



**AUDIT**

**OF**

**UNDP VENDOR MANAGEMENT**

**Follow-up of OAI Report No. 1602 Issued on 24 June 2016**

**Report No. 1905**  
**Issue Date: 13 December 2017**

**Report on Follow-up Audit of UNDP Vendor Management  
(Previous OAI Report No. 1602, 24 June 2016)  
Executive Summary**

From 13 to 17 November 2017, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP) conducted an on-site follow-up audit of UNDP vendor management under the purview of the Bureau for Management Services. 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. 1602 dated 24 June 2016. 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 six audit recommendations. OAI conducted appropriate tests of transactions and activities by the Bureau for Management Services (BMS) from 24 June 2016 to 17 November 2017 and interviewed management and staff of BMS, including staff from the Office of Sourcing and Operations (OSO), the Office of Financial Resources Management (OFRM) and the Office of Information Management and Technology Services (OIMT). The OAI determined the progress, as reported by the office in the Comprehensive Audit and Recommendation Database System (CARDS).

**Audit results**

Of the six audit recommendations, BMS had fully implemented three recommendations and initiated actions on three recommendations, resulting in an implementation rate of 75 percent, as per CARDS as at 13 December 2017. Significant progress had been made in addressing the outstanding recommendations, particularly those which required modifications to the Atlas enterprise resource planning system, and the development of IT tools and dashboards. The developed Vendor Management Workbench and Supplier of Interest Dashboard will facilitate the identification and resolution of issues in the vendor management process.

Implementation status	Number of recommendations	Recommendation Nos.
Implemented	3	1, 3, 4
In progress	3	2, 5, 6
Not implemented	-	-
Withdrawn	-	-
<b>Total</b>	<b>6</b>	

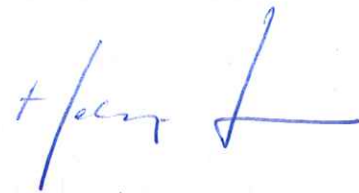
The detailed implementation status of the six recommendations has been updated by OAI in CARDS.

Section I summarizes the six recommendations that are implemented or are in progress. OAI encourages the office to continue to take appropriate actions to address the remaining recommendations. OAI will continue to monitor the progress of the implementation of the recommendations as and when updates are provided by the office in CARDS.

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### Management comments and action plan

The Director of the Bureau for Management Services provided the revised implementation dates for the outstanding recommendations.

A handwritten signature in blue ink, appearing to read 'H. Osttveiten', is enclosed in a black rectangular box.

Helge Osttveiten  
Director  
Office of Audit and Investigations