



## **FINANCIAL REVIEW OF THE CGIAR ICT-KM 2004 Investment Plan**

*April, 2006*



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## 1. Overview

### 1.1 Introduction

The first **Investment Plan (IP)** of the **CGIAR Information, Communication Technology and Knowledge Management (ICT-KM)** Program was launched in **2004** and comprised of **14 projects** implemented by the CGIAR Centers. **The initial budget of the IP was \$4.5 million.** The ICT-KM program mainly focuses on connectivity, content and culture, i.e. strengthening the necessary infrastructure for CGIAR system-wide benefits.

### 1.2 Detailed breakdown of the 14 Projects of the CGIAR ICT-KM 2004 IP

No.	Project	Duration	Lead Implementing Center	Project Coordinator	Approved Amount
1	Second Level Connectivity	Mar 2004-Mar 2006	ILRI	Ian Moore	\$725,400
2	E-Publishing Systems	Mar 2004-Mar 2006	IPGRI	Paul Neate	\$446,400
3	Knowledge Management and Sharing	Mar 2004-Feb 2005	CIAT	Nathan Russel	\$372,000
4	Consortium for Spatial Information	Mar 2004-Mar 2007	IWMI	Robert Zomer	\$465,000
5	Virtual Resources Center Infrastructure	Mar 2004-Feb 2006	IPGRI	Darlo Valori	\$390,600
6	Virtual Academy for Semi Arid Tropics	Apr 2004-Sep 2006	ICRISAT	V. Balaji	\$363,240
7	Enterprise Security and Bus. Continuity	Apr 2004-Mar 2006	IRRI	Paul O'Nolan	\$465,000
8	On-Line Learning Resources	Apr 2004-Mar 2006	ICRAF	Jan Beniest	\$213,900
9	Web Content and Usage Analysis	Jan 2005-Dec 2006	IPGRI	Joanna Kane-Potaka	\$190,900
10	Scientific Data Standards and Exchange	Jan 2005-July 2005	IPGRI	Sami Gaiji	\$153,525
11	Global Advanced Research Network	Aug 2004-July 2005	IRRI	Paul O'Nolan	\$111,600
12	Virtual Library Services	Jan 2005-Jun 2006	IFPRI	Luz Marina Alware	\$308,142
13	Desktop Video Conferencing	Jun 2004-Nov 2005	ICRISAT	V. Balaji	\$73,800
14	Intelligent Information System	Jan 2005-Jun 2006	ICARDA	Zaid Abdul Hadi	\$185,070
<b>TOTAL</b>					<b>\$4,464,577</b>

### 1.3 Objectives of Review

This review is intended to ascertain the performance of the 14 projects from inception through March 2006 in terms of the following 4 objectives:

- **Objective 1:Completion Of Project In Accordance With Scheduled Time Period**  
This was assessed by comparing the actual completion time with the original planned time schedule.
- **Objective 2:Cost Effectiveness of Project Implementation**  
The assessment was to compare actual cost of completion versus budgeted costs.
- **Objective 3:Preparation Of Financial Report**  
The objective was to assess whether project managers submitted accurate and timely financial reports to the program manager (the CGIAR Chief Information Officer).

- **Objective 4 :No-Cost-Extension Granted With Proper Approval**  
This objective was assessed in terms of whether the request for no-cost extension was timely and properly approved prior to the expiration of the original completion date.

## 2. Objectives, Findings and Recommendations

### 2.1 Objective 1:Completion of Projects In Accordance With The Scheduled Time Period

This was assessed by comparing the actual completion time with the original planned time schedule.

#### **Work Undertaken:**

All the 14 approved projects were assessed to determine the actual completion time with the original planned time schedule.

#### **Findings:**

The review identified that out of the 14 projects,

**4 projects had been successfully** implemented across the CGIAR Centers;  
**6 projects required no-cost-extension** due to some start off delays; and  
**4 projects are scheduled to be completed** as planned.

The extent to which the 14 projects met Objective 1 is summarized in the following table:-

<b>FULLY COMPLETED PROJECTS</b>
<i>Scientific Data Standards and Exchange Knowledge Management and Sharing Intelligent Information System On-Line Learning Resources</i>
<b>PROJECTS REQUIRED NO COST EXTENSION</b>
<i>Global Advanced Research Network E-Publishing Systems Virtual Resources Center Infrastructure Second Level Connectivity Enterprise Security and Bus. Continuity Desktop Video Conferencing</i>
<b>PROJECTS TO BE COMPLETED</b>
<i>Virtual Library Services Virtual Academy for Semi Arid Tropics Web Content and Usage Analysis Consortium for Spatial Information</i>

#### **Recommendation:**

All completed projects are encouraged to be signed of by project coordinators with the submission of final reports to the Program Manager to ensure proper completion.

## 2.2 Objective 2:Cost Effectiveness of Project Implementation

The assessment was to compare actual cost of completion versus budgeted costs.

### **Work Undertaken:**

All the 14 approved projects were assessed to determine the actual cost of completion versus the budgeted cost until March, 2006.

### **Findings:**

From the assessment done to 14 projects versus the approved budgeted cost

**11 projects required no change of approved budgeted amount;  
2 projects required additional funding of \$45,000 and \$62,668 respectively; and  
2 projects required realignment of funding of \$53,015 (offsetting one another)**

The extent to which the 14 projects met Objective 2 is summarized in the following table:

<b>PROJECTS WITH NO CHANGE IN BUDGET</b>	
<i>Scientific Data Standards and Exchange</i>	
<i>Knowledge Management and Sharing</i>	
<i>Intelligent Information System</i>	
<i>On-Line Learning Resources</i>	
<i>Global Advanced Research Network</i>	
<i>E-Publishing Systems</i>	
<i>Second Level Connectivity</i>	
<i>Enterprise Security and Business Continuity</i>	
<i>Desktop Video Conferencing</i>	
<i>Virtual Library Services</i>	
<i>Virtual Academy for Semi Arid Tropics</i>	
<b>PROJECTS REQUIRED ADDITIONAL BUDGET</b>	
<i>Virtual Resources Center Infrastructure</i>	<b>\$62,668</b>
<i>Consortium for Spatial Information</i>	<b>\$45,000</b>
<b>PROJECTS WITH REALIGNMENT OF BUDGET</b>	
<i>Virtual Resources Center Infrastructure</i>	<b>\$53,015</b>
<i>Web Content and Usage Analysis</i>	<b>(\$53,015)</b>

### **Recommendation:**

Any change or revision of budget is encouraged to be updated directly into the project records to ensure better monitoring of funds of a specific project.

## **2.3 Objective 3: Preparation of Financial Report**

The objective was to assess whether project managers submitted accurate and timely financial reports to the program manager (the CGIAR Chief Information Officer).

### ***Work Undertaken:***

All 14 Centers' financial reports were reviewed to ensure proper liquidation done against funds disbursed to the overall Program. **Until March 2006, a total of \$3.8 million had been disbursed to Centers out of the approved budget.**

### ***Findings:***

#### **2.3.1 Standardization Of Financial Report**

There was no one standard format suggested used in the financial reporting by the CGIAR Centers. Standardization of reports is encouraged to ensure clear understanding and interpretation of the financial information. These include budgeted amount in detailed line item, funds receipt against funds utilized, prior year expenditures, current expenditures, total expenditures and balances to be utilized for each project.

### ***Recommendation:***

A standard format/ template will facilitate effective financial reporting. Such a format is suggested in **Appendix 1**

#### **2.3.2 Signed-off on Financial Report**

Some financial reports submitted were not properly signed off by the Finance unit of the Centers. Proper signed off on financial report is required to ensure clear accountability and accurate reporting of each project.

### ***Recommendation:***

Signed financial report with proper time frame is encouraged to ensure reliability, accountability and clarity of financial reporting from each project/ Center.

#### **2.3.3 Under/(over)runs of Project Balance**

Some financial reports were submitted with negative balances or overruns. It was unclear whether the project was running at a deficit. All negative balances reflected in the overall financial report were not supported with justification to ensure clear accountability of expenditures.

***Recommendation:***

Submission of financial report with clear justification on differences of approved budgeted amount for the project is encouraged to ensure better control of expenditures on the project and to avoid any unidentified overspending.

**2.3.4 Cumulative Expenditures of the Financial Report**

Some Centers reported only expenditures (in part) incurred within the Center without identifying any earlier start-up costs incurred (overall) for the same project by the predecessor (Center). This resulted in different level of reportable funding against the original approved funding disbursed to the project. It is encouraged that a complete financial report to include all expenditures incurred throughout the project be submitted on the financial report to avoid any misinterpretation (undertaken up of expenditures) on the overall approved budget.

***Recommendation:***

A complete set of cumulative expenditures report is encouraged to ensure accurate liquidation against funds disbursed. For projects which are shared across Centers, dual-Center reports are necessary to ensure complete liquidation.

**2.3.5 Revision of Budget**

Some financial reports only reported the approved budgeted amount without reporting the revised amount already disbursed to the project. All revision of budget should be reflected and reported in the financial report. This is necessary particularly when the revised fund is to be reported and utilized solely for the project or partly for other deliverables.

***Recommendation:***

A detailed submission of financial report, which incorporates any revision of approved budget, is encouraged to ensure clean liquidation against funds disbursed/ receipt for each project.

**2.4 Objective 4:No-Cost-Extension Granted with Proper Approval**

This objective was assessed in terms of whether the request for no-cost-extension was timely and properly approved prior to the expiration of the original completion date.

***Work Undertaken:***

All the 14 projects were assessed to determine whether the request for no-cost-extension was timely and properly approved prior to the expiration of the original completion date.

### ***Findings:***

Until March 2006, **6 projects required no-cost-extension**. The duration of the extension varied from **3 month to a maximum of 1 year**. The reason for the extension was mainly due to some start up delays and realignment and extension of activities on-going for some specific projects.

The extended projects with the targeted dates for completion are as below:-

<b><i>PROJECTS REQUIRED NO COST EXTENSION</i></b>	<b><i>Targeted Completion Date</i></b>
<b><i>Global Advanced Research Network</i></b>	<b><i>May, 2006</i></b>
<b><i>E-Publishing Systems</i></b>	<b><i>February , 2007</i></b>
<b><i>Virtual Resources Center Infrastructure</i></b>	<b><i>May, 2006</i></b>
<b><i>Second Level Connectivity</i></b>	<b><i>February, 2007</i></b>
<b><i>Enterprise Security and Bus. Continuity</i></b>	<b><i>December, 2006</i></b>
<b><i>Desktop Video Conferencing</i></b>	<b><i>May, 2006</i></b>

### ***Recommendation:***

Requests for no-cost-extension are encouraged to be supported with proper justification with proper time frame (at least 2 months before expiration) as this is necessary to ensure that there is no interruption of actual deliverable to the Program.

## **3. Overall Conclusion**

No significant financial issues were identified and we noted that all the **14 projects under the CGIAR ICT-KM 2004 IP were implemented successfully across the CGIAR Centers**. Still, we believe that the findings identified and recommendations made by this review will be beneficial for the continuation phase of the program and to the proposed 2006 ICT-KM IP expected to commence soon.

**CGIAR Centers**  
**Financial Report**  
**For the period from XXX to XXX**  
**(in USD)**

**ICT-KM Project Title:**

**Grant Duration:**

**Grant reference:**

**Project Summary**

Detailed Line Item	Budget	Prior year expenditures	Current expenditures	Total expenditures	Balance
<b>TOTAL</b>				<b>XXX</b>	

Funds Received	XXX
Funds Balance	XXX

**Funds Statement**

Date	Amount Received	Tranche
		1st 2nd 3rd

**Prepared by:**

**Reviewed by:**

**Certified by:**