**Combined Delivery Report**

1. Based on expenditures recorded in Atlas from project implementing partners and agents, UN Agencies and UNDP direct implementation, UNDP issues a **Combined Delivery Report (“CDR”)** at the end of each quarter and at the end of the year for nationally implemented projects and directly implemented projects (upon financial closure of the reporting period). The reports reflect cumulative expenditures i.e. 2nd quarter CDR covers expenses incurred from January to June, 3rd quarter CDR covers cumulative expenditures from January to September and the 4th quarter CDR covers cumulative expenditures from January to December. The Combined Delivery Report is a mandatory official report that reflects project expenditures. When a CDR is generated, the UNDP office should verify that all financial information is complete and accurate, and the information is consistent with the approved work plan and Atlas project budget. Any required adjustments should be made in Atlas where necessary before the CDR is dispatched.
2. The CDR is generated by Atlas Award (but can also be generated by output) and is divided into the following three sections:
   1. Expenditure by Fund Code: Shows expenditure grouped by output and fund code broken down into the respective general ledger accounts.
   2. Expenditure by Activity: Shows expenditure grouped by output, activity and fund code broken down into the respective general ledger accounts
   3. Fund Utilization: Reports outstanding NIM advances with the implementing partner, undepreciated fixed assets, unamortized intangible assets, prepayments, inventory and outstanding commitments made by UNDP as direct support to the project.
3. The expenditures reported in the CDR reflect expenses recorded in the Atlas general ledger grouped into the following columns:
   1. Government: This represents expenditures recorded against liquidated NEX advances
   2. UN Agency: This reflects expenditures reported by UN Agencies through PDRs
   3. UNDP: This represents all other expenditures i.e. expenditures incurred by UNDP on direct implementation, direct payments and reimbursements.
4. Upon communication of the financial closure of each quarter by OFM, CDRs will be automatically generated and delivered to the [CDR Bridge](https://bridge.undp.org/login) platform for access by UNDP offices and implementing partners who are required to certify the reports. CDRs can also be generated from Atlas (under the UN Reports Menu) in the same format as those available in the CDR Bridge. Offices are required to use the [CDR Bridge](https://bridge.undp.org/login) platform which allows offices to deliver CDRs electronically via email to implementing partners and automatically tracks the delivery, acceptance and rejection of dispatched CDRS. Offices can also use the [CDR Bridge](https://bridge.undp.org/login) platform to print CDRs, deliver them manually to implementing partners and track the report’s acceptance or rejection by the implementing partner. Offices are strongly encouraged to use electronic delivery of CDRs via email which requires UNDP offices to obtain email addresses of the implementing partner’s certifying officer. Offices should ensure that the registered email of the partner entered on the platform is that of the designated official who is authorized to certify CDRs. A recorded training video of how to use the [CDR Bridge](https://bridge.undp.org/login) platform, including how to register implementing partners is available on the platform. Offices can also refer to the [CDR Bridge Navigation Guide](https://popp.undp.org/node/2866).
5. The expenditure by fund code and activity and the fund utilization reports form part of the CDR package that needs to be certified. Before the report is dispatched, a UNDP official must electronically confirm in the [CDR Bridge](https://bridge.undp.org/login) platform that the financial information in the report is complete and accurate and is consistent with the project work plan and project budget. The CDR can be sent electronically via email or printed and sent manually to the authorized official of the implementing partner to certify and confirm the validity of the reported expenses. The CDR Bridge will automatically generate a certification request cover letter to accompany the CDR sent to the implementing partner.
6. CDRs for Q1, Q2, Q3 and Q4 will be available in the [CDR Bridge](https://bridge.undp.org/login) platform but certification of Q1 CDR is not mandatory. Only Q2, Q3 and Q4 need to be certified by the implementing partner. The cover letter generated by the platform requests implementing partner to certify the CDR within 15 calendar days. If no response is received within 15 business days, the platform will send a follow-up request indicating that the CDR will be deemed to have been accepted if a response is not received within 15 business days from the date of the second request. This auto-acceptance feature will not apply to Q4 CDRs which need to be certified by partners. The platform tracks, via a colour coded scheme, the status of CDR certification requests including where no response has been received and the CDR is deemed automatically accepted.
7. At year-end OAI requires audit firms who carry out HACT financial audits or DIM audits to include in their audit reports a copy of the certified CDR. The auto-acceptance of CDRs by the platform if partners do no certify or reject CDRs within 30 business days will be disabled for Q4 CDRs to ensure Q4 CDRs are signed by the authorized official of the implementing partner.
8. An executive Combined Delivery Report summarizes project expenses in line with the **seven** general ledger expense categories of UNDP’s Financial Statements. This report is only a management report and is not part of the Combined Delivery Report package sent to implementing partners. An Atlas query ([Atlas: Reporting Tools>Query Viewer>UN\_CDR\_IPSAS)](https://finance.partneragencies.org/psp/UNDPP1FS/EMPLOYEE/ERP/c/QUERY_MANAGER.QUERY_VIEWER.GBL?PORTALPARAM_PTCNAV=PT_QUERY_VIEWER_GBL&EOPP.SCNode=ERP&EOPP.SCPortal=EMPLOYEE&EOPP.SCName=PT_REPORTING_TOOLS&EOPP.SCLabel=Reporting%20Tools&EOPP.SCPTfname=PT_REPORTING_TOOLS&FolderPath=PORTAL_ROOT_OBJECT.PT_REPORTING_TOOLS.PT_QUERY.PT_QUERY_VIEWER_GBL&IsFolder=false) provides an Excel version of the report that gives the option of categorizing expenses by donor for a particular project.

# *Expenses incurred by implementing partners*

1. If the project uses the cash advance modality, the Funding Authorization and Certificate of Expenses (FACE) form, reporting expenses and requesting advances must be submitted by implementing partners to UNDP at least quarterly, and signed by the authorized official of the implementing partner (see [POPP: Direct Cash Transfers](https://popp.undp.org/node/10651)[)](https://intranet.undp.org/global/popp/frm/pages/direct-cash-transfers-and-reimbursements.aspx). The FACE form includes information on: the status of advances, a list of expenses since the previous FACE and a request for a new advance. The UNDP office enters the expenses in Atlas throughout the year as the FACE reports are received and verified, and expenses are corrected as necessary. Implementing partner expenses are recorded in the government expenses column in the Combined Delivery Report. The programme officer or finance associate must control the outstanding advances balances in order to monitor the amount of funds remaining with the implementing partner and the timely implementation of the planned activities.
2. If adjustments to the recorded expenses reported in the Combined Delivery Report are agreed with the Implementing Partner, to the extent possible, the adjustments should be recorded in the period the Combined Delivery Report relates to. Adjustments can be recorded in the subsequent period if the ledger is closed but offices should ensure timely issuance and thorough review of CDRs and FACE forms to minimize recording of adjustments in subsequent periods.

# *Expenses incurred by UNDP*

1. UNDP expenses may be classified as either direct payments or UNDP support services to national implementation. This distinction, while very important for audit purposes, is not apparent from the Combined Delivery Report, and can only be provided by the UNDP office as a supporting schedule. A brief description of each category is provided below.
2. **Direct payment:** This is where the implementing partner is fully responsible for the procurement activity, but has requested UNDP to pay the vendor or consultant on its behalf. The implementing partner is accountable for the expense and maintains all supporting documentation. UNDP makes payments on the basis of properly authorized requests and verification against the annual work plan and available budget. The implementing partner receives a copy of the related payment voucher as evidence that the payment was made (see [POPP: Direct Payments](https://popp.undp.org/node/10661)[)](https://intranet.undp.org/global/popp/frm/pages/direct-payments.aspx).
3. **UNDP support services to national implementation:** This is where the implementing partner and UNDP have agreed that UNDP will provide support services to the project [(](https://intranet.undp.org/global/documents/ppm/Standard_Letter_of_Agreement_between_UNDP_and_the_Government_for_the_Provision_of_Support_Services.doc)[Standard Letter](https://popp.undp.org/node/4796)

[of Agreement between UNDP and the Government for the Provision of Support Services](https://popp.undp.org/node/4796)). UNDP acts as a responsible party for the support services, which must be described in the project document or in an annex to the project document. UNDP is fully responsible and accountable for these expenses and, accordingly, maintains all supporting documentation.

1. Under these circumstances, UNDP undertakes the procurement/commitment action as well as disbursement. It conducts the transaction from requisition through disbursement with no cash transferred to the implementing partner for these specific activities. The UNDP Resident Representative is accountable for the provision of the services required, and their quality and timeliness. The implementing partner has full programmatic control, however, and therefore full accountability for and control over project activities (see [POPP: UNDP Support Services to NIM](https://popp.undp.org/node/4791))[.](https://intranet.undp.org/global/popp/frm/pages/direct-agency-implementation.aspx)

# *Expenses incurred by UN Agencies*

1. A UN agency accountable for the delivery of specific programme results reports its expenses to UNDP through project delivery reports and to the implementing partner. UNDP enters the expenses in Atlas where they are recorded under the UN agencies’ expenses in the Combined Delivery Report (see [POPP: Agency Implementation](https://popp.undp.org/node/10406)).
2. The Combined Delivery Report also reflects a realized gain/loss on exchange due to different dates on the voucher and payment, and unrealized gain/loss, or a revaluation of balances of advances.

# Combined Delivery Report closure

1. The Combined Delivery Report constitutes the official report of project expenses and must contain all advanced funds and valid expenses for the reporting period. Prior to issuing a final report, all advances and expenses should be carefully reviewed and final adjustments (rejections or corrections) made as necessary. Significant adjustments should be reviewed and cleared by UNDP senior management.
2. UNDP has a responsibility to accept appropriate cash advance requests, reported expenses or direct payments consistent with the annual work plans and UNDP’s Financial Rules and Regulations, and to reject improper ones. If information becomes available that questions the appropriateness of expenses recorded or direct payments already made, these too should be rejected by UNDP at any point up to the issuance and certification of the Combined Delivery Report.
3. The rejection of reported expenses, or—exceptionally–—direct payments already made, should occur where they are not consistent with UNDP’s Financial Rules and Regulations or are otherwise considered improper. Improper payments may occur when:

* Payment is not consistent with the annual work plan or project budget, or is not within available funding ceilings;
* Inconsistencies exist with regards to the implementing partner approval;
* Funds go to the wrong recipient;
* The right recipient receives the incorrect amount of funds (including overpayments and underpayments);
* Additional information or documentation is made available that would lead to UNDP questioning the appropriateness of the payment:
* Irregularities in the procurement process;
* The recipient uses funds in an improper manner;
* Funds are not directed towards the attainment of expected project outputs.

1. UNDP identifies improper payments through both the review and approval of the FACE form submitted by the implementing partner (see POPP: [Direct Cash Transfers and Reimbursements](https://popp.undp.org/node/10651)), scrutiny of audits of project nationally implemented by non-governmental organizations, and ongoing project monitoring.
2. Improper payments may result from a lack of documentation, verification or administrative errors, and do not necessarily indicate fraud or other improper practices. If these administrative issues are subsequently rectified, rejected payments may be later accepted. All efforts should be made to resolve contentious issues prior to finalization of the Combined Delivery Report. If issues cannot be resolved, the programme officer should:

* Liaise with the implementing partner to resolve contentious issues for the next reporting period;
* Work with the implementing partner to build capacity to avert future problems; and
* Ensure rejected items are not re-submitted as part of future reporting, and are absorbed by the implementing partner.

1. Where the implementing partner cannot absorb expenses rejected by UNDP, or where outstanding advances are unaccounted for, UNDP should exercise due diligence and pursue all avenues to ensure it does not assume financial liability. If the case cannot be favourably resolved and the contentious amount is deemed irrecoverable, the office should fully document all action, including description, causes and responsibility of staff or others, and then obtain senior manager approval and contact their OFM Client Support Team for further guidance.
2. When expenses are rejected, the Office of Audit and Investigations should conduct a thorough review. If a decision to write-off the balance is taken, an investigation should be considered.
3. The expenses in the year-end Combined Delivery Report are considered final. Re-phasing of the remaining budget to the following year(s) of the project will be done based on this information. If any adjustment must be made in project accounting after the annual Combined Delivery Report has been issued, it must be recorded in the following year.

# Other Combined Delivery Report Information

1. As part of UNDP’s adoption of accrual accounting for expenses on 1 January 2012, the Combined Delivery Report no longer shows a column for encumbrances. A funds utilization page, however, discloses some financial information useful for monitoring and control of project activities. It includes outstanding advances, un-depreciated assets, unamortized intangibles, inventory, prepayments and commitments made by UNDP as direct support to the project. It does not include any information pertaining to the assets, inventories or commitments of implementing partners.

# Project audits

1. Starting 1 January 2015, UNDP projects are subject to the revised HACT Framework (2014) with requisite HACT assessments and assurance activities (spot checks, programmatic output verifications and scheduled audits). Offices that are fully HACT compliant should have performed all the required HACT assessments and assurance activities in accordance with UNDP HACT guidelines (POPP). All other offices should conduct financial audits for the nationally-implemented or CSO/NGO implemented projects in accordance with the selection criteria specified in the annual OAI audit call letter.

Refer to:

* [Harmonized Approach to Cash Transfers (HACT),](https://popp.undp.org/node/10891) and
* [OAI Call Letters](https://intranet.undp.org/unit/ofrm/hact/OAI%20Letters/Forms/AllItems.aspx)

1. Since the Combined Delivery Report constitutes the official report of project expenses, it serves as the official financial statement *that must be certified by the auditors.* Project financial statements, if certified must reconcile to expenses appearing in the Combined Delivery

Report. Besides the report, the auditors certify the statement of cash position and the statement of assets and equipment.

# Flowchart