



AUDIT

OF

UNDP COUNTRY OFFICE

IN

CHAD

Follow-up of OAI Report No. 1330 dated 28 August 2014

Report No. 1565
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(REDACTED)

Report on Follow-up Audit of UNDP Chad (Previous OAI Report No. 1330, 28 August 2014) Executive Summary

From 16 to 27 November 2015, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP) conducted an on-site follow-up audit of the UNDP Country Office in Chad (the Office). This on-site follow-up audit was undertaken, in addition to regular desk reviews, in view of the 'unsatisfactory' audit rating assigned by OAI in Report No. 1330 dated 28 August 2014. The follow-up audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Audit scope and approach

The follow-up audit reviewed the implementation of 16 audit recommendations. OAI conducted appropriate tests of transactions and activities by the Office from 1 July 2014 to 30 September 2015 and interviewed management and staff concerned to determine whether the reported corrective actions were indeed implemented, as reported by the office in the Comprehensive Audit and Recommendation Database System (CARDS).

Audit results

Of the 16 audit recommendations, the Office had fully implemented 2, and initiated action on the remaining 14 recommendations. Some parts of the 14 recommendations were assessed by OAI as "implemented" (refer to Section I), resulting in an implementation rate of 57 percent as per CARDS after the follow up audit.

Out of the 14 recommendations assessed by OAI as in progress, 11 were high risk, with initial estimated completion dates overdue by 12 months in most of the cases. There is a concern that the lack of undertaking timely action increases the Office's exposure to high risks and may jeopardize the achievement of its objectives. Failure to take prompt actions to address the critical audit issues may result in major negative consequences for UNDP.

Implementation status	Number of recommendations	Recommendation Nos.
Implemented	2	5, 13
In progress	14	1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16
Not implemented	-	-
Withdrawn	-	-
Total	16	-

The detailed implementation status of the 16 recommendations has been updated by OAI in CARDS.

Section I summarizes the 14 recommendations that have yet to be fully implemented, including the parts that were assessed as implemented. OAI encourages the Office to continue to take appropriate actions to address these remaining recommendations. OAI will continue to monitor the progress of the implementation of these recommendations as and when updates are provided by the Office in CARDS.

Section II presents additional audit issues. While checking the implementation status of previous audit recommendations, OAI took note of an additional two audit issues pertaining to negative Global Staff Survey results not addressed and deficiencies in cash management.

The two recommendations, both ranked high priority, aim to ensure the following: (a) achievement of the organization's strategic objectives (Recommendation 1); (b) reliability and integrity of financial and operational information (Recommendation 2).

Management comments and action plan

The Resident Representative provided the revised implementation dates for the outstanding recommendations. He also accepted both new recommendations and is in the process of implementing them.

A blue ink signature of Antoine Khoury is written over a rectangular box. The signature is stylized and cursive.

Antoine Khoury
Officer-in-Charge
Office of Audit and Investigations