Management Response to the Report of the Board of Auditors

For the year ended 31 December 2019

Anna-Karin Jatfors, Director, a.i.
Strategy, Planning, Resources and Effectiveness Division
<table>
<thead>
<tr>
<th>2019 UNBOA AUDIT</th>
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<tr>
<td><strong>9th</strong></td>
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<td>consecutive unqualified audit opinion</td>
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<tr>
<td><strong>11</strong></td>
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<tr>
<td>recommendations issued</td>
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| **73%**          |
| Actions completed or assessed as implemented |
| Positive Impacts: |
| • Improved control in ICT user accounts |
| • Standardized process for validating and recording of partner project expenditures |
| • Streamlined workflow and certification of overtime claims |
| • Enhanced travel claim processing |

| **27%**          |
| Actions in progress |

HQ NY
Fiji MCO
Turkey CO
PRIOR YEARS’ AUDIT RECOMMENDATIONS

Implementation rate for prior years’ recommendations: 68% (increased from 38% in 2018)

Actions in progress:

• Reviewing capacity of Audit Coordination Unit as part of new division

• Assessing optimization of data linkage between Results Management System and ERP

• Providing additional clarifications on the revised procedure for the resolution of results from project partner audits

• Expanding the project template to include the procurement plan in project documents
Key improvements in governance, risk management, internal controls and accountability

**Governance & Accountability**
- Promulgated **Presence Governance Framework**
- Optimized **internal governance** through creation of the Business Review Committee and Strategy, Planning, Resources and Effectiveness Division

**Risk Management**
- Established **Risk Management Committee** to oversee the monitoring of risk management
- Improved ERM Policy to **sharpen focus on strengthening risk management** across UN-Women

**Internal Control**
- Updated the Internal Control Policy for **stronger control around procurement approvals**
- Strengthened the Second Line of **Defense** for improved financial and human resources management
EXECUTIVE BOARD DECISION 2020/2
Positive impact from implementing audit recommendations issued in 2018

92% implementation rate (11 out 12)

Procurement
• Added new system-based control for improved segregation of duties
• Strengthened procurement plan monitoring
• Timely review and closure of Purchase Orders with completed payments

Asset Management
• Improved monitoring and timely recording of capital assets through the use of electronic tagging system
• Established reliable non-capital asset lists

Partner Management
• Improved transparency in sample selection of project expenditures
• Increase partners’ financial management capacity through training
THANK YOU!