UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations

AUDIT

OF

UNDP COUNTRY OFFICE

IN

SUDAN

Report No. 1285

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Table of Contents

Report on the audit of UNDP Sudan
Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP Sudan (the Office) from 16 February to 6 March 2014. The audit aimed to assess the adequacy and effectiveness of the governance, risk management and control processes relating to the following areas and sub areas:

(a) governance and strategic management (organizational structure and delegations of authority, leadership, ethics and values, risk management, planning, monitoring and reporting, financial sustainability);

(b) United Nations system coordination (development activities, Resident Coordinator Office, Harmonized Approach to Cash Transfers);

(c) programme activities (programme management, partnerships and resource mobilization, project management); and

(d) operations (human resources, finance, procurement, information and communication technology, general administration, safety and security, asset management).

The audit covered the activities of the Office from 1 January to 31 December 2013. The Office recorded programme and management expenditures totalling $148 million. However, the audit did not include expenses funded from the Global Fund to Fight AIDS, Tuberculosis and Malaria amounting to $55 million, as this was covered in a separate audit (OAI Report No. 1245, 12 March 2014). The last audit of the Office was conducted by OAI in 2012 (OAI Report No. 1070) as a follow-up to the regular audit conducted in 2011.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Overall audit rating

OAI assessed the Office as **partially satisfactory**, which means "Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity." This rating was mainly due to long-outstanding advances not being cleared.

Good practice

The Office developed a Performance Dashboard to improve efficiency, information sharing and better monitoring of overall office performance. The dashboard summarizes key financial and managerial data, sets benchmarks and allows staff to view the office's performance ratings which help them in making office-related decisions.

Key recommendations: Total = **6**, high priority = **1**

For high (critical) priority recommendations, prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP. The high (critical) priority recommendation is presented below:

Long-outstanding advances not cleared (Issue 4)	The Office had long-outstanding staff advances amounting to \$0.45 million dating from 2004 to December 2011. Furthermore, project cash advances were not properly approved. The Office made 115 project cash advances during 2013, and experienced delays of up to 571 days in clearing these advances. The Office also experienced delays in clearing advances made to partners, such as NGOs. As at 31 December 2013, such advances amounting to \$4.9 million were outstanding for more than six months. Although the Office cleared \$3.3 million of these advances, approximately \$265,000 was outstanding for between 10 and 27 months and had not been liquidated. Recommendation: Comply with the 'Programme and Operations Policies and Procedures' pertaining to project cash advances by: (a) clearing advances within seven days after the last day of the project activities, as well as having them approved by the Deputy Country Director (Operations) or more senior managers; and (b) ensuring that advances to NGOs are liquidated in a timely manner. Also, OAI reiterates an unimplemented prior audit recommendation addressing staff advances.

Management comments and action plan

The Resident Representative accepted all of the recommendations and is in the process of implementing them. Comments and/or additional information provided had been incorporated in the report, where appropriate.

Issues with less significance (not included in this report) have been discussed directly with management and actions have been initiated to address them.

Helge S. Osttveiten
Director
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I. About the Office

The Office, located in Khartoum, Sudan, has seven field offices in El Fasher, El Geneina, Nyala, Kadugli, Abyei, Kassala and Ed Damazine. These field offices have both international professional and national staff with appropriate delegations of authority to implement the Office's activities. The Office delivers a broad spectrum of programmes, including typical Country Office programmes, Common Humanitarian Fund programmes, and Global Fund to Fight AIDS, Tuberculosis and Malaria activities. For the Common Humanitarian Fund programmes, the Office undertakes both the Managing Agent and Administrative Agent roles.

The Office operates in a challenging and complex environment given the security threats in some parts of the Country, which makes accessibility to some UNDP programmes difficult. Further, several countries imposed sanctions on the Country, which made it difficult for the Office to procure goods and services from these countries.

II. Good practice

The Office developed a Performance Dashboard to improve efficiency, information sharing and monitoring overall performance. The dashboard summarizes key financial and managerial data, sets benchmarks and allows staff to view the office performance ratings to enable informed decision-making.

III. Audit results

Satisfactory performance was noted in the following areas:

(a) Governance and strategic management. Adequate controls were established and functioning effectively in this area.
(b) United Nations system coordination. Key controls were operating effectively.
(c) Programme activities. The review of the programme activities did not result in any reportable issues. The resource mobilization and partnership strategies were found to be adequate.
(d) Operations. Generally, adequate controls were established and they were functioning effectively.

OAI proposes six recommendations that are ranked high (critical) and medium (important) priority. Low priority issues and recommendations were discussed directly and agreed with the Office and are not included in this report.

High priority recommendation:

(a) Comply with the 'Programme and Operations Policies and Procedures' pertaining to project cash advances (Recommendation 3).

Medium priority recommendations, arranged according to significance:

(a) Strengthen asset management controls (Recommendation 6).
(b) Tighten the controls in the project closure process (Recommendation 1).
(c) Strengthen the management of bank accounts (Recommendation 4).
(d) Comply with the 'Programme and Operations Policies and Procedures' in managing and administering individual contractors (Recommendation 5).
(e) Ensure that all staff complete the UNDP mandatory training courses (Recommendation 2).

The detailed assessment is presented below, per audit area:

A. Governance and Strategic Management

The Office had planned to conduct a four-phase strategic positioning exercise from March to December 2014 to more effectively deliver its programme mandate in the Country. This exercise involved refocusing and repositioning the programme portfolio and realigning the office structure, including its human resources.

The Office had 20 vacant positions at the time of the audit, including the Deputy Country Director (Programme) post. The Office informed OAI that these vacancies were due to various reasons, including the strategic positioning exercise and the pending approvals of the job descriptions of the vacant positions.

At the end of December 2013, the Office's financial sustainability appeared reasonable, with extrabudgetary reserves of 19 months and forecasted reserves of 16 months at the end of 2014. However, the results of the strategic positioning exercise could affect the final decision on the office structure and human resources, which in turn may affect the financial sustainability of the Office.

One issue was noted in this area as described below.

Issue 1 Government Contributions to Local Office Costs not fully collected

Host governments are required to contribute toward defraying the costs of Country Offices through Government Contributions to Local Office Costs. The UNDP Executive Board "encouraged all host country governments to meet their obligations towards local office costs."

As of the audit field work date, Government Contributions to Local Office Costs totalling $1.7 million had been outstanding since 2006. The Office had been following up regularly with the Government, but without success. Recent negotiations indicated that the Government wanted to settle part of the outstanding amount in local currency.

Comment

As attempts to recover amounts due from the Government are underway, OAI is not raising a recommendation. OAI encourages the Office to follow up closely since failure to collect Government Contributions to Local Office Costs in full could result in the loss of a valuable funding, which may impact the Office operations.

B. United Nations system coordination

OAI reviewed the annual reports submitted to the United Nations Development Operations Coordination Office, minutes of the United Nations Country Team meetings, the 2013 Resident Coordinator's Office Work Plan and joint United Nations initiatives and the financial sustainability of the Resident Coordinator's Office. The United Nations Development Operations Coordination Office increased the Resident Coordinator's Office resources from $113,000 to $540,000 from 2013 to 2014 to ensure adequate staff funding for the programme cycle. No exceptions were noted.

C. Programme activities

1. Programme management

In 2013, the Office's management, in consultation with the Regional Bureau for Arab States, initiated actions to improve the Office's effectiveness and sustainability, which included refocussing, repositioning and finalizing its programme portfolio. This was intended to result in a revised Country Programme Action Plan.

2. Partnership and resource mobilization

The 2013-2017 Country Programme Action Plan forecasts a delivery of $435 million during the period. As part of its financial sustainability and effectiveness plan, the Office developed an analysis that outlined the programme performance for 2013-2015, including programme delivery forecasts based on three scenarios: base, pessimistic and optimistic. The 2013 delivery figure of $135 million was within the "optimistic" range. Overall, the programme portfolio is expected to remain at the same level for 2014 and slightly decrease in 2015. The Office had undertaken steps to improve relationships with partners and donors, which included setting up an Oversight Support Division in 2013. The Office also identified concrete steps for resource mobilization and had adequate programme resources up to 2015.

3. Project management

As of February 2014, the Office had 54 projects with delivery of $135 million. This included 10 projects related to the Global Fund totalling $55 million, which were outside the scope of this audit (see second paragraph of the Executive Summary). The 54 projects did not include those related to the Sudan Common Humanitarian Fund. According to the 2013 interim report, the Fund worked with 154 different partners, including international and local NGOs and United Nations agencies. OAI reviewed a total of nine projects in detail, with cumulative expenditures of $21 million out of the total of $80 million in 2013.

Issue 2 Projects not closed in a timely manner

The 'Programme and Operations Policies and Procedures' stipulate that projects should be operationally closed once activities have been implemented and no new activities are planned. The operationally closed projects should then be financially closed within one year after operational closure.

According to information in Atlas, 65 projects were operationally closed between 2011 and 2013, but 58 of them were not financially closed within the stipulated one year after operational closure. The Office explained that of the 58 projects, 18 belonged to South Sudan after the 2012 separation. The Office had communicated with the South Sudan office about the need to clear the balances to enable the Office to financially close these projects. The South Sudan office indicated that the fund balances kept changing as a result of adjustments made at the Headquarters level; once this process was finalized, the projects would be financially closed.

Out of the remaining 40 projects, 2 had been closed since the audit fieldwork, and 8 were in the process of being closed. The remaining 30 included 7 projects that had been financially closed but had to be reopened at the request of Headquarters, in order to adjust outstanding balances.

Further, there were 121 projects with end dates ranging from 2004 and 2013 that were yet to be operationally closed. The Office stated that of these, 5 had been financially closed during audit field work, 16 had been reopened by Headquarters to make adjustments, and 14 were only completed in December 2013 and would be operationally closed in April 2014. Another 8 projects were under operational closure, and 69 were active projects with budgets extended to 2014.

A recent communication from the Bureau of Management dated 20 March 2014 raised the issue of project closure, particularly in relation to the 30 inactive cost-sharing projects (as part of the operationally closed projects above).

The Office risks unauthorized expenditures being charged to operationally closed projects but not yet financially closed.

Priority	Medium (Important)
Recommendation 1: Tighten the controls in the project closure process by ensuring that: (a) all operationally closed projects are financially closed within 12 months; (b) where donor balances are still maintained in operationally closed projects, the Office liaises with the Bureau of External Relations and Advocacy in clearing the outstanding balances; and (c) all projects that have ended are operationally closed.	
Management action plan: Management initiated actions to implement the recommendation and reported that 25 of the 30 inactive cost-sharing projects had been closed as of April 2014, while the remaining 5 projects pertained to and were being closed by the South Sudan office. Further, a task force was in the process of reviewing all Atlas data, including project end dates and closure status. The task force would close projects as appropriate. **Estimated completion date:** September 2014	

D. Operations

1. Human resources

OAI reviewed recruitment, staff separations, staff benefits as well as entitlement and leave management processes. As of the audit date, recruitment for 20 vacant positions was on hold due to factors such as the ongoing strategic positioning exercise and the need to obtain approvals of related job descriptions. OAI also noted that during the audit period the Office used Fast Track Procedures to recruit two staff members.

One weakness noted is discussed below:

Issue 3 UNDP mandatory training courses not completed

The 'Programme and Operations Policies and Procedures' require all staff to complete six UNDP mandatory courses that are important for understanding the various policies, regulations as well as the goals and objectives of the organization. At the time of the audit, the Office had 152 staff members, many of whom had not completed mandatory training, as follows:

- Ethics Training – 24 staff.
- The Gender Journey: Thinking Outside the Box – 18 staff.
- UNDP Programme for the Prevention of Harassment, Sexual Harassment and Abuse of Authority – 19 staff.
- UNDP Legal Framework: What Every Staff Should Know – 38 staff.

Not completing mandatory training courses may lead to staff members not being aware of important policies that are relevant to their roles and responsibilities.

Priority	Medium (Important)
Recommendation 2: Ensure that all staff members complete the UNDP mandatory training courses.	
Management action plan: Management directed that all unit heads would be responsible for ensuring that their staff members complete the mandatory training courses by the end of October 2014. **Estimated completion date:** October 2014	

2. Financial management

OAI reviewed 65 accounts payable vouchers amounting to $4.6 million, which represented 6 percent of all vouchers paid (based on dollar value) during the audit period. OAI also reviewed outstanding advances made to implementing partners or responsible parties under the national implementation and direct implementation modalities, project cash advances, bank reconciliations, petty cash and expense management.

Issue 4 Long-outstanding advances not cleared

There were several types of long-outstanding advances which were not adequately controlled and reconciled, as described below:

(a) Unreconciled staff advances

The 'Programme and Operations Policies and Procedures' require offices to approve advances to staff, record the recovery of these advances in Atlas, and reconcile them. However, the Office had long-outstanding staff advances which had not been reconciled since the launch of Atlas in 2004 (this issue was also covered in OAI's previous Audit Report No. 821 dated December 2011). At the time of audit field work, there were balances amounting to $40,000 and $54,000 in account code 14020 and 14035, respectively, which dated from 2004 to December 2011. Although the Office had assigned the task of reconciling these accounts to a staff member on detail assignment, reconciliation had not been completed at the time of the audit.

OAI noted the Office had been adequately recording and reconciling all staff advances made subsequent to December 2011.

As the recommendation made in Audit Report No.821 is still outstanding due to resource constraints, no further recommendation is being made, but OAI had brought this to the attention of the Office.

(b) Weak management of project cash advances

The 'Programme and Operations Policies and Procedures' state that the project cash advance is a one-time advance issued to a custodian for a specific one-time project activity. Such cash advances must be closed and fully accounted for within seven days after the last day of the project activity. Further, this guideline which has been in effect since 1 May 2013, states that the Treasurer delegates his/her authority to the Deputy Resident Representative (Operations) or a more senior manager for approving a single project cash advance of up to $25,000 per custodian, not exceeding two weeks. Prior to 1 May 2013, all project cash advances should have been approved by the Treasurer. However, the Office had not obtained the Treasurer's approval when issuing project cash advances prior to 1 May 2013. Further, the head of the Finance Unit was approving these requests for project cash advances, even though the Treasurer had only delegated his/her authority to the Deputy Resident Representative (Operations) or more senior managers. The Office had authorized 115 project cash advances (amounting to $385,000) during 2013. In 50 cases there were delays of up to 571 days in clearing the advances. In two of the nine project cash advances reviewed, the Office had used the advances for purposes other than those allowed for projects, such as for office repairs and motor vehicle maintenance costs.

If the advances are not monitored closely, there is a risk of misusing funds.

(c) Long-outstanding advances to NGOs

The 'Programme and Operations Policies and Procedures' require that advances given to responsible parties, such as NGOs, be monitored and corrective action taken for long-outstanding advances. As at 31 December 2013, advances amounting to $4.9 million were outstanding for more than six months from NGOs implementing activities for the Common Humanitarian Fund projects. The Office explained that it generally took between 9 to 12 months to clear these advances, since the process was time consuming given that there were 112 projects involving 63 NGOs in 2013. At the time of the audit field work, the Office had cleared $3.3 million of these advances. However, advances amounting to $265,000 that were between 10 to 27 months old had not been cleared due to pending documents from partners. The Office was working to resolve these advances.

Failure to recover long-outstanding advances can result in funds being idle and not used for programmatic activities.

Priority	High (Critical)
Recommendation 3: Comply with the 'Programme and Operations Policies and Procedures' pertaining to project cash advances by: (a) ensuring that advances are cleared within seven days after the last day of the project activities, as well as ensuring that the Deputy Country Director (Operations) or more senior managers approve these project cash advances; and (b) ensuring that advances to NGOs are liquidated in a timely manner.	
Management action plan: Management initiated actions to implement the recommendation and reported that a task team was working on a preliminary report that would be shared with Headquarters, on the basis of which the Office of Financial Resources Management would be sought to assist in reconciling these outstanding project cash advances. The Office will closely monitor project staff to promptly liquidate the advances within seven days, despite the existing logistical challenges in Sudan. **Estimated completion date:** December 2014	

Issue 5 Long-outstanding bank reconciliation item and delays in updating authorized bank signatories

The following weaknesses were noted in the Office's management of bank accounts:

(a) According to the 'Operational Guide of the Internal Control Framework for UNDP', bank reconciliations are important internal controls, and unreconciled amounts must be reviewed monthly to detect errors promptly and to reduce the risk of error or fraud. However, one item amounting to $450,000 remained unreconciled since April 2008. The Office explained that the amount related to an Atlas fund transfer through the UNDP Treasury that was erroneously cancelled in Atlas, and that the Office was not able to reconcile this item in the bank reconciliation statements. According to the Office, it was communicating with UNDP Treasury to resolve this issue.

If unreconciled items in the bank reconciliations are not resolved promptly, they may result in the risk of undetected fraud or misuse of funds.

(b) The Office did not inform the bank about changes to the authorized bank signatories in a timely manner. The field offices in Nyala and El Fasher only informed the bank about changes to the authorized signatories in December 2013 even though three staff members who were bank signatories had separated from service between August 2012 and September 2013. This exposed the Office to the risk of unauthorized transactions by staff members that were already separated from the Office.

Priority	Medium (Important)
Recommendation 4: Strengthen the management of bank accounts by: (a) liaising with the Office of Financial Resources Management to resolve the long-outstanding unreconciled item in the bank reconciliation statement; and (b) requesting banks to remove from the list of authorized bank signatories staff members that have separated from the Office.	
Management action plan: Management commented that it was s working closely with the Treasury Unit in Headquarters to identify the issue in regard to reconciliation. It further stated that all relevant bank signatories had been updated subsequent to the audit fieldwork. **Estimated completion date:** September 2014	

3. Procurement

The Office issued 2,120 purchase orders valued at $41.8 million during the audit period. OAI reviewed a sample of 58 procurement transactions valued at $3.3 million (or 8 percent of total procurement) to assess compliance with procurement and management of individual contracts. During the audit period, the Office applied Fast Track Procedures for 13 procurement cases (between $100,000 and $300,000). The Office also made use of one UN agency's Long Term Agreement.

OAI reviewed a sample of 12 out of 163 individual contractors hired in 2013 and noted the following weaknesses:

Issue 6 Weaknesses in managing individual contracts

- The 'Programme and Operations Policies and Procedures' require the most suitable offeror to be subjected to reference checks. There was no evidence that reference checks were conducted regarding seven individual contractors.

- The commencement of work and initiation of travel are not permitted before the individual contract is duly signed and executed by both UNDP and the individual contractor concerned. Engagement of individual contractors on a retroactive basis is not permitted. In the sample reviewed, four contracts were signed from 1 to 12 days after the contract commencement date.

- The 'Programme and Operations Policies and Procedures' require that a competitive selection process be undertaken for individual contractors when the value exceeds $5,000, and that a minimum of three qualified offers must be identified and evaluated. In regard to two individual contracts, best value for money may not have been achieved as only one candidate was proposed for selection and therefore only one financial proposal was considered. In both of these cases, more than two candidates had been short-listed as having met the required specifications in the request for proposal. However, the recruitment panel did not rank them or consider their financial proposals.

Priority	Medium (Important)

Recommendation 5:

Comply with the 'Programme and Operations Policies and Procedures' in managing and administering individual contractors by:

(a) performing reference checks when hiring individual contractors;
(b) ensuring that contracts are duly signed by both UNDP and the individual contractor before commencement of work; and
(c) ensuring the best value for money is obtained by evaluating proposals of candidates that meet the request for proposal specifications.

Management action plan:

Management commented that the recommendations have been implemented.

Estimated completion date: Not applicable

OAI Response:

OAI acknowledges the actions taken by management and will validate them in through a follow-up subsequent to the issue of this report.

4. Information and communication technology

OAI reviewed the structure of the Office's Information and Communication Technology Unit as well as hardware and software management, general systems security and disaster recovery mechanisms. The Office had submitted the Disaster Recovery Plan to the UNDP Office of Information Systems and Technology and it also successfully tested the Plan. The Office maintained weekly and monthly back-ups, and placed them in an off-site location. Generally controls were noted to be adequate and functioning effectively.

5. General administration

OAI reviewed general administration activities, including local and international travel (including nine travel vouchers amounting to $64,570), common premises, fuel management and vehicle management. Generally, controls were noted to be adequate and functioning effectively.

6. Safety and security

The Resident Representative was one of the three United Nations Designated Officials for Security in Sudan. The Office's approved security plan was based on a valid security risk assessment. The security plan was updated regularly, with the last update in March 2013, which was endorsed by the United Nations Department of Safety and Security in May 2013. During the period under review, the Security Management Team met monthly. OAI reviewed the security plan and the security risk assessment documents as well as the minutes of Security Management Team meetings held during the audit period. Generally, controls were noted to be adequate and functioning effectively.

7. Asset management

The Office reported assets amounting to $2.3 million as at 31 December 2013 in its year end certification to the Office of Financial Resources Management. These included all management assets and development project assets acquired after 1 January 2012. In addition to these assets, the Office also reported development project assets acquired before 1 January 2012 amounting to $11.4 million, which were controlled and used by the Office. OAI's review included physically verifying a sample of assets, assessing the controls established for managing and safeguarding assets, examining the process of asset disposals and ascertaining whether the Office maintained a complete record of assets in the Atlas Assets Register. The review highlighted control deficiencies, as discussed below.

Issue 7 Asset management deficiencies

(a) Physical verification reports not reconciled with Atlas reports

The 'Programme and Operations Policies and Procedures' state that development project assets that meet the use and control criteria but were procured before 1 January 2012 be physically verified and identified. It further states that these assets be tracked over a 3 year period outside of Atlas, using an excel template in Share Point maintained by the Administrative Services Division. Management assets and development assets procured after 1 January 2012 have to be verified biannually and the verification results uploaded to the Administrative Services Division's Share Point system. The Office undertook the physical verification of assets in December 2013. However, at the time of audit field work, due to staff constraints it had not completed the reconciliation between the physical verification reports and the In Service Report generated from the Atlas asset module.

(b) Absence of accurate asset location and serial numbers

The Office is required to state the exact location of assets in the Atlas assets module to assist in tracking and monitoring asset movements. However, the 2013 In Service Report contained very general location descriptions such as SDN10 (the Sudan business unit); and UNDP1. Also, the location description for all ICT equipment was SDNKRT129 (the Sudan Khartoum ICT unit). Eleven electronic asset items did not have their serial numbers in the 2013 In Service Report.

(c) Absence of asset tags on physical assets

According to the 'Programme and Operations Policies and Procedures,' all furniture and equipment that meet capitalization requirements should be tagged immediately upon receipt to facilitate oversight and control. However, during physical inspections of 20 assets, there were no tag numbers on the assets, increasing the risks of not being able to track and monitor asset movements. The Office advised that asset management software for issuing tags and tracking assets had been purchased.

The deficiencies discussed above may lead to the risk of the Office losing control of assets, resulting in financial losses for UNDP.

Priority	Medium (Important)
Recommendation 6: Strengthen asset management controls by: (a) completing the reconciliation between the physical verification reports and the In Service Report generated from the Atlas asset module; (b) documenting the exact location of assets in the In Service Report and ensuring that all assets have serial numbers; and (c) attaching clearly identifiable tags to all assets.	
Management action plan: Management started implementing the recommendation and reported that it had completed the physical verification and would complete the reconciliation by the end of June 2014. Management further indicated that subsequent to the audit field work, all asset locations had been updated in Atlas, and that the Office was working on asset tagging. **Estimated completion date:** End of June 2014	

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Definitions of audit terms - ratings and priorities

A. AUDIT RATINGS

- **Satisfactory** — Internal controls, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited entity.

- **Partially Satisfactory** — Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.

- **Unsatisfactory** — Internal controls, governance and risk management processes were either not established or not functioning well. The issues were such that the achievement of the overall objectives of the audited entity could be seriously compromised.

B. PRIORITIES OF AUDIT RECOMMENDATIONS

- **High (Critical)** — Prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP.

- **Medium (Important)** — Action is required to ensure that UNDP is not exposed to risks that are considered moderate. Failure to take action could contribute to negative consequences for UNDP.

- **Low** — Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the Office management, either during the exit meeting or through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are <u>not included in this report</u>.