APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[42]	Deloitte Evaluation
	Integrity Inspectorate				
22.	In case of an ex officio verification of a person as a result of failure to submit on time the declaration of wealth, "the Work Procedure regarding the verification of wealth" (hereinafter the Procedure) does not specify whether further to solving a case regarding the failure to submit on time the declaration of wealth, the ex officio file regarding the verification of wealth declaration should be separated from the file issued for failure to submit on time the declaration of wealth, as well as the fact that the new file will has a new identification number. Further to the analysis of the sample, we noted that there is no consistent approach, some ex officio files being included in the initial file regarding the ascertaining of the infringement and others being recorded from the very beginning as distinct files resulted from the ex officio notification. The chosen approach has an impact on the random distribution of the cases to inspectors (as a result of solving the files regarding the failure to submit on time the declarations by ascertaining the infringement). Thus, during our tests we have	**Medium**	We recommend that ANI should choose one of the approaches presented above and formalize the procedure as per MoPFO no. 946/2005. We suggest that the procedure of random distribution should also include the case of the files regarding the verification of wealth as a result of the failure to submit the declarations on time.	**Implementation responsible:** Ene Ilie **Deadline:** Implemented in 2009 The elaboration of PO 10/II	**Status as of December 31, 2009 Partially Implemented** We obtained and reviewed the procedure regarding the introduction of the action within the acknowledgement of absolute nullity of the legal documents and the request to the competent court to apply the complementary sanctions for prohibiting the exercise of any public function/dignity, except the elective ones for a period of 3 years, in case there was noted that the verified person was found in conflict of interests. The procedure was developed on 23.12.2009, but until the time of our audit, it was not communicated to the integrity inspectors. We

[42] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[42]	Deloitte Evaluation
	noted a case where the integrity inspector who dealt with the file regarding a failure to submit on time the declaration also continued the file of verifying the declaration of wealth, as well as a case where the integrity inspector who dealt with the case for failure to submit on time the declaration is different from the inspector who dealt with the file regarding the verification of the declaration of wealth.				identified a series of discrepancies between the practical activity and the procedure. For further details please refer to the observation no 7 from the Annex 11.
23.	There is no formalized procedure to follow with regard to the application of the complementary punishment regarding the interdiction of exerting any public position/dignity, apart from the elective ones, for a period of three years in case of finding a conflict of interests. In practice, during 2008 there were no such cases addressed to the relevant court, although a file regarding conflicts of interests was completed. The failure to request for each file the complementary punishment of forbidding the exertion of any public position / dignity apart from the elective ones for a three-year period might lead to an inconsistent practice of ANI and to a lack of discouraging punishments in ANI cases.	**Major**	We recommend the implementation of a formalized procedure related to the request addressed to the relevant court with regard to the application of the punishment of forbidding the exertion of any public position/dignity apart from the elective ones for a period of 3 years, in case further to the verifications performed by the Integrity Inspectorate it has been ascertained that the verified person were found to be in a conflict of interests.	**Implementation responsible:** Ene Ilie **Deadline:** Implemented in 2009 The elaboration of PO 10/II	**Status as of December 31, 2009 Partially Implemented** We obtained and reviewed the procedure that was elaborated on 23.12.2009 but until the time of our audit it was not made known to the integrity inspectors. We identified a number of inaccuracies with practical activity, which are detailed in observation no. 7 of Annex 11.

APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[43]	Deloitte Evaluation
	Integrity inspectorate				
24.	There is no formalized procedure based on which DJCRP can present the Integrity Inspectorate the jurisprudence of the courts of law in cases for which ANI was a part of. In the absence of such communication between DJCRP and the Integrity Inspectorate there is a risk of a faulty approach of the way of solving the files which might run against the practice of the courts of law.	**Minor**	We recommend that in case where the appeals of the persons verified were admitted by the court, DGJ together with the Integrity Inspectorate should process the causes to ascertain and identify the shortcomings in the files that have led to admission of such appeals.	**Implementation responsible:** Ene Ilie **Deadline:** Implemented in 2009 The elaboration of PO 11/II	**Status as of December 31, 2009** **Partially Implemented** We obtained and reviewed the procedure regarding the flow of documents between Integrity Inspection and DJCRP which was elaborated on 22nd of December 2009 but until the time of our audit was not made known to the integrity inspectors. Based on interviews we were informed that the defenses used on various cases and on various topics have been accumulated. Further on, we understood that a significant collection of jurisprudence gathered in order to perform an analysis on this matter.

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[44]	Deloitte Evaluation
	Public Internal Audit Service				
25.	According to the ROF approved by Order of ANI President no. 27/04.01.2008, art. 52 the Public Internal Audit is ensured within ANI by the Public Internal Audit Service (SAPI) which operates under the direct subordination of the Secretary General. The subordination to the ANI Secretary General is not in compliance with art. 10 of Law no. 672 dated December 19, 2002 regarding the public internal audit as revised which states the following: "The Public internal audit department shall be set up under the direct subordination of the management of the public entity." The subordination of the public internal audit department to the ANI Secretary General can lead to a limitation of the independence and objectivity of the internal audit, given that the Secretary General is charge with the operation of the departments that are subject to the internal audit.	**Major**	This situation has been remediated. The ROF approved by Order of ANI President no. 660/ 24.02.2009 states in art 53 that the internal audit is ensured within ANI by SAPI which operates under the direct subordination of the President.	**Implementation responsible:** Anne Marie Oncescu **Deadline:** Implemented in 2009	**Status as of December 31, 2009** **Implemented**

[44] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[45]	Deloitte Evaluation
	Public Internal Audit Service				
26.	In accordance with the Methodological Norms regarding the exertion of the public internal audit within ANI, the draft annual plan of public internal audit is prepared by November 30th of the year prior the year for which it is prepared. ANI President approves the draft annual plan of the public internal audit by December 20th of the prior year". According to the information analyzed, the first draft of the Public Internal Audit Plan for the year 2008 was submitted to the ANI President and Secretary General with letter SAPI no. 4 dated 20.05.2008, and the second draft of the Public Internal Audit Plan was submitted to the ANI President and Secretary General with letter SAPI no. 48 dated 19.11.2008. By failing to comply with the terms for preparation of the Public Internal Audit Plan there could be a risk that some of the high risk areas might not be evaluated in time to prevent and reduce the probability of materializing the risks. The failure to comply with the terms for preparation and approval of the Public Internal Audit Annual Plan was caused by the fact that ANI started its activity during 2008.	**Medium**	Taking into consideration the Internal Audit activity is stabilized, we recommend the Annual Plans of Public Internal Audit to be prepared within the terms stated by the methodological norms.	**Implementation responsible:** Anne Marie Oncescu **Deadline:** Implemented in 2009 Due to the fact the within the structure of the public internal audit, the first employee by detachment was engaged in January of 2008, the annual public internal audit plan and other documents specific to the public internal audit activity could not be developed in 2007, as specified by the dedicated regulations. The annual public internal audit plan is a projective document and should have been developed until November 30, 2007. Once the specific positions were filled, making the proposed structure a functional structure through R.O.F. , the associated documentation related to public internal audit activity (including the Annual Plan) were developed and approved. PO 01/CAPI	**Status as of December 31, 2009** **Implemented** We obtained and reviewed the first version of the Public Internal Audit Plan for 2009 together with supporting statement submitted by the President and Secretary General of the National Integrity Agency on 25/11/2008.

[45] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[46]	Deloitte Evaluation
Public Internal Audit Service					
27.	Further to the analysis of the Public Internal Audit Plan for 2008, we have noted that it has not been prepared based on a risk assessment regarding the activities performed within ANI. As ANI started its activity during 2008, based on the instruction of U.C.A.A.P.I., the Public Internal Audit department has included in the Annual Audit Plan only advisory engagements that had as object "Analysis with a view to an optimal correlation between the workload and the number of staff employed ". The preparation of the audit plan without a prior risk assessment can lead to an increased probability of not being able to cover through the audit engagements or advisory engagements various processes whose faulty or incompliant operation might be detrimental to ANI.	**Major**	We recommend the Public Internal Audit Plans to be based on a risk assessment regarding each activity performed by ANI, which should also be the basis for planning the internal audit engagements. This way, there shall also be ensured an efficient allocation of resources focusing the effort on the areas/processes with a higher degree of risk.	**Implementation responsible:** Anne Marie Oncescu **Deadline:** Implemented in 2009 According to reference legislation, the annual public internal audit plan is developed based on a risk analysis of the specific activities in A.N.I. In the absence of a history of work performed by A.N.I. until developing the audit plan, CAPI planed, based on UCAAPI guidance, an analysis of the coverage degree with specialized personnel of each department; the analysis of the risks associated with ANI activities is going to be performed when the activities will be realized. PO 01/CAPI	**Status as of December 31, 2009** **Implemented**

[46] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[47]	Deloitte Evaluation
	Public Internal Audit Service				
28.	The methodological norms state that the person in charge with the supervision of all stages of a public internal audit engagement undertaken by the internal auditors is the head of SAPI or the auditor designated as supervisor. Further to the verifications performed, it has been noted that the position of Head of the Public Internal Audit department is vacant and during 2008 the engagements conducted by the two auditors were not supervised. The absence of a supervision of the audit and advisory engagements could lead to a failure to identify various deficiencies or to obtaining conclusions which are not in accordance with the reality.	**Medium**	We recommend the implementation of supervision process regarding all the phases of the public internal audit engagements in order to ensure the quality of the procedures applied and of the deliverables in accordance with the audit standards.	**Implementation responsible:** Anne Marie Oncescu **Deadline:** Implemented in 2009 Since the positions occupied within the public internal audit structure at the time of the counseling mission were: one assistant auditor and one high auditor, the mission supervision could not be realized by an assistant due to understandable reasons, but neither by the higher auditor, because this would have signified the realization of the mission by the assistant alone, without the involvement of the higher auditor. Based on the performed interviews it results that supervision was informally performed by crossed-verifications between the two members of the audit, thus ensuring the quality of the audit's development and its related reports, but also the optimization of mission allocated working time frames. PO 09/CAPI, PO 10/CAPI Order No. 852/ 30.10.2009 regarding the A.N.I. activity	**Status as of December 31, 2009** **Not Implemented** Although the higher auditor from CAPI was named under an order issued by the President, coordinator of internal audit activity, due to unavailability reasons, as the person was allocated to another audit, it was under the impossibility of acting as an internal audit mission supervisor regarding the "Organization, planning and reporting in the activity of investments and public acquisitions performed during the year of 2009", thus no phase of the audit was supervised. On the other hand, the

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				coordination of C.A.P.I.	documents issued by CAPI confirm the supervision of a part of the specific activity: internal reports, the internal audit plan for 2010, the strategic internal audit plan, proposal for professional development.

APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[48]	Deloitte Evaluation
	Public Internal Audit Service				
29.	Based on the Methodological Norms, the files and materials held by SAPI must be kept according to restricted access norms regarding the information existing in the files. Further to the analysis of the access to the files and materials held by SAPI, we have noted that these are preserved in a locker and the key is kept by the public internal auditor. In the absence of an adequate security measure there is the risk of losing the information specific to SAPI/theft.	**Minor**	We recommend that ANI purchases a metal locker to ensure a higher degree of security for the documents kept by the Public Internal Audit Department.	**Implementation Responsible:** C.A.P.I. **Deadline: Implemented in 2010** Following the Requirement Report C.A.P.I. no. 197/ 23.10.2009 forwarded to S.I.A.P., CAPI received the metal cabinet requested in order to ensure the security of documents.	**Status of Implementation 2009: Not Implemented** We were informed that during 2010 the process of securing access to internal audit files will be implemented by using metal cabinets acquired for this purpose.
	General Legal Directorate				
30.	There was no formalized procedure for the purposes of MoPFO no. 946/2005 regarding the management of the declarations of wealth and interests received based on Law no.144/2007 from the relevant institutions. Based on the interview organized by us, we have been informed that these declarations have been received, recorded and managed by DJCRP from January 2008 to July 2008, and after that date they were transferred to the Integrity Inspectorate. However, the provisions of ROF have not been correspondingly amended neither in July 2008 nor in December 2008 when a new	**Major**	We recommend that the procedure regarding the management of the declarations of wealth and interests received from the relevant institutions be formalized, including the clarification of the responsibilities of the Integrity Inspectorate and of DJCRP with regard to this activity.	**Implementation Responsible:** Adrian Dumitru **Deadline:** Implemented 2009 The attributions regarding the management of wealth and interests statements are no longer the responsibility of the Legal Public Relations and Control Directorate personnel. The R.O.F. and the job descriptions are in the process to be updated.	**Status 2009: Implemented** Following the signed contract with Star Storage related to the activity of management of the wealth and interests statements received under the Law no. 144/2007 from competent institutions to collect them.

[48] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[48]	Deloitte Evaluation
	ROF was adopted by Order of ANI President no. 555 dated December 5, 2008. The failure to clarify the specific competencies in this field can lead to a faulty management of the declarations of wealth received and to losing the records regarding these documents.				

APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[49]	Deloitte Evaluation
	General Legal Directorate				
31.	As of 04.01.2008, it was issued Order no. 27B regarding the designation of the person in charge of receiving and managing the declarations of wealth and interests pertaining to ANI staff, as per Law no. 144/2007, a person from DCJRP being designated in this respect. In the absence of a legal obligation in this respect and in the presence of something similar to a tradition with the public authorities and institutions, the persons designated according to Law no. 144/2007 to fulfill these responsibilities are usually from the human resources departments. Given the fact that the human resources department is permanently updated with the changes in the personnel of an institution, the lack of involvement of this department in the process of receiving and managing the declarations of wealth and interests of own personnel can lead to a late implementation of the legal provisions and to a failure to apply timely sanctions in case of failure to submit the declarations on time.	**Minor**	We recommend an analysis to be made with regard to the possibility of replacing the person in charge of receiving and managing the declarations of wealth and interests pertaining to ANI staff with a person from DGORU.	**Implementation Responsible:** Adrian Dumitru **Deadline:** Implemented 2009 Implemented under art. 10 of Law 144/2007 republished, through which Ms. Diana Iamandi from D.G.O.R.U. department was assigned related attributions through the job description no. 200/ 02.10.2009	**Status 2009: Implemented**

[49] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[50]	Deloitte Evaluation
	General Legal Directorate				
32.	DJCRP is the department in charge with representing ANI in front of courts of law and jurisdictional bodies, including with regard to the requests for seizure of wealth, challenges formulated by the verified persons against the sanctions for failure to submit the declarations on time or against the documents ascertaining conflicts of interests or incompatibilities. With regard to addressing to a court of law in relation to a request for seizure of unjustified wealth, this is made directly by the Integrity Inspectorate and subsequently a copy of this request is sent to DJCRP. There is no procedure formalized/approved by order of the President regarding the DJCRP information by the Integrity Inspectorate, nor does the Work Procedure Manual for the Integrity Inspectorate include any reference to this process. The lack of a formalized procedure including clear deadlines for sending the information between the two directorates can lead to losing court rights.	**Major**	We recommend the formalization of the procedure regarding sending the requests to the court for seizure of unjustified wealth and the supporting documents.	**Implementation Responsible:** Adrian Dumitru **Deadline:** Implemented 2010 PO 11/II is in the process of being implemented.	**Status 2009** **Partially Implemented** We have obtained and examined the procedure related to the flow of documents between the Integrity Inspectorate and DJCRP that was elaborated on December 22th, 2009 but was not communicated to the Integrity Inspectors up to the time of our audit.

[50] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[51]	Deloitte Evaluation
	General Directorate of Organization and Human Resources				
33.	Within ANI there are 3 categories of personnel: ➢ public servants; ➢ public servants with special status; ➢ contractual personnel which also include the contractual personnel employed with the office of the dignitary. The employment of each category of personnel is realized according to own norms. With regard to the tests for the positions of integrity inspectors, in 2008 these were organized by the General Directorate of PR and Mass-Media, although based on ROF, DGORU is competent to organize such tests. Organizing an employment competition for filling a public position by personnel not specialized in the human resources field can lead to a violation of the legal provisions, which can be grounds for the annulment of the competition.	**Medium**	We recommend that DGORU exerts its duties according to ROF with regard to organizing the tests for filling the positions of integrity inspectors. Also see the conclusions of the detail tests (recommendation no.4).	**Implementation Responsible:** Mădălina Medelet **Deadline:** Permanently The recommendation is taken into consideration. During 2009 no tests were organized to fill vacant integrity inspectors' positions.	**Status as of December 31st, 2009:** **Not Determined** We did not have the possibility to assess the implementation of the recommendation because during 2009 no tests were performed in order to occupy vacant positions of integrity inspectors.

[51] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[52]	Deloitte Evaluation
	General Directorate of Organization and Human Resources				
34.	During the interviews, we were informed that the training plan for 2008 was prepared at the level of DGRPMM, with the support of the partners from PHARE 2004 Project "Improving the fight against corruption". Also DGRPMM was the department that monitored the implementation of the professional training plan. DGORU was just periodically informed of the actions taken in this respect. Such an approach leads to confusion with regard to the attributions of the departments and to a failure to comply with the provisions of ROF in force.	**Medium**	We recommend that DGORU exerts its attributions according to ROF with regard to the preparation and implementation of the professional training plan.	**Implementation Responsible:** Mădălina Medelet **Deadline:** 2010 During 2009 the Training Plan was elaborated by D.C.P. Because of the budget limitations, the professional training necessity was oriented to be covered through projects developed for funds absorption. The Professional Training and Development Plan for 2010 was created by D.G.O.R.U.	**Status as of December 31, 2009** **Not Implemented**

[52] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[53]	Deloitte Evaluation
	General Directorate of Organization and Human Resources				
35.	As of 04.01.2008, there was approved the Internal Regulation of ANI by order of ANI President no. 28/4.01.2008. This includes provisions regarding the rules of conduct applicable to the institution, the employees' rights and obligations, organizing the working time, incompatibilities and interdictions, access to the institution etc. According to the provisions of the Internal Regulations, it becomes applicable to the staff as at the date of acknowledgement through signature as supervised by the head of the department. The lists with the acknowledgement signatures are kept under the supervision of the head of the department without being communicated to DGORU. There is no formalized procedure regarding the distribution, acknowledgement and signature of the internal regulation. The absence of a procedure regarding the acknowledgement can lead to the impossibility of holding a person responsible in case of a violation of the provisions of the Internal Regulation.	**Medium**	We recommend the preparation and implementation of an operational procedure based on MoPFO no. 946/2005 regarding the acknowledgement of the provisions regarding the internal regulations, procedure which should include: a) the obligations and responsibilities of the human resources departments as part of this process; b) the exact dates when the regulation is acknowledged by ANI personnel; c) the controls in place with regard to the verification of the internal regulation; d) designating one single department in charge with centralizing the acknowledgement signatures.	**Implementation Responsible:** Mădălina Medelet **Deadline:** Implemented in 2009 PO 10/ D.G.O.R.U	**Implementation Status 2009:** **Implemented** We have obtained and examined the procedure that was developed in December 21, 2009 and approved on January 12, 2010. The ANI employees signed for acknowledgement of the Interior Order Rulebook on December 28th , 2009.

[53] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[54]	Deloitte Evaluation
	General Directorate of Organization and Human Resources				
36.	**Organizing a contest for filling the positions of inspectors of integrity** We identified the minutes for the papers correction and disputes committees meetings; we noted that the minutes were missing some members' signatures (e.g.: rejected files motivation minute, written papers transfer register, written contestation disputes settlement minute). Non-compliance with the procedures related to all committee members signing the minutes may lead to disputes and even annulment of the testing procedure.	**Major**	We recommend the minutes for the testing procedure to be signed by all committee members.	**Implementation Responsible:** Mădălina Medelet **Deadline:** Implemented in 2009 On September 16th, 2009 a contest was organized in order to occupy one vacant position.	**Implementation Status 2009:** **Implemented**
	General Directorate of Investments and Public Acquisition				
37.	The report regarding the procedure of awarding the public acquisition contract for cars 40/24.10.2009 is not signed by any of the members of the Evaluation Commission. The other documents from the public acquisition file were signed by all the members of Evaluation Commission. The failure to sign by a member of the Commission in order to certify the conformity of the report with the procedure of awarding the public acquisition contract can lead to challenging or even annulling the procedure of public acquisition.	**Major**	We recommend the compliance with the organization and performance of public acquisition procedure to be certified by the signature of all the members of the Evaluation Commission.	**Implementation Responsible:** Aureliu Marin **Deadline:** Implemented The recommendation will be taken into consideration.	**Status as of December 31, 2009:** **Implemented** From the evaluation of the related files for 2009 no deficiencies were noted.

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[55]	Deloitte Evaluation
	General Directorate of Investments and Public Acquisition				
38.	In 2008, no archiving procedure has been implemented at the level of ANI. In the absence of an archiving procedure to regulate the restricted access based on certain rights or viewing/copying/using and to allow the monitoring of a history of using the documents, as well as the categorization of the information according to the degree of classification, there is a risk of a possible theft of the documents, which are noncompliant with the confidentiality rules and jeopardizes the investigations performed so far.	**Major**	We recommend the implementation of an archiving procedure which should include: • Classification of the documents according to the degree of secrecy as per law 182/2002. • Restricting the access to information based on rights of viewing/copying/using; • Periodic monitoring of the access to documents.	**Implementation Responsible:** Marian Boață **Deadline:** Implemented 2009 Secret classified documents are subject to legal proceedings in the field of access, maintaining, multiplying, archiving; these steps are being ensured by the specialized Department of ANI.	.**Status as of December 31, 2009** **Partially implemented** The ANI procedures manual includes PO 01/CA – Archiving ANI documents PO 05/R – Removing the solved causes in the Register and archiving, PO 01/CP – Presenting for signature the documents and the correspondence solved by ANI in accordance with the competences (8.6 Archiving the documents and correspondent copies), PO 03/CP – recording and archiving the documents correspondent to the president's/ vice-president's cabinet; PO

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No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[55]	Deloitte Evaluation
					06/CAPI - Field work (pct. 8 – keeping and archiving the audit documents). There is no archival classification papers list implemented at ANI level. For classified information there was a project developed, of the Protection Plan Against Leaks of Classified Information that will be finalized and approved in 2010.

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[56]	Deloitte Evaluation
	General Directorate of Investments and Public Acquisition				
39.	Within ANI the fire prevention and extinction activity was not performed in 2008, as no person with the necessary qualifications was employed. In the lack of an adequate training regarding the fire prevention and extinction there is an increased risk of: • employees getting hurt during a fire, • Classified information being destroyed; • Incompliance with the legal provisions in the field which might trigger sanctions from the bodies in charge with the verification of compliance with the fire prevention and extinction obligations.	**Major**	We recommend the employment/specialization of a person in the field of fire prevention and extinction or outsourcing this service to a third party.	**Implementation Responsible:** Mădălina Medelet / Aureliu Marin **Deadline:** 2010 According to Governmental Emergency Ordinance no. 223/ 2008 and G.E.O. no. 34/ 2009 regarding the budget correction during 2009, the occupation of the vacant job positions was restricted. The service externalization is scheduled through the Annual Plan of Public Acquisition for 2010.	**Status as of December 31, 2009** **Not Implemented**

[56] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

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APPENDIX 5 Follow up on the implementation of 2008 Deloitte report recommendations (continuance)

No	Observation	Impact	Recommendation included in Deloitte Report for 2008	Action plan and A.N.I. implementation responsible[57]	Deloitte Evaluation
	Internal Services				
40.	There is no labeling of the fixed assets and small tools due to malfunctions of the software used for labeling, which causes unconformities between the database and the classification groups. In the absence of a labeling of the fixed assets and small tools with a sole identification number, there is a risk of losing the asset/theft.	**Medium**	We recommend the customization of the software used such as to allow the labeling of each fixed asset or small tool.	**Implementation Responsible:** George Viorel Greceanu, Anghel Acasandri **Deadline:** Implemented November 2009 Ciel Contract for adapting the software so that it could be achieved the labeling for each fixed asset.	**Status as of December 31, 2009** **Implemented**
	General Directorate of Public Relations and Mass Media				
41.	We could not verify whether the information supplied ex officio based on Law no. 544/2001 has been published on the website of ANI as there is field "history" including this information regarding the year 2008. The failure to automatically publish the information of public interest leads to a violation of the relevant legal provisions.	**Major**	We recommend the implementation of a procedure for the purposes of MoPFO no. 946/2005, which should formalize the practical activity of DGRMPP. Also, we suggest that ANI should consider the introduction in the information menu on the ANI website of a field dedicated to the application of Law no. 544/2001, to include all the information provided by the law, as well as a history of the information of public interest which is published ex officio for the prior years of activity.	**Implementation Responsible:** Luana Moilat Implemented during 2009 by developing the operational procedures according to O.M.F.P no. 946/ 2005, corresponding to activities carried at Protocol and Communication Department level and of the Public Relations and Mass Media Department.	**Status as of December 31, 2009** **Implemented** We have evaluated the operational procedure regarding the applicability of law 144/ 2007. On ANI's website the information of public interest is published ex officio.

[57] This information is taken from the Action Plan and the recommendations implementation calendar certified by the Secretary general and approved by the President through the Note CAPI 265/18.02.2010

APPENDIX 6 List of documents analyzed during the evaluation of the information system

No	Type of document	Name of document
1	{M}	Services offer SC Daimon Tehn SRL
2	{M}	Note regarding the cancellation of on line communication, cancellation of the use of internet services regarding radio usage, download / storage / installation / games running and using the informational system for entertainment, music, movies or file sharing program execution.
3	{M}	Note regarding the rules to ensure the optimal function of the telephonic network and avoidance of the land line network blockage.
4	{M}	Note 86 / 04.05.2009
5	{M}	Note for substantiating the tender book for the acquisition of "Information system for electronic management of the documents, electronic archiving services, hosting Portal and associated services.
6	{M}	Substantiating memo regarding the implementation of a complex information system for archiving and electronic storage of the wealth and interests statements, integration of the information in a database, using intelligent applications to analyze and identify data, of a system to ensure random distribution of the causes, a system that permits publication of the wealth statements through the portal type technologies.
7	{M}	Note for substantiating the opportunity and necessity to launch the public acquisition procedure regarding "Information system for electronic management of the documents, electronic archiving services, hosting Portal and associated services".
8	{M}	Note for substantiating the attribution criteria and the minimum qualification requirements of the winning offer through "Open tender".

APPENDIX 7 Recommendations regarding information security

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the auditor

No.	Observation	Impact	Recommendation	ANI Response
1	The antivirus solution used by ANI is not installed on all relevant working stations. The process of updating the virus signatures is performed manually, by copying the definition files to an assigned location; there is no Internet connection to perform the Live Update service by the antivirus solution. When an antivirus solution is not installed on all computers, the system's management is unreliable, increasing the risk of a weak security configuration, the updates and other settings not being able to be implemented on time on all relevant working stations. In addition, the inefficient deployment can affect the confidentiality, integrity, availability and consistency of critical information stored by applications.	**Medium**	*STI may take into consideration the implementation of an antivirus solution in a consistent manner for all working stations in order to best protect the network against critical virus infections.* *We also recommend introducing all relevant computers in a centralized system of the antivirus solution to better manage the configuration and defined group policies; access to these settings should be restricted to normal users, rights to perform modifications being assigned only to network administrators.*	The recommendation will be implemented.
2	In Active Directory the screen saver options (time-out policy configuration) is not defined. If a working station is not protected by an efficient policy of logging off a user and requiring the authentication window upon his return, there is an increased risk of unauthorized access being obtained more easily. In addition, the user's confidentiality can be easily broken and critical data altered.	**Medium**	*STI may take into consideration the effective definition of the password policy at operating system level for users' working stations, by activating the option of blocking the screen saver through the authentication window when the computer is not used for a predefined period of time.*	For the public network the implementation will take place when the network will be functional. The document management application has the time out option activated and does not present the SSO (Single Sign-On),so that the documents inside the application cannot be

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No.	Observation	Impact	Recommendation	ANI Response
				accessible without retyping the password. Documents are not kept on the local station but only on the personal directory of the document management application. In this sense the use of terminal stations (Thin Client) in taken into consideration.
3	At Active Directory level, the password policy does not have enabled the settings of accounts lockout after a predefined number of failed attempts of introducing the password. If the password policy is not effectively defined, there is a risk of unauthorized access being more easily obtained by unauthorized individuals, others from the assigned personnel to an account, critical information being more easily alterable and stored information becoming thus unreliable.	**Medium**	*STI may take into consideration enforcing the account lockout policy's parameters of blocking an account after a predefined number of failed attempts of introducing a given password.* *Also, the password policy should be defined and approved by management in for all security parameters to be enabled as per its intentions.*	Two factors were taken into consideration: 1. For the moment there is no confidential information in the application; the application is going to be developed in the second phase in the way that it will include confidential information. When this will be the case, this type of security policy will be active. 2. Transition from an unsecured to a secured environment needs a period of accommodation for the users that need to get used to security policies

No.	Observation	Impact	Recommendation	ANI Response
				(including the complexity of the passwords);limitation of the attempts number might have as effect in the first phase limited access of authorized users but not familiar with the new structure. After the application will include confidential information, a functionality regarding the limitation of the password attempts will be activated (until then the users will have an accommodation period considering that the application is not currently used).

APPENDIX 8 Recommendations regarding the Regulation of the Organization and Functioning (ROF) of ANI

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the auditor

No	Observation	Impact	Recommendation	ANI Response
	President			
1	According to Art 33 para 3) of the ROF "During the practice of his tasks, the President of the Agency issues normative and individual directions and instructions". During the interviews with the President we understood that he is not authorized by law to issue normative directions, but only those directions necessary for the proper exercise of ANI's activity.	**Minor**	*We recommend the removal from the ROF of the "normative" enunciation, in order to eliminate any doubts regarding the nature of such directions.*	Article 33 from the ROF will be updated accordingly.

APPENDIX 8 Recommendations regarding the Regulation of the Organization and Functioning (ROF) of ANI (continuance)

No	Observation	Impact	Recommendation	ANI Response
	Secretary General			
2	According to stipulations included in Art. 46 of ROF, the Secretary General coordinates the activity of the Information Technology Division.	**Minor**	*Due to the fact that through the ANI President Order the chief of security structure has also attributions regarding the coordination of the Information Technology Division, we recommend the art 46 from ROF to include: „the chief of security structure coordinates the activity…." and not the person appointed at a moment in time in this function.*	According to the legislation regarding the classified information the security structure is directly subordinated to the management of the institution (art. 63 from ROF, art 41 para (2) from the law 182/2002), these provisions being followed by the organizational chart of ANI. Also, in accordance with HG 585/2002 through the order of the president the person appointed as chief of the security structure with operating attributions is the Secretary General who coordinates the activity specific to STI (art. 46 from ROF, art 29, para (4), art. 31 from HG 585/2002).
	Legal, control and Public Relations Directorate			
3	According to Art. 75 of ROF, DJCRP is coordinated by the Agency's Secretary General and is responsible for Legislation and Certification Division, Control Division, Litigation Division, and Public Relations and Mass Media Division. Art. 78 states that the DJCRP is under the responsibility of ANI's	**Minor**	*We recommend the update of the ROF by eliminating one of the two articles.*	The recommendation will be followed by eliminating art 75 and art 78 will become art 75.

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No	Observation	Impact	Recommendation	ANI Response
	Secretary General, and DJCRP is responsible for: Legislation and Certification Division, Control Division, Litigation Division, and Public Relations and Mass Media Division. These two articles are redundant, presenting exactly the same information.			

APPENDIX 8 Recommendations regarding the Regulation of the Organization and Functioning (ROF) of ANI (continuance)

No	Observation	Impact	Recommendation	ANI Response
	Legal, control and Public Relations Directorate			
4	According to Art. 81 letters a) and g) of ROF, the DJCRP has the following tasks: a) responds directly to the President, Vice-President and Secretary General of National Integrity Agency regarding the compliance and enforcement in a timely manner and in good conditions of all tasks with legal character or content in respect of ANI's activity; g) prepares any legal provisions relating to ANI's activity; We appreciate that the task described in letter g) could be included in the task presented in letter a).	**Minor**	*We propose the revision of letter g) of this article in ROF. We suggest including the provisions from letter g) in the provisions for letter a).*	The recommendation will be followed.
5	According to Art. 83 of ROF, the Control Department "performs administrative investigations, within the competences granted, with the approval of the President of National Integrity Agency, regarding the notifications sent to the Disciplinary Board, in respect of Agency's employees' activity". Administrative / disciplinary research is usually under the responsibility of the Disciplinary Board, set up for this particularly purpose by ANI management and, as such, this Department's employees may only have a supporting role for this type of activity.	**Medium**	*We propose a revision of this task or a presentation of its content in a more concise wording.*	The recommendation will be followed: the art 83 will be updated as follows: The Control Department may perform disciplinary investigation regarding the fact reported as disciplinary deviation of the public servant as per the Disciplinary Board based on the approval of ANI President.", in accordance with the art 30, 31 from H.G. 1344/2007.

APPENDIX 8 Recommendations regarding the Regulation of the Organization and Functioning (ROF) of ANI (continuance)

No	Observation	Impact	Recommendation	ANI Response
	Legal, control and Public Relations Directorate			
6	According to provisions included in Art. 83 of ROF, the Control Department "is responsible for the specific legislation knowledge and implementation in the field of activity". We consider these provisions to be too general and do not suggest who the recipients of the ultimate goal of the task are.	**Minor**	*We propose a revision of this task or of its wording so that the result and the manner of its realization are clear.*	The recommendation will be followed: art 83 from ROF will be updated :"is permanently in charge with knowledge and implementation of the law specific to this field of activity".
7	According to provisions included in Art. 86 of ROF, the Litigation Department has among its responsibilities: „dismisses the files for which final and irrevocable decisions exist or for which waiver reports for promoting ordinary/ extraordinary attack ways have been drawn up, through preparation of dismissing memos". Based upon the wording of this task, but also from the interviews with DJCRP Director, we understood that in fact this task refers to the archiving activity, for which we propose ROF's revision, but if the meaning of the task is a different one, we cannot determine that with clarity, this is the reason why we consider that a revision of this provision should be imposed.	**Medium**	*We propose the revision of the wording of this provision so that its exact sense is presented.*	The recommendation will be followed. The art 86 „dismisses the files for which final and irrevocable decisions exist or for which waiver reports for promoting ordinary/ extraordinary attack ways have been drawn up, through preparation of dismissing memos" will be updated.

APPENDIX 8 Recommendations regarding the Regulation of the Organization and Functioning (ROF) of ANI (continuance)

No	Observation	Impact	Recommendation	ANI Response
	Legal, control and Public Relations Directorate			
8	Following the reading of the provisions referring to CRPMM's tasks, part of DJCRP, we understood that, most of them overlap DCP's tasks described in Section 4 of ROF (Art. 73-74). During the audit we received ANI President Order no 704/27.04.2009 and we noted that starting 27.04.2009,in order to streamline ANI activity the following measures were taken: a) the roles of Communication and Protocol Division and the Public Relations and Mass Media Department stipulated in the job descriptions and the ROF of ANI to be jointly fulfilled by the personnel from the two structures, under the coordination of the DCP director or the DJCRP Director based on the situation. b) The carry out by an employee besides the current role of personal advisor of ANI, if necessary, the attributions common to DCP and CRPMM provided in the ROF in order to ensure a coherent and unique character to the ANI management public message, create and assess the public image of the institution, to realize internal, external and international communication activities and to release press materials c) Fulfilling of the roles by two employees besides the current roles described in the job descriptions, of the attributions common to DCP and CRPMM provided by the ROF, if necessary. d) Urgent change by DGORU of the job descriptions of the above mentioned personnel by adding to the current attributions the attribution common to DCP and CRPMM. e) Taking the necessary measures to compensate the overtime realized by the president cabinet, DCO, CRPMM and STI. f) Fulfilling the task regarding the secretariat of the National	**Major**	*We propose ROF to be updated regarding the sections 4 and 5, in conformity with the changes made thereafter to the two ANI Divisions tasks through the ANI President's Order 704/27.04.2009 and with the current practice.*	The recommendation will be implemented.

No	Observation	Impact	Recommendation	ANI Response
	Integrity Council in accordance with the art 38 para 4 of Law 144/2007 regarding the fulfilling of the attribution common to DCP and CRPMM by the above mentioned personnel.			
9	According to Art. 88, para 1, letter f) of ROF, one of CRPMM's tasks is "responsible, at Agency level, for preparing and organizing the activity related to individuals or entities to be granted audiences, through specialized divisions". From the above mentioned article appears that ANI's Directorates, through their directors, are involved in the granting audiences' procedure. But this is a prerogative of the President, Vice-President and Secretary General of the ANI.	**Major**	*We recommend ROF to be updated in order to eliminate the sense of the article that ANI's Directorates are involved in the granting audience procedure.*	The recommendation will be followed.

APPENDIX 8 Recommendations regarding the Regulation of the Organization and Functioning (ROF) of ANI (continuance)

No	Observation	Impact	Recommendation	ANI Response
	Integrity Inspectorate			
10	According to stipulations included in Art. 106 of ROF, amongst the tasks of the Integrity Inspectorate are the following: ➢ Following the verifications carried out, the Inspection of Integrity identifies that between the wealth gained during function exercise and the revenues collected during the period there is a notable difference that cannot be justified and refers the matter to the court to determine the part of the wealth gained or determined property acquired in an unjustified nature, of which the II requires the seizure; ➢ following the verifications carried out, the Inspection of Integrity identifies that there was a breach of laws regarding the conflict of interest; ➢ following the verifications carried out, the Inspection of Integrity identifies that there was a breach of laws regarding the incompatibility's regime. The wording of the presented paragraphs of Art. 106, limits the responsibility of the Integrity Inspectorate to the identification of the breach of laws regarding the conflict of interest, incompatibility's regime and existence of a notable difference between the wealth gained during function exercise and the revenues collected during the period. But it is not included the possibility of finding/identifying the conformity with the legal provisions regarding the conflict of interest, incompatibility's regime and existence of a notable difference between the wealth gained during function exercise and the revenues collected during the period.	**Minor**	*We recommend the modification of the Art. 106 paragraph so that from the logical flow to result the possibility of the Inspection of Integrity to issue the solution with regard to all the practical situations during the verification process.* *We suggest a possible modification as follows:* *w) in accordance with art 46 lit d from law 144/2007 "the verified person did not break the legal provisions regarding the unjustified wealth, conflict of interest or the incompatibilities regimen.*	We will follow the recommendation by updating ROF with the art w).

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APPENDIX 8 Recommendations regarding the Regulation of the Organization and Functioning (ROF) of ANI (continuance)

No	Observation	Impact	Recommendation	ANI Response
	Integrity Inspectorate			
11	References to Articles of Law 144/2007 in the ROF are not updated with the new numbering occurred after the Law update. Note for example that in the context of the latest law version Art. 6 became Art. 7.	**Minor**	*We recommend the update of the law 144/2007 articles references in all ROF's sections.*	The recommendation will be followed.
	DGORU			
12	Following the ROF analysis we noted the following, regarding the section referring to DGORU's activity: ➢ It is not mentioned the activity of ensuring the compliance with Law 144/2007 provisions; ➢ The consolidation of overtime status activity is mentioned as being under the responsibility of Organization and Human Resources services; in practice this activity is done by each Directorate.	**Minor**	*We recommend ROF's update according to the current work practice in DGORU.*	The recommendation will be followed.
	DGE			
13	According to the ROF approved by order 660/24.02.2009 we noted that amongst the tasks of the Financial Accounting Division are: ➢ Management and responsibility of Agency's patrimony; ➢ Ensures evidence, tracking, management and preservation of inventory items and fixed assets. These tasks should not be under the responsibility of the Financial Accounting Division. The Financial Accounting Division is responsible, in practice, for the ensuring of the institution's patrimony accounting evidence, not for its management. Following the interviews with DGE Director we were informed that there have been initiated steps to amend ROF's provisions regarding DGE tasks.	**Medium**	*We recommend changes to the provisions regarding the tasks of the Financial Accounting Function in accordance with the work practice and legislation in force regarding the Financial Accounting Division regarding ANI patrimony.*	The recommendation will be followed.

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APPENDIX 9 Law no 144/2007 – Pending legislation motions

Note: Through the audit process we identified opportunities for clarifying the Law 144/2007 that we suggest ANI to consider when proposing legal changes generated by the necessity to improve the current activity. These recommendations do not have impact on the conclusions of the present audit of ANI management for 2009.

No	Observation	Impact	Recommendation
1	According to the stipulations of Art. 5, para. 9 "The documents drawn up by the inspectors after the start of the verification procedure, without the prior notification of the verified person about the opening of the verification procedure, shall be null and void." Based upon the cases encountered in practice, and later confirmed by interviews with the directors, of both Integrity Inspectorate Division and DJCRP, we noted that there are many situations in which the moment of the notice (subject to acknowledgement) regarding the beginning of the verification process is being delayed by the verified person, even though ANI has taken due care required by law to do so (refusal to sign the acknowledgment of receipt). Moreover, the wording in the law allows several interpretations, which raises confusions regarding the meaning of moment of the commencement of verification notice (verified party has to sign or receive the actual envelope with the notice served returned to ANI or is it sufficient that ANI proves that has taken due care to report to the verified party the moment of the commencement of its verification).	**Major**	*In order not to unduly prolong the verification process, the integrity inspectors should be able to initiate certain verification procedures, under the sanction of relative nullity.* *We recommend the amendment of the provision regarding the documents being null and void as well as the possibility of finding a relative nullity raised by the interested party.* *Also, we consider that it is required for the provision of the law to be clearer in respect of the manner the verified person is being noticed about the commencement of the verification process, in order to avoid abusive situations on both sides.*
2	According to the stipulations of Art. 8, para. 1 "The integrity inspector may request, with the consent of the verified person, an expert's report, in order to clarify discrepancies between the amount declared and the real amount of assets mentioned in the declaration". Following the interviews held with the integrity inspectors we understood that there are situations in which expertise would be necessary to explain the case but, in the absence of the verified person's approval, who in many cases is not interested, cannot be initiated ex officio.	**Major**	*We suggest replacement of the wording "with the consent of the verified person" with the wording "with the noticed served to the verified person".*

APPENDIX 9 Law no 144/2007 – Pending legislation motions (continuance)

No	Observation	Impact	Recommendation
3	Art. 48, para. 2, states that: "Within 15 days from the date of the communication of the ascertaining report on the conflict of interests or on the state of incompatibility, the verified person may file an appeal before the administrative and fiscal section of the competent Court of Appeal. The judicial action is charge free. The provisions of the Law no.554/2004 on administrative litigation, with the subsequent amendments and completions shall apply accordingly." Following the interviews held with the employees of the Integrity Inspectorate we understood that in practice there are issues in interpreting the provision "Within 15 days from the date of the communication", due to the fact that it cannot be accurately determined whether the law refers to the moment when the verified person acknowledges the act or only the simple proof of sending the document by mail with return receipt. This provision of the law can lead to situations where the verified person in bad faith systematically refuses to receive the document or even if the person receives it doesn't open envelope presenting it to the court at a date later than the 15 days, mentioning that even though the document has been communicated the verified person did not acknowledge it.	**Major**	*To avoid situations in which the completion of the verification of the wealth/conflict of interest, incompatibility process is being delayed because of the bad faith of the verified person and, in order to eliminate the ambiguity created by the interpretation of the legal provisions, we propose to amend the law with a clear text. We suggest that the 15 days term flows from the date of the proof of ANI's communication of the ascertaining report on the conflict of interest or on the state of incompatibility.*

APPENDIX 9 Law no 144/2007 – Pending legislation motions (continuance)

No	Observation	Impact	Recommendation
4	According to Art. 17, para 2, of Law 144/2007: "Once assigned, cases may be reassigned only on a justified basis, in the following situations: a) impossibility to fulfill professional responsibilities for at least 20 days; b) at the justified request of the inspector responsible for the task; c) suspension from activity, under the law; d) incompatibility situation; e) conflict of interests; f) admission of the abstention declaration or the recusal request submitted by the inspector; g) abandonment of the case for more than 10 days." Following the interviews held with the Integrity Inspectorate General Director, we concluded that redistribution under para. g) is realized only if the case is unduly left not-worked for more than 10 days.	**Major**	*We propose to amend Art. 17, para. 2, letter g) of the law so that the 10 days term is calculated from the moment the case is left unjustifiably not-worked. It should also be indicated also whether the phrase refers to calendar days or working days.*
5	According to Art. 18, para 5, of Law 144/2007: "The staff of the Agency has the duty not to disclose data or information to which it had access, except when requested by the law. This prohibition shall continue to apply 5 years after the activity has ceased; non-compliance is sanctioned by the criminal law." This wording may cause confusion about the requirement related to non-disclosure of the information.	**Major**	*We propose to amend Art. 18, para. 5, in order to eliminate the confusion regarding the circumstances that allow the information to which ANI employees had access to be disclosed.*

APPENDIX 10 General recommendations related to operating procedures

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the Deloitte

No	Observation	Impact	Recommendation	ANI Responses
1	The performance indicators presented in the operating procedures are not measurable and the responsibility of their monitoring is not recorded. This observation applies to all existing ANI operating procedures in 2009.	**Major**	*We recommend that the performance indicators presented in the procedures to be formulated so as to have the following characteristics:* ➢ *To be specific to the activity they refer to;* ➢ *To be measurable, in order to objectively determine their degree of achievement ;* ➢ *To be achievable;* ➢ *To be relevant for the targeted activity;* ➢ *To be timely monitored to detect and correct any misconduct / poor performance.* *For a greater effectiveness of these indicators it should be specified in the procedures the responsibility of department performance monitoring correlated to these indicators.*	The ANI President order specifies the role to ensure the implementation of the operating procedures including the section referring to performance indicators. The recommendation will be followed.
2	We noted the lack of definitions under "Abbreviations and definitions" chapter, in procedures such as:[58]: PO 01/DGORU; PO 02/DGORU; PO 04/DGORU; PO 05/DGORU; PO 07/DGORU; PO 08/F/DGE; PO 14/C/DGE; PO 15/C/DGE; PO 6.4/F/DGE; PO 10/FDGE; PO-12/F/DGE; PO-9/F/DGE; PO-13/F/DGE; PO 07/ CAPI; PO 08/CAPI; PO 09/CAPI; PO 10/CAPI; PO 01/CP; PO 02/CP; PO 05/CP; PO 06/CP; PO-05/II (version 01); P - 09/II (version 02); PO - II/02(version 01); PO - 03/II (version 02); PO-02/CPM; PO-03/CPM; PO-04/CPM; PO-05/CPM.	**Minor**	*We recommend the update of the procedures with the missing information, and if the process is not applicable for some procedures this fact should be mentioned.*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.

[58] For procedures' titles please refer to Appendix 2.

APPENDIX 10 General recommendations related to operating procedures (continuance)

No	Observation	Impact	Recommendation	ANI Responses
3	We noted the lack of information under "Trigger event for procedural activity" chapter, in procedures such as: PO CRPMM-02; PO CRPMM-04; PO CRPMM-05; PO CRPMM 06; PO 02/R; PO 07/II (version 02); P 09/II (version 02).	**Minor**	*We recommend the update of the procedures with the missing information in the chapter "Trigger event for procedural activity".*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
4	We noted the lack of information under "Short description" chapter, in procedures such as: PO 09/CAPI; PO 02/R; PO 03/R; PO 04/R; PO 05/R; PO 06/R	**Minor**	*We recommend the update of the procedures with the missing information in the chapter "Short description".*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
5	We noted the lack of information under "Document entries" chapter, in procedures such as: PO- CRPMM-04; PO 04/DGORU; PO 01/R; PO 02/R; PO 03/R; PO 04/R; PO 05/R; PO 06/R	**Minor**	*We recommend the update of the procedures with the missing information in the chapter "Short description", and if the situation is not applicable for some procedures this fact should be mentioned.*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
6	We noted the lack of traces related to the persons responsible with the activities under "Main activities in chronological steps" chapter, in procedures such as: PO CRPMM-01; PO 04 DGORU; PO 09/DGORU; PO 6.4/F/DGE; PO-11/F/DGE; PO II/01 (version 01); PO II/02 (version 01); PO - 07/II (version 02); PO- 13/F/DGE, PO 14/C/DGE; PO15/C/DGE.	**Medium**	*We recommend the update of the procedures with the missing information in the chapter "Main activities in chronological steps".* *We also recommend that, in presenting the main activities of the processes described in the procedure, to be avoided the use of impersonal phrases like "it is checked", "it is communicated", etc., and to be replaced with wordings through which one can identify information regarding the person that initiates the activity, the result of the*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.

No	Observation	Impact	Recommendation	ANI Responses
			activity and the person who receives the result of the activity.	
7	Under "Events over the procedural activities" chapter we noted that, during the presentation of alternative actions, there are some procedures that do not explicitly mention the course of activities in each case. Amongst these procedures are: PO- CRPMM-03; PO- CRPMM 06; PODGORU 02; PO 04 DGORU; PO 05 DGORU; PO 06 DGORU; PO-9/F/DGE; PO 16.2/F/DGE; PO-11/F/DGE; PO 02/CAPI; PO 07/ CAPI; PO 08/CAPI; PO 09/CAPI; PO 10/CAPI; PO 01/R; PO 02/R; PO 03/R; PO 04/R; PO 05/R; PO 06/R; PO - 07/II (version 02).	**Medium**	*We recommend the explicit mention of the course of action in each case if alternative ways of action are presented during the procedural activity. Also, we recommend the avoidance of vague formulations like:" if the request is approved the procedure continues, if not the procedure ends".*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
8	We noted the lack of information under "Alternative activities in the business operating procedures" chapter, in procedures such as: PO- CRPMM-04; PO 04 DGORU; PO DGORU 05; PO 09/CAPI; PO 10/CAPI; PO 02/R; PO 03/R; PO 04/R; PO 05/R; PO 06/R; PO 03/CP; PO 04/CP; PO 11/II (version 01); PO-04/CPM	**Medium**	*We recommend the update of the procedures with the missing information in the chapter "Alternative activities in the business operating procedures", and if the situation is not applicable for some procedures this fact should be mentioned.*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
9	We noted the lack of information under "Outgoing documents" chapter, in procedures such as: PO 05/DGORU; PO 6.2/F/DGE; PO 01/R; PO 02/R; PO 03/R; PO 04/R; PO 05/R; PO 06/R.	**Minor**	*We recommend the update of the procedures with the missing information in the chapter "Outgoing documents", and if the situation is not applicable for some procedures this fact should be mentioned.*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
10	We noted the lack of information under "Rules/ Constraints" chapter, in procedures such as: PO- CRPMM-04; PO 04 DGORU; PO 05; PO 02/R; PO 03/R; PO 04/R; PO 05/R; PO 06/R; PO 05/CP; PO - II/01 (version 1); PO - 07/II (version 02); PO - 04/II (version 01); PO -09/II (version 02); PO-12/II.	**Major**	*We recommend the update of the procedures with the missing information in the chapter "Rules/ Constraints", and if the situation is not applicable for some procedures this fact should be mentioned.* *For a greater effectiveness, these rules should be specific and provided with deadlines, and there should be explicitly mentioned the person /*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.

No	Observation	Impact	Recommendation	ANI Responses
			division responsible for monitoring their compliance.	

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APPENDIX 10 General recommendations related to operating procedures (continuance)

No	Observation	Impact	Recommendation	ANI Responses
11	We noted the lack of information under "Connections with other activities" chapter, in procedures such as: PO- CRPMM-01; PO- CRPMM-03; PO- CRPMM-04; PO- CRPMM-05; PO- CRPMM 06; PO-DGORU 02; PO 04 DGORU; PO 05 DGORU; PO-DGORUI 01; PO 03/R; PO 03/CP; PO 04/CP; PO - II/02 (version 01)	**Medium**	*We recommend the update of the procedures with the missing information in the chapter "Connections with other activities", and if the situation is not applicable for some procedures this fact should be mentioned.*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
12	We noted the lack of information under "Human Resources involved" chapter, in procedures such as: PO 03/R; PO 02/CP; PO 04/CP.	**Medium**	*We recommend the update of the procedures with the missing information in the chapter "Human Resources involved".*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
13	We noted the lack of detailed information regarding the decisional factors, in procedures such as: PO- CRPMM-03; PO 03/R; PO 04/CP	**Medium**	*We recommend the update of the procedures with the missing information regarding the decision making factors.*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.
14	We noted that the procedures that refer to articles form Law 144/2007 do not have an updated article notation according to the Law republished.	**Minor**	*We recommend the update of articles from Law 144/2007 notation according to the republished Law.*	The recommendation will be followed. There are steps performed in order to improve the ANI Operating Procedures manual.

APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the Deloitte

No	Observation	Impact	Recommendation	ANI answer
	Observations regarding operating procedures			
1	The Integrity Inspectorate procedures do not present the management's responsibility to control and take actions to ensure that the verification process based on which the final solution is issued by ANI is compliant with the operating procedures and legislation in force. We reached to this conclusion based on the discussions carried on with DJCRP personnel, who represents ANI in Court, and with the Integrity Inspectorate Director who appreciated that based on practical activities control measures need to be improved.	**Major**	*We recommend specifying in the operating procedures the Integrity Inspectorate management obligation to monitor the conformity of the verification process with the provisions included in the operating procedures.* *The monitoring activity could include a component regarding the checking of compliance of the solution issued with the logic interpretation of the documents/ evidences managed throughout the verification process.* *This activity does not imply the Director's interference in the issuance of the final solution, but he must have the possibility to quash if there is an obvious illegality and / or lack of soundness in the verification process; if such case occurs the director should have the possibility to issue solution on his own behalf.*	„The PO03/II, pct 8.11 provides that the ascertaining reports are reviewed by the Integrity Inspectorate Director. The procedure must include the possibility of the General Director to squash the solutions without being considered interference. Through 2009 each ascertaining report was verified by the Integrity Inspectorate Director and the Deputy Integrity Inspectorate Director. There were no ascertaining reports annulled in Court because of the misclassifying facts realized by the verified person from the legal point of view.
2	In some procedures (e.g. procedure regarding the check of the wealth gained during the exertion of public position/dignity) there are used terms such as: "solid grounds" and "interested person"; the lack of a definition might leave room for different interpretations and leads to a less uniform practice in the Integrity Inspectorate.	**Minor**	*We recommend including the definition of the terms: „solid grounds" and „interested person" in all procedures where these terms are used.*	The recommendation will be followed. The term „solid grounds" is defined in art 68 Penal Procedure Code. The term „interested person" is mentioned in: - PO 03/II la point. 8.11

No	Observation	Impact	Recommendation	ANI answer
				- PO 05/II la point 8.25

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APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observations regarding operating procedures			
3	In the procedure referring to the publication on the ANI internet page of the ascertaining documents for the completed cases, it is mentioned that DCP communicates through an address to the Integrity Inspectorate the publication on ANI the internet page of the ascertaining reports for the completed cases, and the address is archived in the file as evidence of the fact that the publication was performed in 15 days. Based on the interviews we were informed that in practice such communication does not occur and that the integrity inspector is the one that confirms the publication by checking the ANI internet page.	**Medium**	*We recommend that the process regarding the monitoring of publication of the ascertaining reports for the completed cases to be realized in such a manner that allows evidence regarding the moment when the publication was performed. The possibility of a field where the posting date can be visualized could be taken into consideration.*	The recommendation will be followed. The publication of the ascertaining reports is described in the procedure PO 09 / II - the publication on the ANI internet page of the ascertaining documents for the completed cases.

APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observations regarding operating procedures			
4	In the procedure regarding the check of the wealth gained during the exertion of public position/dignity): a) There are no provisions regarding the activities that must be realized by the integrity inspector if in 10 days ANI does not receive the information in accordance with art 7 para. 1 from Law 144/2007; b) There are no provisions regarding the method of triggering the process to apply the art. 51 provisions from Law 144/2007. c) There are no provisions regarding the performance indicator referring to the cases left "not worked" without justification for more than 10 days; d) There are no provisions regarding the communication of the dismissing report issued in accordance with art 46 lit d to the verified person and the correspondent deadline; e) There is a provision that specifies that in 48 hours from the notification receipt the material competence must be checked and if the notification is out of ANI competence (wealth, conflict of interest, and incompatibilities) a memo should be prepared in order to decline the competence. The term "declination of competence" is not correctly used because the rule is that in order to decline the competence first you must be competent, or in this case we are obviously referring to notification of the competent authority.	**Medium**	*We recommend the procedure to be completed with information regarding:* *a) Activities performed by the integrity inspector if in 10 days ANI does not receive the information in accordance with art 7 para 1 from Law 144/2007;* *b) the method of triggering the process to apply the art. 51 provisions from Law 144/2007.* *c) the performance indicator referring to the cases left "not worked" without justification for more than 10 days;* *d) the communication of the dismissing report issued in accordance with art 46 lit d to the verified person and the correspondent deadline;* *e) replacing the term „declination of competence" with the term „notification of the competent authority based on art. 61 din O.G. 27/2002" in all the procedures where it is used.* *All these additions should be operated in all applicable operating procedures.*	(a) The recommendation will be followed. (b) The recommendation will be followed. (c) The performance indicators are mentioned in PO 07/II point. 8. 9, but we will consider including more indicators. (d) The point 8.31 of PO 03/II will be updated with the five days term. (e) The point 8.6 from the procedure PO 03/II will be updated in accordance with the recommendation. The recommendation will be followed.

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APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observations regarding operating procedures			
5	The procedure regarding the redistribution of the causes distributed to integrity inspectors is missing provisions regarding: ➢ Who and how realizes the integrity inspector's impossibility to exercise the duties ➢ Who and how ascertains the fact that a cause is „ not worked" without justification more than 10 days. ➢ How is the General director if Integrity Inspectorate notified that there is a cause similar as object and the necessity of connecting the causes; ➢ Who prepares the connection memo; ➢ Who analyzes and accepts the refrain statement; ➢ Under what circumstances is the impeachment request prepared.	**Medium**	*We recommend the missing information presented in the "Observations" column to be included in the procedure.*	The procedure PO 07/II will be updated with the provision that the Chief of division or the Director of the Integrity Inspectorate should issue a memo regarding acknowledgment of the fact that the cause is not worked without justification for more than 10 days. The recommendation will be followed.
6	In the operating procedures there is reference to the term „ self notification" which is not used in Law 144/2007.	**Minor**	*We recommend the term „ self notification" to be replaced with the term notification ex officio in all applicable operating procedures.*	The recommendation will be followed.

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APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observations regarding operating procedures			
7	The procedure related to the starting the action of ascertaining the absolute nullity of the legal acts and the request to the court to apply the complementary sanction regarding the forbidding of exercising any public function/ dignity except the elective ones for a 3 year period in case it is ascertained that the verified person had a conflict of interest and the procedure regarding the documents flow between the Integrity Inspectorate and DGJRP provide that: ➢ DJCRP monitors based on Integrity Inspectorate request the existence of any disputes raised in Court by the verified person, and the result is communicated through an address to Integrity Inspectorate. Based on the interviews we were communicated that the integrity inspectors are the ones that check the status of the ascertaining documents in Court.	**Minor**	*We recommend the operating procedure to be updated in accordance with the practice regarding the checking of the disputes raised by the verified person.* *The update should be operated also in the procedure regarding the documents flow between the Integrity Inspectorate and DGJRP and in all procedures that refer to it.*	Point 8.23 from the procedure P.O.10/II specifies that the Integrity Inspectorate verifies in 25 days from the communication if the verified person raised in Court a dispute in the legal term and communicates to DGJ in order to represent ANI in Court". The recommendation will be followed.
8	The procedure regarding the wealth check includes provisions regarding the check of the requirements from art 4. Law 144/2007 referring to the fact that the notification must contain the evidence and information based on which it is founded and the sources where they can be requested. In practice, there were situations when some notifications contained sufficient information related to the presumed deviation but did not indicate the evidence or the source from where they could be requested. We consider that the procedure should be completed with provisions regarding the possibility to contact the claimant in order to complete the notification with the missing information. We observed that this activity occurs in	**Minor**	*We recommend the procedure to be updated in accordance with the activities that are currently performed in ANI.*	The point 8.4 from PO 03/II specifies the check of the identity of the claimant (the claimant will be requested to communicate if he/ she maintains and acknowledges the data included in the claim). PO 04/II la pct. 8.3, 8.4, 8.5 8.3. "The claimant identity is checked (notification will be transmitted to the claimant in order to check if he/ she is the person that made the claim and if he/ she maintains and acknowledges the data included in the claim).

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No	Observation	Impact	Recommendation	ANI answer
	practice.			8.4. "the veracity of the claim is checked, if the claim is received through electronic means, through email correspondence and the claim in accordance with legal provisions is required to be transmitted through post" 8.5. "The dismissal act is issued in accordance with art.4 para.5 from the law no.144/2007 and art.7 from O.G. nr.27/2002, regarding the activity of solving the claims when the claimant cannot be identified or does not acknowledge the claim." The claimant is contacted when needed.

APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observation regarding the verified causes			
9	Based on the check performed on the sample of files we noted that in 115 cases although there was a difference greater the 10 days in the frequency of the documents existent in the file, the cause was not redistributed, in accordance with the art 39 from ROF. There were cases when the delay was caused by the fact that there was no answer to the addresses sent to different institutions, by the integrity inspector's workload or their unavailability.	**Medium**	*We recommend amendment of the working procedures with provisions regarding the monitoring of the causes „ not worked" in order to identify the cases where this situation occurs without a justification and take corrective actions.*	The point 8.9 from the PO 07/II will be updated. When judging the period a cause has not been worked for more than 10 days the objective factors that determined this situation will be taken into consideration.
10	Based on the check performed on the sample of files we noted that in 25 cases the files did not contain the ex officio notification memo based on which the ex officio notification report was prepared by the President. Based on the interviews had with the integrity inspectors we noted that the ex officio notification reports issued by the President were considered to be enough and that the existence of the ex officio notification memos was not necessary.	**Minor**	*We recommend the standardization of the practice related to archiving in the file the ex officio notification memos.* *We recommend the procedure to be updated with a provision regarding the necessity/lack of necessity of this document to exist in the file.*	The procedure will be updated with the provision that ex officio notification memo based on which the ex officio notification report was prepared by the President is not necessary to be archived in the file.
11	Based on the check performed on the sample of files we noted that in three cases when the notification were not in the area of competence of ANI the process was finalized by issuing the dismissing report. The Law 144/2007 does not refer to dismissing as a solution for this type of notifications; the solution mentioned in the law is to inform the competent authority regarding the notifications received.	**Medium**	*We recommend the implementation of a monitoring process over the soundness of the solutions in accordance with the law (please refer to recomendation1) and we consider that it should be analyzed the opportunity of communicating to the claimant the fact that the notification was sent to another competent institution.*	The recommendation will be followed.

APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observation regarding the verified causes			
12	Based on the check performed over the sample of files we noted that in 29 cases there was no correspondence with the National Inspectorate for Persons Records in order to verify the claimant's identity although this step is mandatory in the operating procedure.	**Minor**	*We recommend the implementation of a process regarding the analysis performed by the management of the Integrity inspectorate over the compliance with the operating procedures in order to standardize the practice or to change the operating procedure meaning that this check should be optional unless it is really necessary.*	The procedure will be updated with the specification that the correspondence with INEP is not mandatory and will be performed only when necessary.
13	Based on the check performed over the sample of files we noted that in 32 cases there was no evidence regarding the correspondence with the claimant to confirm the notification although this step appears to be mandatory according to the operating procedure. Based on the interviews had with the integrity inspectors we concluded that in some cases this step appears to be necessary.	**Medium**	*We recommend the implementation of a process regarding the analysis performed by the management over the soundness of the acts from the preliminary check in order to ensure a standardized practice or to analyze opportunity to change the operating procedure, in the sense that this check should be optional, unless it is really necessary in order to cover the possibility to issue an ex officio notification memo when, although the claimant does not acknowledge the notification, it contains enough information and evidence in order to start the verification procedure..*	The procedure will be updated with the specification that the correspondence with the claimant is not mandatory and will be realized only when it will be necessary.
14	Based on the check performed over the sample of files we noted that in 28 cases the files do not contain the document marking the end of the preliminary check. Based on the discussions with the integrity inspectors we noted that this phase is considered finalized through the issuance of "Note to inform the beginning of the verification process"	**Medium**	*We recommend the integrity inspectors to be trained in order to obtain a uniformity of the practice and avoid such irregularities in the future or to reanalyze the opportunity of such provisions in the procedure.*	The recommendation will be followed.

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APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observation regarding the verified causes			
15	Based on the verification performed over the sample of files we noted that in seven cases the phone calls with the verified person over the verification process were not recorded in minutes attached to the file as mentioned in the operating procedure. Based on the interviews with the integrity inspectors we concluded that there is no unitary practice regarding this aspect; some integrity inspectors do not consider that such action is opportune. In the absence of evidence regarding the communication with the verified person there is no proof that the verification was continuously performed without unjustified interruptions that, in accordance with the procedure might determine the necessity to redistribute the file.	**Minor**	*We recommend the integrity inspectors to be trained in order to obtain a uniformity of the practice and avoid such irregularities in the future.*	The recommendation will be followed.
16	Based on the check performed over the sample of files we noted that in one case the incompatibility was not checked through correspondence with the working place of the verified person as stated in the operating procedure.	**Medium**	*We recommend the integrity inspectors to be trained in order to standardize the practice and avoid such incompliance in the future.*	The procedure will be updated with the specification that the correspondence with the working place of the verified person is optional. This step is not mandatory because some notifications include all the necessary information.
17	Based on the check performed over the sample of files we noted that in four cases of incompatibility checks the personal interests' statement of the verified person – local elected representative was not requested by the integrity inspectors. This noncompliance could be identified and corrected through the verification of the legality and soundness of	**Medium**	*We recommend implementation of a monitoring process performed by the Integrity Inspectorate management regarding the legality and soundness of the activities in the verification process in order to prevent/ detect such deviations.*	The recommendation will be implemented. The procedure will be updated with: -the responsibility of the chief of division and Director to verify the soundness of the activities in the

No	Observation	Impact	Recommendation	ANI answer
	the verification process.			incompatibilities verification process. -This step is optional because the integrity inspector might already have this document from external sources.

APPENDIX 11 Recommendations regarding the activity of Integrity Inspectorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Observation regarding the verified causes			
18	Based on the verification of the sample of files we noted that in 27 cases related to wealth verification there was no correspondence with the Credits Bureau as required by the operating procedure. Based on the interviews with integrity inspectors we were informed that they did not consider such check to be opportune/ necessary in these specific cases.	**Medium**	*We recommend the Integrity Inspectorate to perform a review over these closed causes in order to conclude if the lack of this check has an impact on the soundness of the solutions. This kind of checks should be realized for the causes that are currently in progress.*	The procedure P.O 03/II Ia pct. 8 .23 provides that: 8.23. "The Public Finances Ministry , National Agency of Fiscal Administration, the Regulatory body regarding the collection of the budgetary receivables, the closed and open bank accounts of the verified person; after receiving the response, information regarding the currents accounts, deposits, credit accounts, balances, movements when the wealth statement is filled in are requested from each bank. Information on the account of the verified person that are closed during the verification are also requested.
19	Based on the verification of the sample of files we noted that in 12 cases we were not able to assess the completeness of the documentation sent to the Prosecuting office by comparison with the specifications from the Integrity inspectorate guide, because there was no summary list of the documents sent to the Prosecuting office attached to the file.	**Minor**	*We recommend the integrity inspectors to be trained in order to standardize the practice and avoid such incompliance in the future.*	The recommendation will be followed.

APPENDIX 12 Recommendations regarding the activity of Public Internal Audit Department

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the auditor

No	Observation	Impact	Recommendation	ANI answer
1	Based on the tests realized we noted that the Public Internal Audit Department staff is insufficient comparing to the correspondent activity volume. This was one of the reasons for modifying the Internal Audit plan three times in 2009. By excluding some areas from the initially approved plan. According to the Methodological Norms, the internal audit plan is modified based on legal or organizational changes that modify the degree of significance of certain operations, activities or actions of the system. Internal audit team unavailability for some planned engagements should not be reason to eliminate areas of the audit plan. One of the factors that impeded the remediation for this circumstance was that in 2009, because of budget restrictions, it was not possible to finance additional positions in ANI.	**Major**	*We recommend the staff from public Internal Audit Department to be supplemented in order to permit the activities to be realized in optimal conditions and the internal audit plan to be followed.*	The recommendation will be followed.
2	According to the Methodological Norms and the operating procedure regarding the disclosure of internal auditor's independence, before each audit mission the internal auditor must sign the impartiality statement which needs to be countersigned by the ANI president. Based on the checks performed, we noted that the impartiality statement signed by the internal auditor before the internal audit mission „Organization, planning and reporting regarding the activity of investment and public acquisitions in 2009" was not countersigned by the President. In the absence of a confirmation from the ANI President regarding the impartiality of the person assigned on the	**Medium**	*We recommend compliance with the methodological norms regarding the internal auditors' statement of independence.*	The recommendation will be followed. We mention that the assistant auditor who issued the document declares the independence without objections and without other aspects to communicate to the president, which reduces the impact of the lack of approval. -since the structure has been founded all the independence statements were approved by the President of ANI.

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No	Observation	Impact	Recommendation	ANI answer
	internal audit mission there is an increased risk that some impartiality circumstances go undetected with impact over the final result of the audit, contravening the public internal audit legislation.			- the document is a statement on own responsibility.
3	According to the Methodological Norms and the operating procedure regarding the evaluation of individual professional performances, the auditor must realize at least 15 days of professional development each year. Although the for CAPI personnel training activities were recorded in the „Training and professional development plan" because of the budget restrictions, the internal auditors did not attend any professional course during 2009. We noticed that there was a request sent by CAPI regarding attendance to classes to obtain European Computer Driving License but no answer was received from DGORU until the end of 2009.	**Major**	*We recommend ANI management to act in accordance with the legal provisions regarding the internal auditors' professional development.*	The recommendation will be followed.
4	Based on our evaluations we noted that the permanent file does not include the answers of the audited directorate to the report communicated through the address CAPI 212/17.11.2009. CAPI has requested the action plan and the implementation calendar regarding the recommendations through the address no 261/11.02.2010, revised by the General Secretary and the President. In the absence of a prompt answer (that includes action plans, responsible persons, and deadlines) from the management of the audited directorate to the recommendations issued by CAPI there is a high probability that the risks are materialized before the remediation actions are performed.	**Medium**	*We recommend the implementation of a strict monitoring process over the implementation calendar received from the audited directorate as response to the recommendations resulted after the internal audit engagement.* *We also recommend taking into consideration the possibility to include in the procedure a deadline for the response from the audited directorate regarding the action plan and implementation calendar, the responsibility of monitoring this term resting with the internal auditors.*	The audit plan for 2010 issued and approved in November 2009 and verified by the Deloitte team includes a follow-up mission in order to remedy these issues. Currently the mission regarding the follow up of implementation of the recommendations issued through previous counseling reports is finalized.

APPENDIX 12 Recommendations regarding the activity of Public Internal Audit Department (continuance)

No	Observation	Impact	Recommendation	ANI answer
5	According to the Methodological Norms and to the operating procedure regarding the public internal audit missions, CAPI must send a notification announcing the commencement of the internal audit engagement to the audited directorate. We noted that the service order and the audit commencement notification correspondent to the mission „Organization, planning and reporting regarding the activity of investment and public acquisitions in 2009" are dated July 21st 2009 and the opening meeting took place on July the 30th 2009 in incompliance with the 15 days term between the 2 phases of the audit engagement. If the provision regarding the period between the audit announcement notification and the opening meeting is not complied with, the audited structure might be unavailable or might delay the preparation of the information necessary for the audit.	**Medium**	*We recommend all the phases of the audit engagement to comply with the terms provided in the Methodological Norms and in the operating procedures regarding the notification of the audit commencement.*	The recommendation will be followed. We mention that: - since the structure was founded until the present date all notification comply with the 15 days provided by the methodological norms. - Although the notification was sent 10 days instead 15 days before the opening of the audit mission, this document is signed by the head of the audited structure confirming the receipt as an agreement over the reduction of the announcement period.

APPENDIX 12 Recommendations regarding the activity of Public Internal Audit Department (continuance)

No	Observation	Impact	Recommendation	ANI answer
6	According to the Methodological Norms the permanent audit file must be organized in four sections: ➢ section A- public internal audit report and appendix; ➢ section B - administrative (notification of the audit commencement, opening meeting minute, conciliation minute, correspondence with the audited structure); ➢ section C – public internal audit engagement documentation; ➢ section D – supervision and review of the engagement. Based on our verifications we noted that: ➢ the permanent file is not organized in the 4 sections provided in the Norms; ➢ the file does not contain section D- supervision; ➢ the working papers do not contain cross references with the supporting documentation obtained from the audited structure, making the review process very difficult.	**Minor**	*We recommend the permanent file to be organized in the four sections mentioned in the Methodological norms.* *We recommend the working papers to be cross referenced with the supporting documentation obtained from the audited structure.*	The recommendation will be followed.

APPENDIX 13 Recommendation regarding the activity of the Legal Control and Public Relations Directorate

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the auditor

No	Observation	Impact	Recommendation	ANI answer
1	Based on the interviews had we noted that the DGJRP staff is insufficient comparing to the correspondent activity volume of this structure which had a significant increase comparing to the previous year. In 2009 the Claim department had 705 active files in the entire country.	**Major**	*We recommend the supplementation of the DJCRP staff by hiring new personnel or reallocating the existent one in order to for the activities to be realized in optimal conditions.*	The recommendation will be followed.
2	Based on the information received as result of the interview had with the DJCRP Director, we noted that there still has not been implemented an automated evidence of the pending causes which make the monitoring in real time very difficult, leading to an increased risk of missing certain terms with undesired consequences over the final results of the legal actions that might have a negative impact on ANI image. The pending files are currently maintained in an xls. file.	**Major**	*We recommend the legal files to be managed in an integrated system module which allows monitoring of the terms, the status of the files and action in due time.*	D.J.C.R.P maintains in an xls file the Informative register regarding the legal files and the Terms register. The implementation in the information integrated system will be performed.

APPENDIX 13 Recommendation regarding the activity of the Legal Control and Public Relations Directorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Lack of operating procedures			
3	We noted that the following activities performed by DJCRP are not formalized in operating procedures, although they were considered in the process started by ANI: ➢ procedure regarding the issuance of orders related to DCJRP; ➢ procedure regarding certification of the documents issued by ANI directorates and departments; ➢ procedure regarding the archiving of the legal files and other acts regarding DCJRP activity; ➢ procedure that regulates the activity of Control department. The absence of procedures that formalize: information flow, relationship with other departments, responsibilities correspondent to these processes and performance indicators might lead to less standardized practices at DJCRP level and to the impossibility to objectively evaluate DJCRP activities.	**Medium**	*We recommend the formalization of the procedures that regulates DJCRP activity.*	The recommendation will be followed.

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APPENDIX 14 **Recommendations regarding the activity of Organization and Human Resources General Directorate**

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the auditor

No	Observation	Impact	Recommendation	ANI answer
Operative procedures				
1.	We noted that the following processes that occur inside DGORU have not been formalized in procedures during 2009, although they were considered in the procedures creation process started by ANI in 2009: ➢ Overtime approval; ➢ Cease of the labor report; ➢ Promotion process; ➢ The implementation of the Law 144/2007 provisions for ANI employees; ➢ Preparation and certification of the functions report; ➢ Preparation and maintenance of the professional files; ➢ Preparation and update of the job descriptions; ➢ Keeping the medical leaves; ➢ Granting the payroll and other personnel benefits; ➢ Monitoring compliance with the code of conduct. The absence of procedures that formalize: information flow, relationship with other departments, responsibilities correspondent to these processes and performance indicators might lead to less standardized practices at DGORU level and to the impossibility to objectively evaluate DGORU activities.	**Medium**	*We recommend the formalization of these procedures in order to ensure the standardization of these activities in DGORU, formalization of the documents flow and definition of the responsibilities and relationships with other departments.*	The relationship chart is presented in each job description. The operating procedures exist and are implemented but are in course of being formalized.
2	The procedure regarding the organization of the	**Medium**	*We recommend the modification of the*	The recommendation will be

No	Observation	Impact	Recommendation	ANI answer
	contest or exam to fill a contractual position in ANI provides that the administrative charge sheet is a document mandatory to be included in the professional file. This document is not mentioned as mandatory in HG 281/1993 regarding the remuneration of the personnel from the budgetary institutions as it is applicable only to the public servants.		*procedure in accordance with the legal provisions.*	followed.

APPENDIX 14 Recommendations regarding the activity of Organization and Human Resources General Directorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Conclusion regarding the detailed tests			
3	According to the procedure regarding the organization of the contest or exam to fill a contractual position in ANI „30 days before the contest is organized, the interested service/ directorate sends a request to organize a contest/ exam for a contractual position along with the bibliography and the topics that are acknowledged by DGORU and DGE and are approved by the President". For the contest organized in 2009 to fill in the driver position the request mentioned in the procedure was not considered necessary because it was generated by the Administrative service which is part of DGORU. The lack of this request is non-compliance with the procedure that could have been detected through a monitoring process over the completeness of the contest file performed by the DGORU Director.	**Medium**	*We recommend that the tests for occupying a contractual position to be performed in accordance with the compliance with the operating procedure regarding the organization of the contest or exam to fill a contractual position in ANI.* *We also recommend taking into consideration the possibility of including in the procedure DGORU Director's obligation to check the examt file regarding the conformity with the operating procedure provisions.*	The recommendation will be followed.
4	According to the procedure regarding the organization of the contest or exam to fill a contractual position in ANI and with HG 281/1993 regarding the remuneration of the personnel from the budgetary institutions, in 5 days from the date the position was published (for contest purposes) an address regarding the vacant positions must be communicated to AMOFM. We noted that no address was sent to AMOFM when the contest regarding the driver position was organized since it was not considered to be necessary. If the vacant positions are not communicated to AMOFM the access of eventual candidates is restricted.	**Medium**	*We recommend compliance with the legal provisions and the operating procedure related to the organization* of the contest or exam to fill a contractual position in ANI. *We also recommend taking into consideration the possibility of including in the procedure DGORU Director's obligation to check the exam file regarding the conformity with the operating procedure provisions and legal requirements.*	The recommendation will be followed.

APPENDIX 14 Recommendations regarding the activity of Organization and Human Resources General Directorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Conclusion regarding the detailed tests			
5	Based on the examination of the evaluation reports regarding the professional performances of ANI employees for a sample of employees we noted that the performance indicators do not comply with the specificity, measurability and timeliness criteria. The performance indicators included in the evaluation report of a debutant integrity inspector are: number of causes realized in due time, number of realized checks, number of solved notifications, number of expertise used, timely realization of the plan, number of notifications and solved causes, correctness of the reports, number of causes promoted in court and accepted. In these cases the indicators are presented as absolute values, while a relative presentation reported to the entire population would provide a real image over the performance of the evaluated person. (e.g.: number of causes solved in due time out of total number of causes; number of causes promoted in court and accepted out of total number of causes etc). The indicators, "timely realization of the plan" and „correctness of the reports", are not specific and measurable. The following indicators are included in the evaluation report for an IT expert: ANI site update, realize events without major technical incidents. issue strategies regarding data security politics optimal functioning of the computers, optimal functioning of IT software's configuration and installation of TCC equipments for Integrity Inspectorate.	**Major**	*We recommend the performance indicators included in the professional performances evaluation reports to be designed in order to meet the following criteria meant to ensure a high degree of objectivity and transparency in the evaluation process:* ➢ *To be specific to the activity that it refers to;* ➢ *To be measurable in order to be able to determine the realization degree in an objective manner;* ➢ *To be realizable;* ➢ *To be relevant to the evaluated activity;* ➢ *To be monitored in due time in order to detect and correct eventual deviations/ low performances.* *We recommend corroborating these indicators with the performance indicators mentioned in the operating procedures correspondent to each process in ANI.*	The recommendation will be followed.

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APPENDIX 14 Recommendations regarding the activity of Organization and Human Resources General Directorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Conclusion regarding the detailed tests			
5	The following performance indicators are included in the evaluation report for an employee from the vice-president office: realization of the executed performance standards, volume of works and activities; number of disputes/ claims received; quality of the rendered; undertaking responsibility. These indicators are not measurable, specific and timely. In the absence of performance indicators that meet the specificity, measurability and achievability criteria, there is a probability that the evaluation process lacks objectivity and transparency that might distort the final result.			

This is free translation of the Romanian version.

APPENDIX 15 Recommendations regarding the Economic General Directorate

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the auditor

No	Observation	Impact	Recommendation	ANI answer
	Operating procedures			
1	We noted that the following activities realized at DGE level are not formalized through operating procedures although they were considered in the process started by ANI: ➢ budget substantiation; ➢ substantiation and approval annual acquisitions program; ➢ substantiation and approval of the annual investment program; ➢ substantiation of the monthly credit necessities in order to request opening of budgetary credits; ➢ preparation of the substantiation notes regarding credits transfer; ➢ opening financing process for the investments approved through ANI budget; ➢ following the execution of the budget and proposing measures to follow the financial discipline. ➢ preparation of the payroll files, payment of payroll benefits; ➢ verification of travel settlement documents; ➢ reporting to the Ministry of Finance, Finance Administration or other authorities	**Medium**	*We recommend the formalization of these procedures in order to ensure the standardization of these activities in DGE, formalization of the documents flow and definition of the responsibilities and relationships with other departments.*	The recommendation will be followed.

APPENDIX 15 Recommendations regarding the Economic General Directorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Operating procedures			
	➢ maintaining the accounting records regarding the fixed assets, depreciation and materials consumption; ➢ maintaining the accounting records regarding the budgetary and legal credits and engagements; ➢ maintaining the accounting records regarding the material guaranties created in accordance with the law; ➢ maintaining the accounting records regarding the documents supporting the cash receipts and payments; ➢ maintaining the accounting records related to personnel payments and expenses; ➢ the preparation of the monthly, quarterly and annual Journal Ledger, GL files, Trial balances; ➢ preparation of the quarterly and annually financial statements of ANI; ➢ analysis and certification of the proposals regarding fixed assets cassation. There are no formalized procedures regarding the following processes related to the Investments and Public acquisitions service inside DGE: ➢ preparation of the adjustment documentation as part of the public acquisition procedures; ➢ public acquisitions- open tender. The absence of procedures that formalize: information flow, relationship with other departments, responsibilities correspondent to these processes and performance indicators might lead to less standardized practices at DGE level and to the impossibility to objectively evaluate DGE activities.			

This is free translation of the Romanian version.

APPENDIX 15 Recommendations regarding the Economic General Directorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Operating procedures			
2	The operating procedure related to public acquisitions through offer requests, although formalized requires improvements regarding specific provisions for each step: ➢ the method of evaluating the offers and establish the winning tenderer; ➢ the availability of the assignment documentation; ➢ assignment announcement;	**Medium**	We recommend the procedure to be updated with the information regarding: the method of evaluating the offers and establish the winning tenderer; the availability of the assignment documentation; assignment announcement.	The working procedure will be improved. We mention that the acquisition procedures performed by ANI were verified by the government authorities and certified as being compliant with the applicable legislation.
3	According to the legal provisions, the public acquisitions program must exist in a preliminary format until the end of the year. For 2009, the address through which the necessity memos were requested was sent to all ANI directorates on December 23rd 2008 and the answers were received until 20th of March 2009. We noted that the acquisitions program for 2010 was approved on December 10th 2009, in accordance with the legal provisions.	**Medium**	*We recommend compliance with all the deadlines provided by the law regarding the public acquisitions program preparation and the monitoring by DGE management of the circumstances that might delay these activities.*	The recommendation will be followed.

APPENDIX 15 Recommendations regarding the Economic General Directorate (continuance)

No	Observation	Impact	Recommendation	ANI answer
	Operating procedures			
4	Based on the verifications performed over the activity of payment reports preparation and the submission at State Treasury we noted the following: ➢ On November 25th 1000 RON was extracted in cash from the Treasury account through the CEC file 0460893. On November 26th 2009 the cash closing balance was 2442.78 RON. According to the legal provisions the unutilized cash should have been deposited in the Treasury account in three days, on November 30th 2009. Cash was withdrawn on December the 2nd 2009 through the file CEC TS 0460894. The reason why the unutilized cash was not deposited, was the existence of a protocol action related to the visit of Integrity Commission of the Republic of Iraq in the period 23-26.11.2009. The cash was blocked for settlement of the protocol expenses that was realized through the Settlement file no 182/09.12.2009- ➢ On February the 6th 2009, 900 RON amount was withdrawn from the Treasury account; on February the 6th 2009 there were made payments of 319.89 RON and the next payment was performed on February 19th 2009; according to the legal provisions the unutilized cash should have been deposited on February the 9th 2009. Incompliance with Cash rules might lead to an increased risk of cash miss utilization.	**Major**	*We recommend compliance with the legal provisions regarding the deposit of unutilized cash.* *We also recommend ANI to consider including in the procedure provisions regarding the obligation of DGE management to check compliance with the deadline for depositing the unutilized cash.*	The recommendation will be followed.

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APPENDIX 16 Recommendations regarding the activity of Communication and Protocol Direction

Note: A detailed action plan regarding the implementation of recommendations will be subsequently communicated to the auditor

No	Observation	Impact	Recommendation	ANI answer
	Operating procedures			
1	The elaboration of communication and other strategies specific to DCP activities is not formalized in an operating procedure although ANI considered this aspect as part of the formalization process started by ANI. The absence of procedures that formalize: information flow, relationship with other departments, responsibilities correspondent to these processes and performance indicators might lead to less standardized practices at DCP level and to the impossibility to objectively evaluate DCP activities.	**Medium**	*We recommend the formalization of the process regarding the elaboration of communication and other strategies specific to DCP activities.*	The recommendation will be followed.
2	The operating procedure regarding the press monitoring does not include information regarding: ➢ Monitoring frequency; ➢ Searching keys for the materials that are object of the monitoring; ➢ The frequency of the communication of the monitoring report; ➢ The communication methodology and the addressees of the press monitoring report.	**Medium**	*We recommend the amendment of the procedure regarding the press monitoring with information regarding:* ➢ *Monitoring frequency;* ➢ *Searching keys for the materials that are object of the monitoring;* ➢ *The frequency of the communication of the monitoring report;* ➢ *The communication methodology and the addressees of the press monitoring report.*	The recommendation will be followed.
3	The operating procedure regarding the implementation status for the measures that are in ANI's responsibility in order to comply with the Conditionality no 2 as part of the action plan for achievement of the benchmarks included in the progress cooperation and verification mechanism provides that the status monitoring reports are sent to the Ministry of Justice on monthly basis.	**Minor**	*We recommend the procedure to be updated in accordance with the practical activity.*	The procedure will be updated so that the fact that the reports are sent to the Ministry of Justice upon request is explicit.

No	Observation	Impact	Recommendation	ANI answer
	We noted that in practice these reports are sent to the Ministry of Justice only when requested. In 2009 the status was reported four times to the Ministry of Justice.			

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