

Critical Ecosystem Partnership Fund

Twelfth Meeting of the Donor Council
World Bank Headquarters, Washington, DC
20 November 2007
9 a.m. – 12 p.m.

Follow-up to Decisions Taken at the Eleventh Meeting of the Donor Council

**Outline of respective roles of CI, the Donor Council, and Working Group
in fiduciary management of the Fund**

Background:

During the Eleventh Meeting of the CEPF Donor Council, the Donor Council requested that the CEPF Secretariat prepare a short paper outlining the respective roles of CI, the Donor Council, and Working Group in fiduciary management of the Fund. This request specifically arose as a result of new Terms of Reference approved for the CEPF Donor Council for inclusion in the revised CEPF Operational Manual.

The CEPF Secretariat has prepared the attached table outlining these respective roles. The table does not include the CEPF Secretariat itself as its role in fiduciary management is extensive but rather, as directed, those bodies with oversight, as relevant.

Roles of CI, the Donor Council, and Working Group in Fiduciary Management of the Fund

Area	CI	CEPF Donor Council	CI's Board/Audit & Finance Committee
Annual Spending Plan	Reviewing and approving CEPF annual budget, monitoring budget-to-actual performance on a monthly basis.	Reviewing and approving each Annual Spending Plan of the Fund.	(Finance Committee) Reviewing and approving CI's Full Annual Budget, including CEPF, and expansion into new regions. Reviewing budget-to-actual performance on at least a quarterly basis.
Operational Manual	Reviewing and approving major changes to CEPF operational policy and providing guidance to CEPF Secretariat as needed.	Reviewing and approving amendments to the Operational Manual.	(Audit Committee) Approving CI's policies and procedures including CEPF.
		Reviewing and approving the procedures for procurement of goods and services, above the threshold amount set forth in the Operational Manual.	
Annual External Audit	Drafting audit terms of reference, contracting auditors, and managing audit process. Responding to management comments and following up on findings.	Reviewing and approving the auditors terms of reference and review of annual audit report.	(Audit Committee) Reviewing and approving terms of reference, scope, selection of auditors and final report. Ensuring Management effects any required corrective action.
CEPF Program Audit <i>(Economy and Efficiency)</i>	Reviewing and approving the terms of reference and the auditors. Responding to management comments and following up on findings.	Reviewing and approving the terms of reference and the auditors.	(CI Program Committee) Reviewing and approving the final audit report. Ensuring management effects any required corrective action.
Mid-Term Evaluation	Developing terms of reference in consultation with the Donor Council. Evaluating and effecting recommendations as appropriate.	Reviewing and approving the terms of reference and the evaluators. Reviewing final report.	(CI Program Committee) Reviewing final report and ensuring management effects any required corrective action. (Audit Committee) Ensuring management effects any required corrective action impacting management of funds, reporting, and internal control.