International Agency for Research on Cancer

World Health Organization

Lyon, 13–14 May 2015
Auditorium

PROGRESS REPORT ON POST IPSAS IMPLEMENTATION PROJECTS

1.   Through its Resolutions GC/55/R17 and GC/56/R14, the Governing Council approved the budget of €400 000 to support the adoption of the International Public Sector Accounting Standards (IPSAS), and authorized the release of 50% of the budget in 2013 and of the remaining budget in 2014. The Governing Council requested the Director to provide a report on the use of these funds at the 57th session of the Governing Council.

2.   As reported last year in Document GC/56/16B, the approved budget is used for the implementation of five projects listed below:

        A. Human resource management related to employee benefits
        B. SAP Upgrade
        C. Implementation of the HR Position Management Module
        D. Implementation of enhanced functionalities of SAP
        E. Asset Management

3.   In response to the recommendation of the external auditor, Project D was expanded to include the implementation of the Inventory Management module within the SAP system to strengthen accountability and management of publication inventories, and to automate the inventory valuation process ensuring accuracy and compliance with IPSAS.

4.   Within the SAP enhancement (Project D), IARC looked at the feasibility for implementing the travel management system within the SAP to improve the encumbering of funds and the possibility to automate the travel claim tracking and reimbursement process. Due to the high cost of such a solution, it was decided to opt for a standalone travel management system to interface with SAP. To separate the travel management system from other SAP enhancements, Project F is inserted.

5.   The total budget of €382 315 (96%) is therefore committed to these six projects. The status of these projects and budget utilization are summarized in the Annex. Projects A and B are completed. Projects C, D, and E will be completed in 2015 while Project F will potentially be completed in 2016.

6.   The Secretariat thanks the Governing Council for its generous support.

Annex: Status of Post IPSAS Implementation Projects

Project Description and Progress	Status	Utilized budget
A. Human resource management related to employee benefits		
A-1. Leave management system with workflow automation has been implemented since 1 January 2014. The system was further enhanced during 2014 to provide functionality for online year-end audit of leave records and automated valuation of the Agency's liability toward accrued annual leave. Existing resources were used for this project.	Completed	0
A-2. Valuation of liability related to long-term employee benefits is carried out by the external actuarial company. To ensure continuity, the Agency signed a four-year contract with the existing actuarial company with negotiated pricing for the period 2015–2018.	Completed	€35 745
B. SAP Upgrade The upgrade to SAP 7.1 SPS11 was carried out successfully during April to July 2014. This is a pre-requisite for the implementation of HR Position Management and other enhanced functionalities of SAP.	Completed	€34 800
C. Implementation of HR Position Management Module HR Position Management module will enhance budget management and internal controls. The implementation is delayed due to technical issues which are now being dealt with by the consulting company. This project is expected to be completed within 2015.	In progress	€7 450
D. Implementation of enhanced functionalities of SAP This includes system enhancements to ease the generation of statutory reporting, donor reporting, and management reporting, and implementation of additional functionalities to support project-based management. The project was expanded to include the inventory management and valuation in response to the external auditor's recommendation. The fit-gap analysis of the 'UN Template', as reported last year, was completed at the beginning of 2014. While the Agency will benefit from the adoption of this newly developed version of SAP, its cost is much higher than the available budget. Therefore, the bidding for enhancing the existing SAP system was launched and a vendor was selected. The project is now in the design and development phase and expected to be completed by the end of 2015.	In progress	€162 020

Project Description and Progress	Status	Utilized budget
E. Asset Management The decision was made to enhance the current SAP functionality and implementation of a barcode system. The bidding was included within the procurement process of Project D. The project is now in the design and development phase and expected to be completed by the 3rd quarter of 2015.	In progress	€47 300
F. Travel Management System This project is inserted to separate the travel management system from other SAP enhancements (Project D). The bidding for implementing a standalone system that can be interfaced with SAP will be launched during the 2nd quarter of 2015.	In progress	€95 000
TOTAL		**€382 315**