Management Response to Annual Report on Internal Audit and Investigations Activities for the year ended 31 December 2019

Presented by:

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Deputy Executive Director for Normative Support and Programme Results
Summary of presentation

❖ Overview of Internal Audit Activities

❖ Management Response to IAS’s Overall Recommendations
  ✓ Statement of Internal Control
  ✓ Second Line of Defense

❖ Management Actions to Address Significant Internal Audit Results
  ✓ Management of Implementing Partners
  ✓ Programme and Project Management
  ✓ Travel Management
  ✓ Setting up and implementation of strategic priorities
  ✓ Capacity needed to implement strategic priorities
  ✓ Procurement Management
  ✓ Risk Management Process
  ✓ Other recurrent issues

❖ Status of prior years’ audit recommendations

❖ Response to Executive Board Decision 2019/3
  ✓ Recurring recommendations
  ✓ High priority and long outstanding recommendations

❖ Investigations Activities
Overview of Internal Audit Activities

“**No significant weaknesses were identified** in the Entity’s governance, risk management, and control processes that would seriously compromise the achievement of UN-Women’s strategic and operational objectives”

**Ratings for 13 Audit and Advisory Engagements**

- Satisfactory (4) 31%
- Some improvement needed (4) 23%
- Major improvement needed (2) 15%
- No rating - Advisory Engagement (3) 15%

**99%**

Prior Year Recs Implementation Rate

Above corporate target of **90%** for 5 years
Management Response to IAS’ Overall Audit Recommendation

UN-Women ongoing actions to consider pursuing effective preparation of relevant Statement of Internal Control

UN-Women 2.0 to have a strengthened Second Line of Defense with no-gap and no-overlap oversight roles at Regional Offices and Headquarters
Management of Implementing Partners

Management actions in progress to address audit recommendations

- Identify main Business Process Owner for clear accountability and effective Partner Management (HP)
- Identify and address gaps or duplications in policies and controls for partner management (HP)
- Establish standardized procedure to resolve audit findings of poor partner performance
- Improve partner performance monitoring with a Partner and Grants Agreement Management System
- Establish partner data protection framework under Information Security Policy (HP)
Programme and Project Management

Management actions implemented and in progress to address audit recommendations

- Ensure effective programme monitoring and timely project reports submission (HP)
- Design programme implementation and exit strategies to promote sustainability and national ownership (HP)
- Develop feasible and scalable projects with optimum results impact
- Develop project document template and appraisal checklist for efficient feasibility assessment of short-term funded projects (HP)
Travel Management

Management actions in progress to address audit recommendations

- Assess travel management function within available resources (HP)
- Update Duty Travel Policy (HP)
- Roll out Atlas Travel and Expense module for global use
Setting up and implementation of strategic priorities

Management actions implemented and in progress to address audit recommendations

- Ensure monitoring and evaluation framework in all programmes and projects (HP)

- Align donor’s funding with regional priorities through Gender Equality Bilateral Partners Group consultations (HP)

- Develop well-coordinated regional resource mobilization plan using the Responsible, Accountable, Consulted, Informed (RACI) model (HP)

- Clarify roles and responsibilities of Regional Office and establish appropriate UN-Women global footprint in the field (HP 3)

- Ensure Strategic Notes with clearly defined results matrix under the updated AWP Guidance Note following the rigorous mid-term review (HP2)
Capacity needed to implement strategic priorities

Management actions in progress to address audit recommendations

- Develop human resources strategy and recruitment plan that supports effective programme and project implementation (HP)
- Facilitate flexible and agile use of limited capacity resources at regional and priority country offices; Actualize the decentralization of policy guidance at Regional level (HP 2)
- Streamline protocols to expedite recruitment and on-boarding of new staff; Minimize staffing gap with effective succession plans
- Lead implementation of UN Country Team’s gender scorecard and gender & human rights training (HP)
- Ensure UN Country Team gender responsive UNSDCF (HP)
Procurement Management

Management actions implemented to address audit recommendations

- Streamline procurement process with E-Procurement platform (HP)
- Safeguard confidential procurement records
- Improve oversight of procurement activities through policies update training and certification program
Risk Management Process

Management actions in progress to address audit recommendations

- Reinforce embedding risk management practice in the annual work planning through an updated the Risk Management Policy
- Streamline protocols for timely and efficient risk communication and escalation
Other recurrent issues

**Management actions implemented and in progress to address recommendations and improve on compliance to policies and procedures**

<table>
<thead>
<tr>
<th>Internal control framework, fraud prevention and risk mitigation procedures</th>
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<tr>
<td>Increase staff’s understanding of control environment through training and enhance compliance monitoring and oversight (HP)</td>
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<table>
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<tr>
<th>HR policies and procedures</th>
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<td>Developed SOP checklist to ensure compliance to HR procedures</td>
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<tr>
<th>Asset recording</th>
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<td>Safeguarded assets with all non-capital assets tagged</td>
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<th>BCP and DRP testing</th>
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<tr>
<td>Completed testing of in-use Business Continuity and Disaster Recovery Plans (HP)</td>
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<th>Data protection management</th>
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<tr>
<td>Promote project data security by migrating into corporate cloud platform</td>
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Status of prior years’ audit recommendations

Implemented two out of three long-outstanding recommendations

- Effectively functioning Business Continuity and Disaster Recovery Plans under global health crisis
- Promulgated Resource Mobilization Partnership Policy
- On going System improvement on mapping of Results Management System with Atlas

In-Progress

Implemented
Response to Executive Board Decision 2019/3

2018 Recurring issues and implementing partner related recommendations

All recurring issues and implementing partner related recommendations for 2018 are **Implemented**

Positive improvements of implementing recommendations related to Implementing Partners:

<table>
<thead>
<tr>
<th>Improvement</th>
<th>Implementation</th>
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<tr>
<td>Appropriate partnership or IP capacity development for sustainable projects towards national ownership</td>
<td>Increased assurance on proper use of project funding through improved advance liquidation review</td>
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<td>Minimized risks of not achieving programme results with rigorous IP capacity assessment</td>
<td>Efficient risk-based and focused programme monitoring included in MERP and AWP</td>
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<td>Correct contract modality and proper engagement, monitoring and reporting by third parties on activities carried out</td>
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Response to Executive Board Decision 2019/3

Implemented One long outstanding and three high-priority audit recommendations

Long outstanding recommendation

- Small Grants Policy and Procedure Promulgated

High Priority recommendations

- Synergized Private Sector resource mobilization strategy and clear roles and responsibilities
- Marked improvement in Gender Scorecard for gender equality and women empowerment
- Demonstrated continuity of business and agile operations amid global health crisis
Investigations Activities

UN-Women overall actions

• Leadership remains committed to ensure a positive and respectful workplace for all with support mechanisms in place.

• Workplace concerns dealt with in a holistic manner; systemic issues identified and roots causes of conflicts addressed.

• Transparency maintained with the 2019 Disciplinary Report; prompt and appropriate actions taken to implement the zero-tolerance policy in substantiated investigation cases disclosed.
# Investigations Activities

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<th>Strategy and Policy in place to promote ethical and respectful workplace</th>
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<td><strong>Inclusive Workplace Strategy</strong></td>
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<td>Internal campaign to promote diversity, inclusion and upholding the standards of conduct</td>
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<td>Team Culture Survey on UN-Women’s values and competencies</td>
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<td>Roll out the Respectful workplace Facilitator’s pilot program coordinated by the Ombudsman for Funds and Programmes</td>
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<td><strong>Updated Policy on Prevention of Harassment, Sexual Harassment, Discrimination and Abuse of Authority</strong></td>
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<td>Strengthened zero-tolerance approach to Sexual Harassment</td>
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<td>Victim-centered approach</td>
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<td>Clearly defined roles and responsibilities for Regional Directors, Heads of Office and Directors of Division on implementation of policy</td>
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Thank you!

Questions?