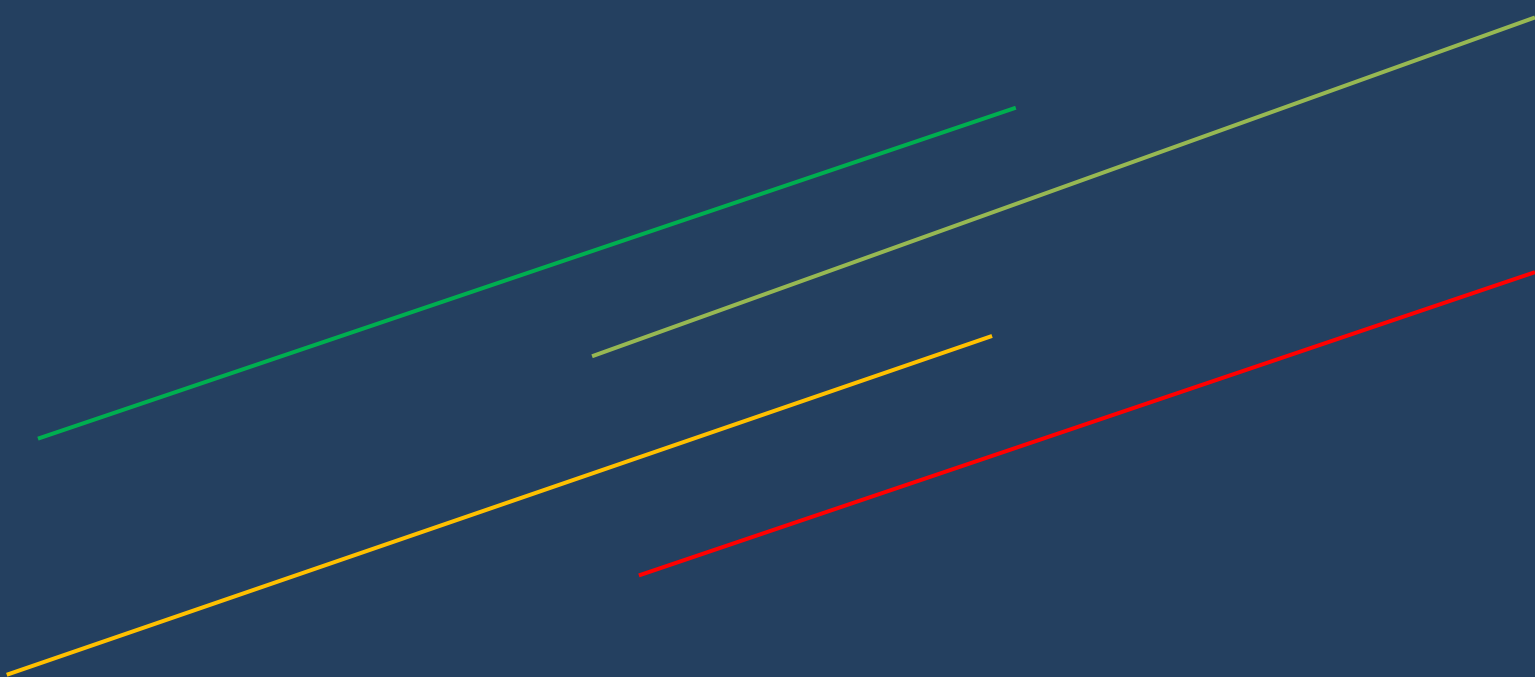


INTEGRATED FINANCIAL DASHBOARD

User Guide



1. Background

a) Pre-Quantum

UNDP's first finance data quality dashboard was released in 2004 when Atlas was launched. The objective was to monitor real-time information on some key financial transactions reflecting data quality issues that require proper recording. The primary focus was on transactions and compliance. Since its launch, there have been several upgrades both in terms of scope and depth of the indicators responding to the data quality and controls issues emerging from the Office of Financial Resources Management (OFRM) monitoring exercise. Subsequently, the International Public Sector Accounting Standards (IPSAS) and Asset dashboards were introduced in 2012 to support the key IPSAS compliance requirements on transactions that are essential for expense, revenue, and asset recognition.

Over time, these dashboards (Finance, IPSAS and Asset) coupled with other Atlas reports and tools have corporately resulted in quite a remarkable improvement in finance data quality and compliance. Simultaneously, the quarterly Comptroller's List (now CPI - Comptroller's Performance Index) was introduced building on the cumulative performance of Country Offices (COs) using the three dashboards as well as non-dashboard indicators. The production of the CPI has been heavily manual and often relies on outdated information generated from different Atlas modules, dashboards, reports, queries and the OAI CARDS platform etc. The CPI has been providing a useful single source of consolidated financial management performance information for COs. However, the Regional Bureaus and COs have expressed concerns overtime on its timeliness and heavy concentration on compliance.

The new strategic plan (2018-2021) and the Bureau for Management Services/OFRM service delivery model (SDM) demand for streamlining of business processes through stronger partnering to mitigate high financial risks. In addition to the need for agility to provide more timely financial information, COs and bureaus are seeking more advisory services from OFRM rather than the usual heavy focus on compliance as highlighted by the McKinsey report on the "Review of UNDP's Management Services and Business Processes". Country offices have demanded an integrated dashboard that will help them effectively deliver their programmes and manage risks, without having to keep track of several different dashboards.

In July 2020, the Integrated Financial Dashboard was introduced with a set of six pillars covering the areas of financial sustainability, programme financial performance, financial controls, data quality, Audit and HACT.

b) Post-Quantum

Following the implementation of Quantum in January 2023, it became necessary to update the IFD through the Unified Data Hub. This first release updates the IFD metrics to reflect the stronger risk management and internal control offered by Quantum but also factors in emerging financial management risk requiring attention. As a result, some indicators in the pre-Quantum IFD have been retired and some new indicators will be introduced going forward.

There are three pillars supported by sub indicators that are essential in ensuring sound financial management programmes are delivered:

1. Programme financial performance - measures programme delivery, Resources Mobilization, and project closure.
2. IB efficiency - measures IB resources and delivery efficiency
3. Audit - measures audit ratings and recommendations around CO, Global Fund, DIM and HACT audits.

The IFD will include daily updates on most of the indicators to allow offices to take timely corrective measures. Included are the overall ratings for offices, which will be the basis of the quarterly financial management performance issued by the CFO to COs.

c) IFD - Journey



2. The current pillars of the IFD

Pillar	Weight
Programmed Financial Performance (25 points)	50%
Institutional Budget Efficiency (15 points)	30%
Audit (10 points)	20%
Total	100%

3. Ratings

The IFD indicators will be refreshed daily and measured against a set of criteria leading to a scoring expressed in points which will be summed up - 50 points currently - by country. The total points achieved by a given country will determine their rating, which could be Acclaim and Satisfactory for top-performing country offices or concern and critical for country offices where improvements are required.

Though these ratings will be available daily and could help country offices proactively and timely address issues, it should be noted that final ratings are only meaningful at the end of the month. These monthly ratings will be frozen and saved for future reference. The quarterly financial management reports dispatched to offices will include the rating for the last month of each quarter.

4. The scoring

Rating	Rating definition	IFD Score	Meaning
Acclaim	Achieved minimum requirements for establishing sound financial management	IFD \geq 40 Points	Units are rated "ACCLAIM" when they have sound financial management in the period of reporting while maintaining a satisfactory CO audit rating. These Units are therefore advised to: <ul style="list-style-type: none"> Consolidate the existing strengths and improve and safeguard financial management performance. Develop into a center of excellence either regionally or globally. Institutionalize capacity building and knowledge sharing across functional areas.
Satisfactory	Some improvements are required to establish sound financial management	35 \leq IFD $<$ 40	Units are rated "SATISFACTORY" when they have an overall good performance but face few financial management risks that can lead to unsatisfactory financial performance and audit concerns if not tackled immediately. These Units are therefore advised to: <ul style="list-style-type: none"> Immediately resolve outstanding items and increase surveillance in identified areas of risks. Continuously monitor the situation and document due diligence. Escalate, when applicable and necessary, major issues such as capacity to HQ, adjust their risk profile and develop recovery measures. Institutionalize capacity building and knowledge sharing across functional areas in close consultation with relevant HQ units
Concern	Substantial improvements are required to establish sound financial management	27 $<$ IFD $<$ 35	Units are rated "CONCERN" when they have some significant financial management risks that are highly likely to be audit issues and can lead to financial management concerns. These Units are therefore advised to: <ul style="list-style-type: none"> Immediately seek support and guidance from regional bureau and HQ units (for example exceptions) to address these issues. Set-up a plan and strategy, including business process assessment, to tackle these significant issues in direct consultation with HQ. Develop a capacity building plan to prevent these issues reoccurring in the future
Critical	Not achieved minimum requirements to establish sound financial management	IFD \leq 27	The Units are rated "CRITICAL" when they have severe financial management issues, especially in sensitive areas including an Unsatisfactory CO audit. These Units (usually facing crisis or acute capacity challenges) are therefore advised to: <ul style="list-style-type: none"> Immediately escalate matters to their bureau and put in place a recovery strategy in addressing the current challenges. Increase or redirect capacity i.e., personnel in affected or sensitive areas for immediate support; seek support from best practices in areas of concerns In consultation with RB and HQ units, put in place a capacity building and office-fit-up plan that should consider the options of clustering of services and change management. Institutionalize a periodical surveillance plans until the office has resolved the situation and moved from the "CRITICAL" rating.

5. Scoring details

PILLARS	INDICATORS	DESCRIPTION OF INDICATORS	DATA SOURCE	SCORE			
				Total	Green	Yellow	Red
Programmed Financial Performance (25 points) Measures financial programme performance from resource mobilization to utilization and project closure	Programme Utilization Measures the performance of the COs' programme utilization against its set milestones	Ratio = Actual core and non-core cumulative programme utilization DIVIDED by core and non-core programme utilization milestones from QBS up to the end of the current quarter prorated for the current month. Scoring Ratio >= 100% or target = 0 scores 10 Ratio between 90% and 99% scores 9 Ratio between 80% and 89% scores 8 Ratio between 70% and 79% scores 7 Ratio between 60% and 69% scores 6 Ratio between 50% and 59% scores 5 Ratio < 50% scores 0	New Executive Dashboard	10	>=8	>=5	<5
	Non-Core Prog Resources Mobilization Measures the performance of the CO non-core resources mobilization against milestones	Ratio = Actual Non-core programme resources collected DIVIDED by Non-core programme resources mobilization milestones downloaded from QBS up to the end of the current quarter prorated for the current month. VTF (Vertical Trust Funds) ASL is included to resource mobilization as COs include them in their targets Scoring Ratio >= 100% or target = 0 scores 10 Ratio between 90% and 99% scores 9 Ratio between 80% and 89% scores 8 Ratio between 70% and 79% scores 7 Ratio between 60% and 69% scores 6 Ratio between 50% and 59% scores 5 Ratio < 50% scores 0 – (Red)	New Executive Dashboard	10	>=8	>=5	<5
	Project Closure This supports COs in identifying projects requiring their action either through updating of status and end date or through financial closure	1) Projects operationally closed for more than 12 months Cost sharing project operationally closed for more than 12 months. Project Type is DEV. Scoring # project = 0 scores 4 # project = 1 scores 2 # project > 1 scores 0 2) Expired projects Cost sharing projects with ongoing status and end dates in the past. Project Type is DEV. Scoring # project = 0 scores 1 # project >=1 scores 0	PPM	5	>=3	2	<=1
Institutional Budget Efficiency (15 points)	IB resources collection The indicator tracks the	Ratio = Actual cumulative IB resources DIVIDED by IB resource milestones from QBS up to the end of the current quarter prorated for the current month	New Executive Dashboard	10	>=8	>=5	<5

The Institutional Budget measures the efficiency of the BU in the delivery of its programme results considering the level of the institutional resources used to achieve those delivery results.	collection of the IB resources against the CO's milestones	Scoring Ratio >= 100% or target = 0 scores 10 Ratio between 90% and 99% scores 9 Ratio between 80% and 89% scores 8 Ratio between 70% and 79% scores 7 Ratio between 60% and 69% scores 6 Ratio between 50% and 59% scores 5 Ratio < 50% scores 0					
	Delivery efficiency ratio The Institutional Budget delivery Efficiency measures the relative level of Institutional budget utilization compared to the level of programme utilization	Ratio = IB utilization / IB utilization + programme utilization) Scoring CO with current year delivery target < \$12 million • Ratio <=12.5% scores 10 (rating: green) • Ratio between 12.6% and 18.4% scores 5 (rating: yellow) • Ratio > 18.4% scores 0 (rating: red) CO with current year delivery target between \$12 million and \$50 million • Ratio < =6.3% scores 10 (rating: green) • Ratio between 6.4% and 8.7% scores 5 (rating: yellow) • Ratio > 8.7% scores 0 (rating: red) CO with current year delivery target > \$50millions • Ratio <=3.4% scores 10 (rating: green) • Ratio between 3.5% and 4.7% scores 5 (rating: yellow) • Ratio > 4.7% scores 0 (rating: red)	New Executive Dashboard	5	5	2	0
Audit (10 points) Measures the performance of the Business Unit (BU) and timeliness in implementation of the issued recommendation.	CO/GFATM refers to the audit ratings from CO and GFATM Rating	Scoring Satisfactory or no pending recommendation Satisfactory OR Fully Satisfactory scores 4 Partially Satisfactory/SI" OR Satisfactory/Some Improvement Needed 3 Partially Satisfactory/MI scores 1 Rating = Unsatisfactory scores 0 • Where the CO audit rating is older than a year a default 4 is granted • Where the GFATM rating is older than a year, but the CO audit rating is within a year, then the score is based on the CO rating. • Where a CO has both of Global fund audit and CO audit within 1 year then the score is the average of the CO and GFATM ratings	CARDS	4	>=3	2	<=1
	DIM Audit	Scoring • Fully Satisfactory scores 2 • Satisfactory/Some Improvement Needed scores 1 • Partially Satisfactory/Major Improvement Needed scores 0 Where the audit rating is older than a year a default 2 is granted		2	2	1	0
	HACT Audit	Scoring Rating = Satisfactory or N/A scores 1		1	1		0

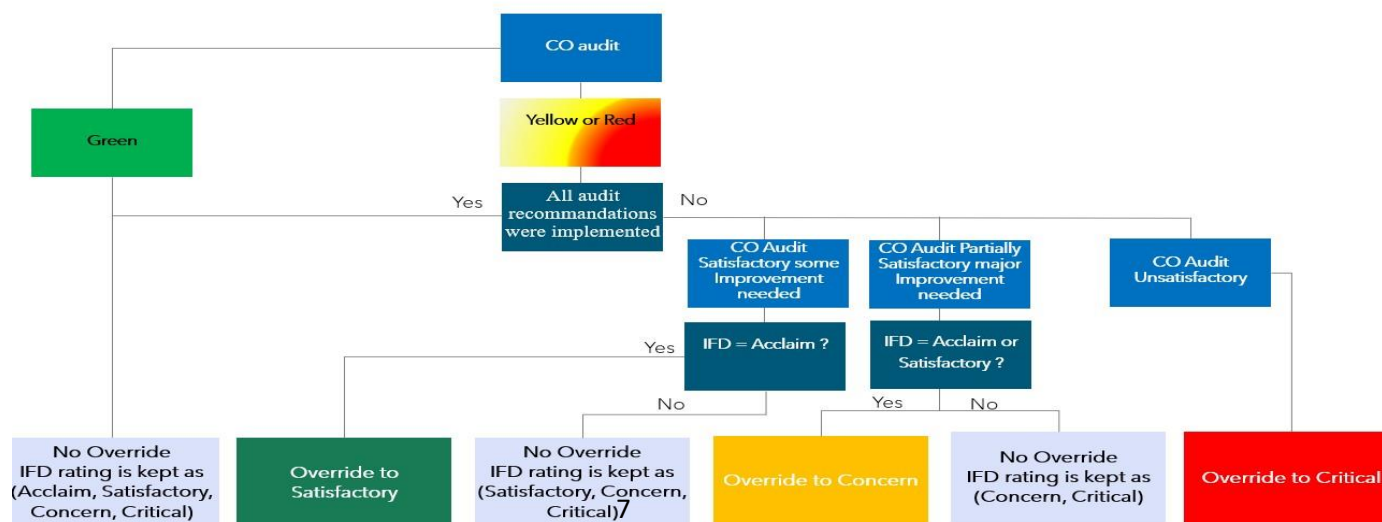
		Rating = Partially Satisfactory or unsatisfactory scores 0 • Where the audit rating is older than a year a default 1 is granted					
	Outstanding Audit Recommendations	# of outstanding CO, GFATM, DIM audit recommendations aged more than 12 months Scoring Count = 0 scores 3 Count = 1 score 1 Count > 1 scores 0		3	3	1	0
Calculated rating	Acclaim	More than or equal to 40 points = Acclaim Between 39 and 35 points = Satisfactory Between 34 and 28 = Concern Less than or equal to 27 = Critical		50			
	Satisfactory						
	Concern						
	Critical						
Final Rating	Audit Override	Critical CO audit rating along with pending audit recommendations results in Critical final rating Partially Satisfactory/MI CO audit and pending recommendations results in Concern rating for Calculated Acclaim and Satisfactory Partially Satisfactory/SI CO audit and pending recommendations results in Satisfactory rating for Calculated Acclaim					
	Emerging Risk	In the event of a significant emerging risk not captured by the IFD the rating could be overridden					

6. Final ratings

The calculated points could be overridden to a lower overall rating as result of unfavorable CO audit along with pending recommendation or due to significant emerging risks not yet captured by the IFD.

a) Audit override

The audit overriding factor applies when a CO with an unsatisfactory audit (OAI) in the last 12 months still has pending recommendations to implement. This override ceases at the point of full implementation of the recommendation or a better follow-up audit rating, whichever is earlier. The audit override principle for the different scenarios is highlighted in the flowchart below:



b) Emerging risks as overriding factor

Similarly, in the event of an emerging risk for an office that has not yet been captured by the dashboard and the risk poses serious financial management concerns, OFM will use this situation to adjust the overall rating of the concerned CO to a rating that is commensurate with the risk exposure.