



AUDIT

OF

UNDP COUNTRY OFFICE

IN

SOUTH SUDAN

Report No. 2224
Issue Date: 19 August 2020

Report on the Audit of UNDP South Sudan Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP South Sudan (the Office) from 27 May to 11 June 2020. 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
- (b) Development activities
- (c) Operations – procurement, finance, human resources, administrative services

The audit covered the activities of the Office from 1 January 2019 to 31 March 2020. The Office recorded programme and management expenses of approximately \$131.9 million. The last audit of the Office was conducted by OAI in 2018.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*. Due to the COVID-19 pandemic, the audit was conducted remotely. Due to the nature of the remote audit:

- (a) A review of original supporting documentation could not be carried out, and therefore the audit team relied on scanned copies of documents provided by the Office for all audit areas reviewed.
- (b) Meetings with Office staff and personnel were carried out virtually, which limited the audit team's understanding of the Office's working environment.
- (c) Meeting with counterparts were not conducted.
- (d) A physical verification of assets was not performed.
- (e) Safe and petty cash contents were not verified.
- (f) The information communication and technology (ITC) area was not reviewed on-site.

Overall audit rating

OAI assessed the Office's performance 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." This rating was mainly due to limited stakeholder participation in Country Programme oversight and inadequate capacity assessments of NGOs/CSOs.

The audit was conducted concurrently with the Global Fund audit. An issue of Direct Project Costs (DPC), which relates to the Office-wide controls was raised within the Global Fund audit report and is therefore not repeated herewith. Please see Global Fund Audit Report No. 2229, issued on 6 August 2020.

Key recommendations: Total = **2**, high priority = **0**

The audit did not result in any high (critical) priority recommendations. There are two medium (important) priority recommendations, which means "Action is required to ensure that UNDP is not exposed to risks. Failure to take action could result in negative consequences for UNDP.

The recommendations aim to ensure compliance with policies and procedures.

Implementation status of previous OAI audit recommendations: Report No. 1910, 19 April 2018.

Total recommendations: 2
Implemented: 2



Management comments and action plan

The Resident Representative accepted both 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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Helge Ostveiten

2020.08.19

09:44:08 -04'00'

Helge S. Ostveiten

Director

Office of Audit and Investigations