



**AUDIT**

**OF**

**UNDP MULTI-PARTNER TRUST FUND OFFICE**

**Report No. 2211**

**Issue Date: 21 May 2020**

## Report on the Audit of UNDP Multi-Partner Trust Fund Office Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of the UNDP Multi-Partner Trust Fund Office (MPTF Office or the Office) from 24 February to 2 April 2020.

The objective of the audit was to review the governance, risk management and internal controls of MPTF Office. The audit assessed the organizational structure, including key workflow processes, roles and responsibilities; the design and effectiveness of controls for operational support and support to the United Nations agencies; and risk management practices at the MPTF Office.

The audit focussed on three key areas:

1. Governance, including organizational structure, key processes, roles and responsibilities.
2. Fund design and administration.
3. Operations, including finance, human resources, procurement and travel.

The audit covered the period 1 January 2018 to 31 December 2019. The Office recorded operational expenditure of approximately \$15.5 million during the audit period. This was the first audit of the Office.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

### Overall audit rating

OAI assessed the MPTF 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 = 1, high priority = 1

The recommendation aims to ensure compliance with legislative mandates, regulations, rules, policies and procedures.

For the high (critical) priority recommendation, 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:

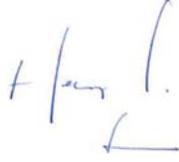
Delays in fund and project closure (Issue 1)	As at December 2019, UNDP had 1,320 projects with a project end date of 31 December 2019, for which activities were completed and awaiting closure. This represented 54 percent of the total projects awaiting closure.
--	---

**Recommendation:** The Bureau for Management Services, in coordination with the Regional Bureaux, should implement a time-bound action plan for closing outstanding projects in line with the ‘UNDP Programme and Operations Policies and Procedures’ (Recommendation 1).

### **Management comments and action plan**

The Assistant Administrator and Director of the Bureau for Management Services accepted the recommendation and is in the process of implementing it. 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.



Helge  
Ostveiten  
2020.05.21  
13:31:46 -04'00'

Helge S. Ostveiten  
Director  
Office of Audit and Investigations