



AUDIT

OF

UNDP SECURITY OFFICE

Report No. 2215

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Report on the Audit of UNDP Security Office Executive Summary

The objective of the audit was to review the governance, risk management and internal controls of the UNDP Security Office (the Office). The audit assessed the organizational structure, including roles and responsibilities; the design and effectiveness of controls for operational support and security services to the Regional Bureaux and Country Offices; and risk management practices at the Office.

The audit focused on three key areas:

1. Governance, including organizational structure, key processes, roles and responsibilities;
2. Security services, including the role of the Office in Headquarters and that of the Regional and Sub-Regional Security Advisors; and
3. Operations, including finance, human resources, procurement and travel.

The audit covered the period from 1 January 2019 to 31 March 2020. The Office recorded operational expenditures of \$6.5 million during the audit period. The Office has not been audited before, although an audit of the 'UNDP Safety and Security Function' was performed in 2010.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*. Due to the COVID-19 pandemic, the audit was conducted remotely. Scope limitations due to the nature of the remote audit related to the following activities:

- (a) A review of original supporting documentation could not be carried out, and therefore the audit team relied on scanned copies of documents provided by the Office for all audit areas reviewed.
- (b) Meetings with Office staff and personnel were carried out virtually, which limited the audit team's understanding of the Office's working environment.

Overall audit rating

OAI assessed the Security Office as **satisfactory**, which means, "The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area."

The audit did not result in any recommendations.

Low risk issues (not included in this report) have been discussed directly with management and actions have been initiated to address them.


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I. About the Office

The UNDP Security Office (the Office) is responsible for providing security risk management advice and support across UNDP (Headquarters, Regional Bureaux, Country Offices and projects) as a part of the overall United Nations Security Management System.

The Security Office of UNDP consists of two primary components:

1. The 'core' Headquarters component, which also includes regionally deployed capacity; and
2. A 'dynamic' country-level component, which includes cost-shared country level and project-level security personnel.

The focus of the audit was the 'core' component, which consists of 8 Headquarters staff, 1 regional-level staff based in New York, and an additional 13 regional-level staff based in the field. There was one position seconded to UNDSS in New York (vacant at the time of the audit) and two staff members supporting the UNDP Executive Office. The Country Office and project practitioners were made up of 92 personnel comprising 77 staff members, 14 service contract holders and 1 United Nations Volunteer.

Per the UNDP Security Framework of Accountability, the Office provides leadership, authoritative advice and direction in the formulation and implementation of, and compliance with, security-related policies, plans and all security matters to UNDP globally. The Office also maintains close coordination with the UN Department of Safety and Security (UNDSS) and other agencies, funds and programmes. Both UNDP and UNDSS are part of the United Nations Security Management System, in place to enable UN activities by effectively managing risk. UNDSS holds responsibility for the overall leadership of the United Nations Security Management System, whereas the UNDP Administrator is responsible for ensuring that the goals of the United Nations Security Management System are met within UNDP.

The regional staff facilitate the direct operationalization of the UN/UNDP security policies. A Regional Security Advisor is appointed to each region and is responsible for providing advice and support to their Regional Bureau and the UNDP Country Office in their area. The Regional Security Advisor is assisted by one or more Sub-Regional Security Specialists and Field Security Specialists. They can be deployed on support missions, Minimum Operating Security Standards (MOSS) evaluation/monitoring missions, surge capacity missions and crisis response missions, and are further supported by the Headquarters team.

Audit Methodology

The audit methodology included a review of documentation, interviews with Office staff and testing of a sample of transactions within procurement, finance and travel.

II. Audit results

Satisfactory performance was noted in the following areas:

- a) **Governance, including organizational structure, key processes, roles and responsibilities:** The Office had a documented governance structure that reflected its global

footprint as outlined in the UNDP Security Service Delivery Model. The audit team noted that all Atlas (enterprise resource planning system of UNDP) transactions and other operations were completed without an updated Delegation of Authority (DoA) and the only Internal Control Framework document available dated back to 2012. However, during the audit fieldwork, the Office updated its Internal Control Framework document, setting out roles and responsibilities aligned with the current profiles in Atlas.

- b) **Operations:** The operational activities of the Office, such as recruitment and procurement, were mostly provided by the Office of Human Resources and the Central Procurement Unit, respectively, while travel was managed internally through the Atlas Travel & Expense Module. As these areas were identified as low risk, the audit team performed limited sample testing in procurement, finance and travel. No issues were identified during testing, and therefore the audit team has not raised any audit issues or recommendations in this area.

The detailed assessment is presented below:

The Office was effective in developing policies and providing advice. In addition, the Office effectively carried out its role in supporting Country Offices across a range of areas from the implementation of security standards to support in the procurement of specialized safety and security equipment.

It was also noted that the Office had actively promoted safety and security mainstreaming in project design and management and had successfully worked with Bureau for Policy and Programme Support to develop policy requirements in this area. The audit team concluded that the Office had worked to promote safety and security mainstreaming effectively.

The audit team made the below observation:

Issue 1 Senior Country Office management not trained in safety and security procedures

As the officers responsible for safety and security of all UNDP staff/personnel in Country Offices, senior management should be up to date with safety and security requirements, supported through appropriate training. The UNDP Framework of Accountability for Security states that "UNDP Resident Representatives at the country level are accountable to the Secretary-General through the Administrator and the Regional Bureau director, for all matters related to the security of their personnel at the duty station." The framework sets out requirements for officers responsible for staff safety and security to receive adequate training to enable them to fulfil their roles.

Following the Resident Coordinator – Resident Representative delinking, a new group of senior managers joined the UNDP Country Offices, including some from outside the UN system.

Some of the newly appointed Resident Representatives and Deputy Resident Representatives had attended short sessions as part of an overall induction. The sessions on safety and security were organized by the Office (attended by 25 Resident Representatives in April 2019 and an additional 16 in May 2019) as part of the overall induction of these managers. This training served as a brief introduction instead of a multi-day training proposed by the Office.

In late 2019 and as a result of the training needs identified in a global client survey, the Office requested funding for a P3 training specialist position. The decision was deferred to a later date.

In early 2020, the Bureau for Management Services approved a proposal by the Office for the training of Resident Representatives; however, following this, the People Development Governance Group suggested the development of a virtual, rather than face-to-face course.

At the time of the audit, and due to the impact of COVID-19, a series of webinars were being developed to deliver some basic training to Resident Representatives and Deputy Resident Representatives until face-to-face sessions became possible. The delivery of the webinars started on 6 July 2020 and were expected to be completed by August 2020. There was no specific plan for further training beyond the webinars due to the uncertainties related to travel restrictions.

Without comprehensive safety & security training for Country Office senior management, there is a risk that senior management responsible for the safety & security of personnel will not be adequately prepared to deal with emergencies as well as day-to-day safety & security issues.

Comment:

Subsequent to the audit fieldwork, the Office confirmed the commencement of a series of webinars on Monday 6 July 2020. More than 40 participants from across the Country Offices, and Regional Bureaux, joined the UNDP Security Office Director, the Security Policy Specialist and the Security Training Specialist in a discussion on accountability and applicability. A total of nine online training sessions were planned between 6 July and 3 August 2020; these sessions would be recorded and posted on the Office's site to enable non-attendees to view later.

Initial discussions with the Talent Development Unit of the Office of Human Resources had begun, to consider ways of incorporating a more involved and sustainable approach toward security training for future cadres of Resident Representatives and Deputy Resident Representatives.

The plan to deliver a more comprehensive, multi-day, face-to-face training would be determined once travel restrictions were lifted.

Since the Office was already implementing the recommended actions, OAI has not made a recommendation.

Definitions of audit terms - ratings and priorities

A. AUDIT RATINGS

- **Satisfactory** The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.
- **Partially Satisfactory / Some Improvement Needed** The assessed governance arrangements, risk management practices and controls were generally established and functioning, but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.
- **Partially Satisfactory / Major Improvement Needed** The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
- **Unsatisfactory** The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.

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. Failure to take action could result in 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 not included in this report.