



## 1.0 SCOPE OF THIS SOP

### Section:

- A. Overview
- B. Planning Requirements
- C. Cash Payments for Meetings held in Kenya
- D. Payments for Meetings held Elsewhere
- E. Quality Assurance Requirements

### **The following areas are out of scope for this SOP:**

Individual DSA claims for staff members of Nairobi-based Orgs

Reconciliation and Clearance of Advances – covered in BFMS SOP 101

## 2.0 REFERENCES IN CONJUNCTION WITH THIS SOP

Financial Regulations and Rules of the UN

Umoja Job Aid Guides

BFMS Procedures Manual

## 2.0 ROLES INVOLVED IN THIS SOP

Approving/Authorizing Officer – the person who is responsible for the planning and organizing of a meeting and for appointment of a Paymaster

Paymaster – the person who is appointed to be responsible for the distribution of cash and accounting for expenditures in respect of DSA for meeting participants

AP User (Umoja Role FA.04) – the person who will create the advance document in Umoja and process post-meeting paperwork to clear the advance

AP Approving Officer (Umoja role FA.07) – the person who approves travel advances

Cashier (Umoja Role TR.03) – the person who will liaise with banks and other offices and, when authorized, handle cash and cheque payments

### Section A: Overview

1. DSA, including terminal expenses, is often paid to meeting participants when they attend 'Events' on official UN business. Orgs will decide which of these meeting participants are entitled to payment of DSA by the UN and how much is to be paid to



each (e.g. how many days and whether to pay the full allowance or to centralize accommodation/food provision and pay a reduced amount of DSA).

2. Having made the decision to pay DSA to meeting participants, Orgs must then decide how best to make these payments. **The UN's recommended way of paying DSA for Meetings is via Electronic Funds Transfer (EFT, or bank payment).**
3. There are many reasons for Orgs to choose not to make payment by EFT, including:
  - where the meeting participant is not yet identified (i.e. Governments have indicated numbers of attendees but not the names)
  - where attendees are not set up as a Business Partner in Umoja, making EFT payment impossible
  - Where, for no obvious reason, there is a risk of EFT payments being delayed (e.g. OFAC restrictions)
  - Where the risks of non-attendance if payment is made by EFT in advance are high and funds are likely to be irrecoverable
  - Where it is believed that key delegates will not attend unless they receive payment in cash

**Note:** Cash payment is never to be made as a means of bypassing restrictions against payments to persons, countries or organizations known to be on OFAC lists (or similar lists); **this is likely to be a criminal offence and UN Officials found guilty of such acts will be held personally liable.**

4. Equally, there are good reasons for Orgs to choose not to make payments in cash, including risks to personal safety of staff and meeting participants, airline and border customs controls and risks of theft, fraud and losses. It is important to note that no individual can be obliged to carry cash on behalf of the Organization.
5. When Orgs have decided how they would like to pay DSA (and how much to pay), it is still not always possible to meet these requirements. Some banks refuse to make payments for or to non-residents, others have no facilities to deliver cash to venues, others have cash limits, there may be no UNDP office in a certain country (where UNDP is preferred option) or no funding in the UNDP SCA to facilitate the payment etc.
6. Treasury Services Unit (TSU), BFMS, UNON provides advice on payment of DSA for Events worldwide and, in many cases, co-ordinates and facilitates payment on behalf of UNEP and UN-Habitat. On request, TSU may assist other (external) UN Agencies with Events being held in or near Nairobi.



7. UNON does not charge any fees for co-ordinating or facilitating DSA payments on behalf of any UN Organization. Where (significant) additional assistance of TSU cashiers is requested for large Events in either planning, supervising, disbursing or reconciling DSA payments, a charge for overtime will normally be incurred and such payments will be the responsibility of the requesting Organisation.
8. Banks will charge for cash-delivery (outside of UN Gigiri complex) or for production of individual cheques, should that option be chosen.

## Section B: Planning Requirements

9. It is essential that TSU, UNON is consulted at the earliest stage of Event planning. Since many offices and agencies, worldwide, may need to be involved in assisting Orgs with the processing of DSA payments, it is expected that Orgs will produce a 6 Monthly forecast of 'large Events' with an estimate of DSA requirements. Copies of the forecast should be submitted to TSU, UNON and, where necessary, UNHQ, for planning and approval purposes.
10. For smaller Events or for local (i.e. Kenyan) Events, less planning and organizing time is required but Authorizing Officers are responsible for ensuring that adequate notice of requirement is given to BFMS. A minimum of one month's notice is normally expected for small or local events.
11. The consequences of inadequate planning for DSA by Event organizers could have a significant impact on both the effectiveness of the Event and the reputation of the Orgs concerned.
12. Where payment is to be made by EFT direct to meeting participants, a significant amount of time will be required to create BP records in Umoja and ascertain and update banking details.
13. In all cases, initial requests for advice/assistance on handling DSA Payments for Meeting Participants must be made using Annex A to this SOP.

## Section C: Cash Payments for Meetings in Kenya

14. For the purposes of this SOP, meetings in Kenya fall into one of two categories:



a. Meetings held inside UN Gigiri Complex:

(1) For small or medium sized Events, Organizations should nominate an individual staff member to act as Paymaster. The Paymaster should arrange to collect a cheque in his/her name from TSU, cash the cheque at SCB Gigiri Branch, distribute the funds and reconcile the activities with FSU, UNON.

(2) For large Events, it is possible for TSU to either act as Paymaster on the Orgs' behalf or to provide significant cashier assistance to the named Paymaster. Orgs will have to provide administrative and managerial support as required.

Note: SCB Gigiri Branch holds a limited amount of USD currency and a minimum of 3 working days' notice will normally be required for amounts exceeding \$10,000.

b. Meetings held outside UN Gigiri Complex:

(1) For DSA payments totaling less than \$5,000 or equivalent in KES, it is normal (but not mandatory) for staff members to collect a cheque from TSU, cash the cheque at SCB Gigiri Branch, hand-carry the DSA to the meeting venue, distribute the funds and reconcile the advance and any unpaid funds with FSU, UNON.

(2) For security/safety reasons, it should be an extremely rare occasion where a staff member will be asked to hand-carry DSA over \$5,000. Where this is deemed essential and is supported by Senior Management of the org, UNON will require submission of a completed indemnity form (Annex B) which must be signed by both the Paymaster and his/her Supervising Officer.

(3) For medium/large external Events, it is normal for cash to be delivered to the venue by security companies and handed to the Event Paymaster for his/her distribution and reconciling action.

(4) There are a number of other options available for large external Events, including payment to individuals by the security company contacted by the bank to issue the DSA.

**Note:** If a bank or security company pays participants on the Orgs behalf, a full list of names and amounts to be paid to each individual will be required in advance and only that specific amount will be delivered to the venue.



## Section D: Payments for Meetings held Elsewhere

15. There are a number of different options available for payment of DSA for Meetings held Elsewhere (Elsewhere = outside Kenya), but almost all of them require additional planning and preparation. In Canada, France and Greece we have relatively quick access to funds via UNON-managed 'Cash and Cheque' House Banks.
16. In less-developed countries, it is normally possible to use UNDP (note: this can be an expensive option). The greatest amount of difficulty can be encountered in countries where there is no UNON-managed House Bank and no UNDP presence and, perhaps surprisingly, this tends to include countries with the best-developed banking infrastructures, including parts of Northern Europe and North America.
17. In most of these countries, where there is no UNDP presence, it is practically impossible to hand-carry, collect or have delivered any amounts in excess of \$10,000. In such cases, although a debit card option may be available, the expectation is that payments (or partial payments) will be made via EFT.
18. Where partial payments are made in advance to non-staff members, it is normal practice to pay 75% of entitlements by EFT, which reduces any amount required to be hand-carried or claimed retrospectively.  
  
**Note:** There is no directive stipulating advances should be a maximum of 75% for non-staff members – the percentage will vary dependent upon risks of non-recovery.
19. In all cases, sufficient advance notice should be given to TSU, UNON, to ensure the cashiers have maximum opportunity to explore the options available.

## Section E: Quality Assurance

20. The key Quality Assurance (QA) Requirements for managing DSA payments for Meetings are as follows:
  - a. Authorizing Officers/Approving Officers are to ensure that the best possible option for payment of DSA has been selected by Organizing Officers.



- b. To provide a record of offices which have failed to give adequate advance notice of requirement for DSA Events, a register of DSA request submissions is to be maintained in FSU, showing date of receipt by Accounts Section, date of event, Organizing office and Name of Event Planner.
- c. To minimize the risk of loss or injury to staff members and UN Funds (by ensuring that all other options have been considered before the decision to hand-carry cash is made), TSU is to ensure that Annex B is submitted for all hand-carried DSA applications in excess of \$5,000. A copy is to be retained on file in TSU Offices.
- d. OC TSU, BFMS, UNON is to ensure that Procedures Manuals, Job Aids and Desktop Instructions are regularly reviewed and updated as necessary and that all relevant changes are brought to the attention of users.
- e. Approving/Authorizing Officers, Headquarters Offices and BFMS, UNON are to ensure that effective monitoring and checking systems are in place to minimize the risks of fraud, theft or misuse of United Nations funds.
- f. Headquarters Offices are to submit a forecast of DSA requirements for large Events and for any Events for which DSA payment is anticipated to require external assistance to TSU at least 3 months in advance (preferably 6 months in advance).

## Annex:

- A. Request for Assistance with DSA Payments - Meeting Participants
- B. Certificate of Indemnity for Hand Carried DSA in excess of USD 5,000 or equivalent

**Request for BFMS, UNON Assistance with DSA Payments – Meeting Participants**

1. Details of Event (Requesting Office to Complete and submit to TSU, UNON)

Requesting Organization	
Name of Requesting Officer	
Contact Details	
Name of Event	
Place of Event	
Date of Event	
Approx No. of Payees	
Approx Value of Payments	
Additional Details/Requests	

2. TSU UNON Assessment/Recommendations:

Method of Payment	EFT/Cheque/Cash
Paymaster	Org/TSU
TSU Cashier Assistance Reqd	Yes/No
Cashier Services charge	Yes/No
Bank Delivery Charge	Yes/No
TSU Handling Agent: Name	
Email	
Phone	

TSU Supervisors Comments/Signature: -

---



---



---

From:

To: Chief, Accounts Section, BFMS, UNON.

**Hand-Carried DSA in excess of USD 5,000: Indemnity Statement**

US Treasury Department regulations and customs and excise authorities in most countries forbids the carriage of sums in excess of USD 10,000

Hand carried DSA outside the UN complex in Gigiri, Nairobi can be authorized in exceptional circumstances and is normally subject to a maximum of USD 5,000

**It is not normal practice for UN Staff Members to hand-carry DSA on behalf of meeting participants and Staff Members are under no obligation to hand-carry DSA on behalf of the UN. The United Nations will not be held responsible for any losses or damages or injury to Staff Members or their possessions caused by decisions to hand carry DSA.**

Statement of Person Carrying the DSA (Paymaster)

I fully understand the guidance provided by the United Nations and its Agents in respect of hand-carried DSA and accept the risks associated with carrying the cash amount of

\_\_\_\_\_ from (place, country) \_\_\_\_\_ to

(place, country) \_\_\_\_\_ on (Date(s)): \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Statement of Supervising Officer

I certify that I am the Supervising Officer of \_\_\_\_\_.

I fully understand the guidance provided by the United Nations and its Agents in respect of hand-carried DSA and certify that the Staff Member has volunteered to carry the cash and is fully aware of and accepts the risks involved in hand-carrying DSA

Signature of Authorizing Officer: \_\_\_\_\_

Name of Supervising Officer: \_\_\_\_\_ Date: \_\_\_\_\_