Management Response

Annual Report on

Internal Audit & Investigations

For the year ended 31 December 2015
OPENING REMARKS

UN-Women is pleased to present highlights of our management response to the report on internal audit and investigation activities for the year ended 31 December 2015.

UN-Women acknowledges the findings and recommendations received in 2015. We are pleased that this year’s UN-Women overall rating is Satisfactory.

UN-Women appreciates the recognition that the overall implementation rate of audit recommendations as at 31 December 2015 was 99 percent.
OVERSIGHT INCLUDES:
1. Independent oversight of all programme activities and organizational units
2. Results of oversight communicated to relevant and concerned parties
3. Management action taken to implement oversight recommendations
Assurance Coverage

Assurance coverage in 2015
Audit
- OAI: 20% of total expenditures
  - 6 field offices (ROs: Arab States, Asia and the Pacific, COs: Afghanistan, Georgia, Tanzania, DRC)
  - 3 headquarters functions (Training Centre, Procurement function, Travel management function)
  - 3 DIM projects (Kazakhstan, Sudan, Senegal)
- UNBoA:
  - 6 field offices (RO: Europe and Central Asia, COs: DRC, Mozambique, Nigeria, Pakistan, South Sudan)
  - Headquarters
- Global Auditors: 45% of total 2015 NGO, Gov’t, IGO project expenditures
  - Eighty-five projects with 234 partners

Investigation
- 18 Cases

Evaluation
- 2 corporate Joint Reviews and 12 UNDAF evaluations supported
UN-Women’s Three Lines of Defense

1st Line of Defense
- Control mechanisms
  - Functions that own and manage risks and Framework to implement controls
    - Internal control Framework
    - Delegation of Authority
    - Programme and Operation Manual
    - HQ, RO, CO line managers

2nd Line of Defense
- Function and Framework that oversee risks and controls
  - Results-based Management System (planning/budgeting processes)
  - Enterprise Risk Management
  - Safety and security
  - Business Continuity Management

3rd Line of Defense
- Functions providing independent assurance
  - Internal Audit
    - Audit of NIM/NGO Projects
    - Investigations
    - Independent Evaluation
    - Ethics

Executive Board

Audit Advisory Committee

Senior Management

Independent Assurance (Internal)

UNBoA External Audit

Joint Inspection Unit

Independent Assurance (External)
HEADQUARTERS AUDIT

Compliance audit of
Travel management function

Follow-up audit of
Procurement function, and
Training Centre in the Dominican Republic

Long outstanding recommendations
UN-Women Palestine Office Service Level Agreement
Grants Management System
Travel management function

Recommendations: Implement policies for greenhouse gas emissions; improve oversight and monitoring of travel activities; ensure compliance with travel policies; and improve processes and controls of daily subsistence allowance payments.

Actions:
- Adopted the United Nations Greening the Blue Policy
- Launched a dashboard tool
- Revision of POM Duty Travel Chapter to be finalized
- Economy class for all training related travel regardless of travel time
Follow up audits

Training Centre in Dominican Republic

Recommendations: a) Perform a detailed analysis of the Centre’s delivery ability, and b) maintain adequate funding for the Centre’s resource mobilization activities.

Actions:
- Review (ongoing) of the Training Centre’s operations and development of its global training strategy
- Determination of Training Centre’s mission, mandate, location and role
Follow up audits

**Procurement function**

*Recommendation:* Improve procurement and management of Special Service Agreements.

**Actions:**
- Adopted Individual Contract for services modality in lieu of SSAs
- Centralized management of non-staff contracts by OHR
- Review of policy and management of non-staff contracts
Long outstanding recommendations

Palestine Office Service Level Agreement

Recommendation: Sign a Service Level Agreement with UNDP to cover the operational support services.

Action:

Signed Service Level Agreement with UNDP Programme of Assistance to the Palestinian People Office
Grants Management System

Long outstanding recommendations

Recommendation: Perform an independent post-implementation review of all the system modules.

Actions:

Post implementation review (ongoing) of the Grants Management System (GMS)
FIELD OFFICES AUDIT

➤ High priority audit recommendations
  ▪ Programme delivery
  ▪ Regional Office functions
  ▪ Results-based management

➤ Corporate recommendations from field office audits
  ▪ Corporate tools and systems
  ▪ Non-standard clauses
  ▪ Gender mainstreaming
  ▪ Urgent and crisis-related projects

➤ Recurring recommendations
  ▪ Partner capacity assessment
  ▪ Long outstanding advances
  ▪ Donor reporting
  ▪ ICT standards compliance
High priority audit recommendations

Programme delivery

*Recommendation:* Identify and implement measures to maximize total programme delivery.

**Actions:**
- Implemented a planning and monitoring policy

Regional Office functions

*Recommendation:* Improve the ability of Regional Offices to efficiently and effectively function and strengthen the ability to meet its mandate.

**Actions:**
- Reviewed and issued *Regional Support Services* document
High priority audit recommendations cont’d

Results-based Management

*Recommendation:* Develop a corporate system that has the ability to produce standardized reports on activities and outputs in the Strategic Notes/Annual Work Plans.

*Actions:*
- Implemented *Results Management System*
Investigations

➢ Senior Management is committed to following through all investigation cases and to ensuring timely and decisive action in that regard.

➢ Senior management will continue to work closely with the Office of Audit and Investigations to ensure timely reports and relevant management action in all cases.
Thank You!

Q & A