

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**ATLAS SYSTEM**

**Report No. 1163**

**Issue Date: 17 April 2014**

**(REDACTED)**

## Report on the audit of the Atlas system Executive Summary

The UNDP Office of Audit and Investigations (OAI), from 12 August to 27 September 2013, through KPMG, conducted an audit of the Atlas system (UNDP's Enterprise Resource Planning system). The audit aimed to assess the system's alignment to key areas of the UNDP internal control framework definition, business process controls, key reporting needs, and the IPSAS (International Public Sector Accounting Standards) Framework.

The review focused on: (a) application controls and security; (b) reporting and data reliability; (c) IPSAS and application configuration; (d) PeopleSoft interfaces; (e) database security; and (f) audit and monitoring tools. The last audit of the Atlas system was conducted by the United Nations Board of Auditors in 2012 and 2013 as part of the audit of financial statements of UNDP.

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

### Overall audit rating

OAI assessed the Atlas system 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 [REDACTED], granting of access to processing transactions to unauthorized users, and unauthorized users with add/update rights in the Atlas UNDP environment.

**Key recommendations:** Total =11, high priority = 3

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. All high (critical) priority recommendations are presented below:

[REDACTED]

[REDACTED]

[REDACTED]

Excessive access to transaction processing (Issue 2)

[REDACTED] had access rights for processing transactions within multiple modules of Atlas through application administration roles.

Recommendation: Lower risk relating to access to transaction processing by: (a) limiting general processing rights to business users and to a limited number of system administrators; and (b) restricting update/edit access of [REDACTED] to security maintenance pages, specifically to pages required to modify user profiles, roles, and permission lists.

██████████  
having access to UNDP  
environment (Issue 3)

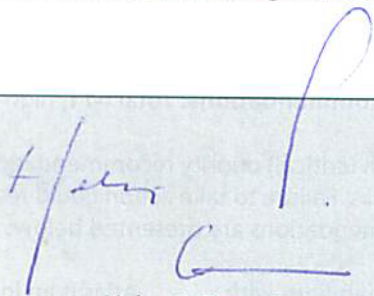
Users with add/update access had the ability to make unauthorized changes to UNDP configurations and chartfields outside of UNDP's change management system (PHIRE), which could lead to processing delays and possible financial misstatements.

Recommendation: Manage the risk of potential unauthorized access by ██████████ by: (a) defining explicitly in the change management policy the configurations which can be made outside of the PHIRE (UNDP's change management tool) process (all chartfields, changes to business units, etc.); (b) developing a mechanism to monitor UNDP configuration and chartfields that can be updated outside of UNDP's change management system on a periodic basis for accuracy; and (c) until the implementation of Oracle's Configuration Controls Governor, considering taking quarterly extracts of key configuration tables, comparing results with prior periods, and then checking change tickets for any discrepancies to ensure no unauthorized changes occurred.

#### Management comments and action plan

The Directors of the Office of Information Systems and Technology, Office of Financial Resources Management, and Office of Human Resources accepted the recommendations addressed to their respective offices and are 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.



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