

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP HUMAN DEVELOPMENT REPORT OFFICE

Report No. 1997
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Report on the Audit of UNDP Human Development Report Office Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of the UNDP Human Development Report Office (the Office) from 11 to 19 June 2018. 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 (organizational structure and delegations of authority, risk management);
- (b) Country Offices and Regional Bureaux support;
- (c) programme/project management;
- (d) partnerships, resource mobilization, outreach; and
- (e) operations (financial resources management, human resources management, procurement, and general administrative management).

The audit covered the activities of the Office from 1 January to 31 December 2017. The Office recorded programme and management expenses of approximately \$5.5 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 “The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.”

Key recommendations: Total = 3, high priority = 1

The three recommendations aim to ensure the achievement of the organization’s strategic objectives and include actions to address the Office’s: mandate and positioning (Recommendation 1, high priority); the advocacy role (Recommendation 2, medium priority); and financial sustainability (Recommendation 3, medium priority).

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:

Office’s charter not established (Issue 1)

There was no approved charter that described the Office’s mission, authority, responsibility, independence, and funding, as was the case with other independent offices within UNDP (e.g., OAI and Independent Evaluation Office). The Office’s independence was only mentioned in several documents, like in the Corporate Accountability Framework, which listed the Office among the independent offices in UNDP, or in the UNDP-wide organigramme. Further, the Office was not a member of the Organizational Performance Group.

Recommendation: The Office should, in collaboration with the Executive Office and Bureau for Management Services, establish a charter which should include the Office’s purpose, structure, mission, and positioning within the organization. This charter should also address the Office’s participation in the Organizational Performance Group.

Management comments and action plan

The Director, Human Development Report Office, accepted all three recommendations and is in the process of implementing them. Comments and/or additional information provided have been incorporated in the report, where appropriate.

Low risk issues (not included in this report) have been discussed directly with management and actions have been initiated to address them.



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