and supporting documents "PAID" after payment is effected, the said documents including the relevant cheque should be perforated "PAID"; (ID Rec. No. IV03/553/02)

**Recommendation 3**

Currently, paid cheques, disbursement vouchers and supporting documents are kept in filing cabinets and on shelves that are accessible to the filing clerk and all staff members working in the Finance Section. It is therefore recommended that paid cheques, disbursement vouchers and supporting documents are kept in a secure restricted area; (ID Rec. No. IV03/553/03)

**Recommendation 4**

It is recommended that the principle of separation of functions in cheque re-activation in finance be given full force and effect by written procedures consistent with the Financial Rules of the United Nations. Cheques should only be re-activated with the authority of either the certifying or approving officer; (ID Rec. No. IV03/553/04)

**Recommendation 5**

It is further recommended that bank reconciliations be conducted on a regular basis as provided for in the Financial Rules of the United Nations; (ID Rec. No. IV03/553/05)

**Recommendation 6**

It is also recommended that ECA reports all cases to the Investigations Division, which they suspect may involve fraud and/or forgery by staff members or retired staff members. (ID Rec. No. IV03/553/06)

-----