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AUDIT

OF

UNDP COUNTRY OFFICE

IN

TOGO

Report No. 1496
Issue Date: 17 December 2015

Report on the Audit of UNDP Togo Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP Togo (the Office) from 7 to 18 September 2015. 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 (leadership/ethics and values, financial sustainability);
- (b) United Nations system coordination (Resident Coordinator Office, Harmonized Approach to Cash Transfers [HACT]);
- (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).

The audit covered the activities of the Office from 1 January 2014 to 30 June 2015. The Office recorded programme and management expenditures of \$14.4 million. The last audit of the Office was conducted by OAI 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 **satisfactory**, which means, "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."

Good practices

OAI received positive feedback on the leadership of the Resident Coordinator in bringing UN agencies together, and promoting a participative and collaborative working environment. In addition, the recovery of advances to implementing partners was diligently overseen and liquidated.

Key recommendations: Total = 6, high priority = 1

The total number of the recommendations aim to ensure the following: (a) achievement of the organization's strategic objectives (Recommendation 2); (b) reliability and integrity of financial and operational information (Recommendation 5); and (c) compliance with legislative mandates, regulations and rules, policies and procedures (Recommendations 1, 3, 4 and 6).

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:

Inadequate controls
over payments
(Issue 4)

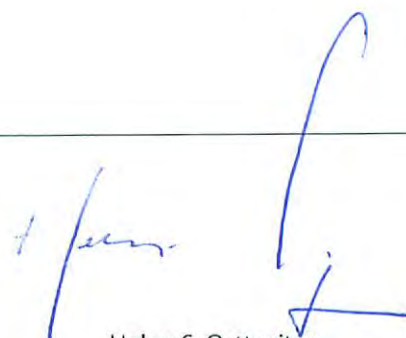
During the period under review, the Office processed 5,818 vouchers worth \$14.4 million. The review of 57 vouchers worth \$1.9 million noted that payments were raised in Atlas prior to receipt of goods and services, and that the controls over manually prepared disbursement letters were inadequate.

Recommendation: The Office should improve controls over payments by: (a) raising payments in Atlas only upon receipt of goods and services; and (b) ensuring that the payee payment details in Atlas match the details in the disbursement letter.

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.

A blue ink signature is written over a rectangular box. The signature is cursive and appears to read 'H. Ostveiten'. Below the signature, the name and title of the signatory are printed.

Helge S. Ostveiten
Director
Office of Audit and Investigations