

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP COUNTRY OFFICE

IN

SUDAN

Report No. 1760
Issue Date: 26 April 2017

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 29 January to 9 February 2017. 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 (leadership, corporate direction, corporate oversight and assurance, corporate external relations and partnership);
- (b) programme (quality assurance process, programme/project design and implementation, knowledge management);
- (c) operations (financial resources management, ICT and general administrative management, procurement, human resources management, and staff and premises security); and
- (d) United Nations leadership and coordination.

The audit covered the activities of the Office from 1 January to 31 December 2016. Due to travel restrictions within the Country, the audit team could not conduct the planned field visits to sampled projects in Darfur. The Office recorded programme and management expenditures of \$155.8 million. The last audit of the Office was conducted by OAI in 2014.

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 / some improvement needed**, which means, "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." This rating was mainly due to weaknesses in programme/project design and implementation, financial resources management, general administrative management, procurement, human resources management, and United Nations leadership and coordination.

Good practices

Procurement/Receipt of goods. The Office developed an online tracking sheet to record the status of goods awaiting customs clearance. This provided up-to-date information on each stage of the customs clearance process that enabled staff to plan accordingly in the event of any clearance delays.

Programme/Monitoring. The Office designed the Indicator / Monitoring and Evaluation System (IMES), which was designed to support the monitoring of programmes and projects. This tool helped the Office consolidate programmatic information and keep track of any deviations as well as to monitor and report on the Integrated Results and Resources Framework.

Key recommendations: Total = 10, high priority = 1

The 10 recommendations aim to ensure the following:

Objectives	Recommendation No.	Priority Rating
Reliability and integrity of financial and operational information	2, 3, 4, 9, 10	Medium
Effectiveness and efficiency of operations	5, 6	Medium
Compliance with legislative mandates, regulations and rules, policies and procedures	1, 7	Medium
	8	High

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:

UNDP mandatory courses not completed (Issue 8)

UNDP mandatory training courses were not completed by staff and service contract holders. For example, 118 staff members and 121 service contract holders had not yet completed the Ethics and Integrity course. Furthermore, out of 288 personnel and consultants (162 staff members, 122 service contract holders and 4 individual contractors), 53 (18 percent) did not complete the Basic Security in the Field II course and 44 (15 percent) did not complete the Advanced Security in the Field course.

Recommendation: The Office should ensure the completion of mandatory training courses by: (a) including the pending mandatory courses as part of the staff learning goals in the Performance Management Development plans for better monitoring; and (b) preparing and following a timetable for staff to ensure completion of the training courses.

Implementation status of previous OAI audit recommendations: Report No. 1285, 2 May 2014.

Total recommendations: 6

Implemented: 6

Management comments and action plan

The Resident Representative accepted all 10 recommendations and is in the process of implementing them. Comments and/or additional information provided have 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. Ostveiten
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