

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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Resilient nations.*

AUDIT

OF

UN WOMEN COUNTRY OFFICE

IN

LIBERIA

Report No. 1614
Issue Date: 8 February 2017
(REDACTED)

Table of Contents

| | |
|--|-----------|
| Executive Summary | i |
| I. About the Office | 1 |
| A. Programme activities | 2 |
| 1. Programme and project management | 2 |
| 2. Programme and project monitoring, reporting, oversight and evaluation | 3 |
| B. Operations | 5 |
| 1. Procurement and supply chain management | 5 |
| 2. General administration – Asset management | 7 |
| 3. Information and communication technology | 8 |
| 4. Safety and security | 11 |
| Definitions of audit terms - ratings and priorities | 13 |

Report on the Audit of UN Women Country Office in Liberia Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of the UN Women Country Office in Liberia (the Office) from 7 to 23 November 2016. 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 and strategic management (organizational structure and delegations of authority, leadership/ethics and values, risk management, planning, monitoring and reporting);
- (b) gender mainstreaming in development coordination
- (c) programme activities (programme and project management, partnerships and resource mobilization); and
- (d) operations (human resources, finance, procurement, information and communication technology, general administration, safety and security, UNDP support to office).

The audit covered the activities of the Office from 1 July 2015 to 31 August 2016. The Office recorded programme and management expenditures of approximately \$7.3 million. 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 Office as **partially satisfactory/major improvement needed**, which means, "The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area." This rating was mainly due to weaknesses in the areas of programme and project management, procurement and supply chain management, [REDACTED]

Key recommendations: Total = 7, high priority = 3

The seven recommendations aim to ensure the following:

| Objectives | Recommendation No. | Priority Rating |
|--|--------------------|-----------------|
| Effectiveness and efficiency of operations | 1 | Medium |
| | 2 | High |
| Compliance with legislative mandates, regulations and rules, policies and procedures | 4, 5, 6 | Medium |
| | 3, 7 | High |

For high (critical) priority recommendations, prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women. All high (critical) priority recommendations are presented below:

Corporate Issue¹: Lack of criteria and guidance on implementation of infrastructure-related programmes (Issue 2)

Within the framework of the UN Women Fund for Gender Equality Project (Women Economic Empowerment and Leadership: Market Women Take the Lead), an international non-governmental organization (grantee) was awarded \$3 million in December 2010 to construct a total of eight viable and safe market spaces and economically empower Liberian women. The audit noted that contrary to the standard requirements when selecting the implementing partners/grantees, no capacity assessment was performed, and that none of the Office's personnel responsible for the monitoring and oversight of the programme had any educational or professional background/experience in implementing construction works. Furthermore, no independent civil engineer was engaged by the Office to monitor site reports and assess the progress of the works, or identify shortcomings and suggest corrective measures. At the time of the audit fieldwork, 86 percent of the programme funds had already been spent with only one market functioning. As of October 2016, all of the activities on the remaining markets were idle, due to delays in the provision of land title ownership-related documents. In view of the fact that the remaining activities had been passed on to another United Nations agency, OAI is not making a recommendation in respect of this. However, this situation occurred due to the fact that there were no clearly established criteria and guidance at the corporate level to ensure that all Offices follow the correct policy when engaging in infrastructure projects.

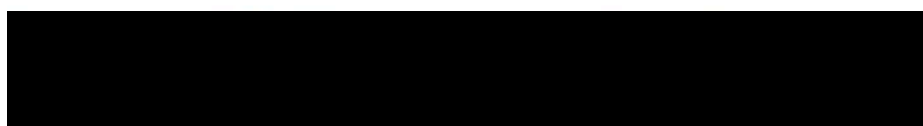
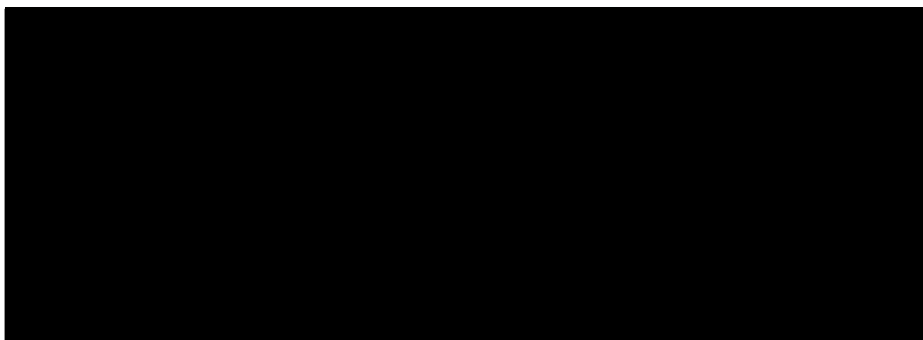
Recommendation 2: The UN Women Programme Division should develop detailed criteria and guidance for the implementation of the infrastructure-related programmes and projects, in order to ensure proper monitoring and oversight of such undertakings.

Non-compliance with procurement policy (Issue 3)

The audit team noted that 31 transactions amounting to \$0.26 million had purchase orders that were initiated only after the receipt of invoices. There were seven instances of direct contracting amounting to \$22,137 without proper justification for contracting the services. In addition, there were seven instances amounting to \$40,358 where the Office generated manual purchase orders that were not tracked in Atlas (enterprise resource planning system used by UN Women). In one case, the Office generated a manual purchase order amounting to \$28,000 for the provision of hall rental and catering services.

Recommendation 3: The Office should ensure compliance with the requirements of the procurement guidelines by: (a) undertaking hands-on and walk-through training on various financial and procurement processes with the assistance of the Headquarters finance and procurement teams; (b) complying with the requirements of direct contracting; and (c) reviewing the status of all contracts, agreements and procurement actions taken to ensure that they are all supported by purchase orders.

¹ "Corporate issue" means action is required from a Headquarters' bureau.



Management comments and action plan

The Country Representative of the UN Women Country Office in Liberia accepted all of the recommendations and is in the process of implementing them. Comments and/or additional information provided had been incorporated in the report, where appropriate.

Issues with less significance (not included in this report) have been discussed directly with management and actions have been initiated to address them.



Helge S. Osttveiten
Director
Office of Audit and Investigations

I. About the Office

The Office is located in Monrovia, Liberia. The Office identified the following five key priority programme areas: deployment of social safety nets;; implementation of economic stimulus programmes; financing the revised 7-year Health Investment Plan over the next two fiscal years to prioritize maternal and child health; support to Sexual and Gender-Based Violence (SGBV) response systems; strengthening the mental health support and psychosocial support systems; meeting revised education investment priorities in response to the crisis, and provision of incentive measures to ensure retention of girls and boys in school and support to Ebola orphans; and water, sanitation and hygiene (WASH) Ebola response and recovery implementation plan.

The Office was under the leadership of the Country Representative, who was granted a Delegation of Authority in August 2013. The Country Representative was assisted by the Deputy Representative and the Operations Manager. The Office had a total of 24 personnel, comprised of 6 fixed-term appointments (3 international and 3 local), and 18 posts under the service contract, United Nations Volunteers and Special Service Agreement modalities.

Audit results

Satisfactory performance was noted in the following areas:

- (a) Governance and strategic management. No reportable issues were noted.
- (b) Partnership and resource mobilization. No reportable issues were noted.
- (c) Financial management. No reportable issues were noted.
- (d) Human resource management. There were no issues reported.
- (e) Operational and support services provided by UNDP. UNDP Liberia provided support services for human resources and for the processing of payments. These Fees were recovered on a quarterly basis. No reportable issues were noted.

OAI made three recommendations ranked high (critical) and four recommendations ranked medium (important) priority.

Low priority issues/recommendations were discussed directly and agreed with the Office and are not included in this report.

High priority recommendations, arranged according to significance:

- (a) Develop detailed criteria and guidance for the implementation of the infrastructure-related programmes and projects (Recommendation 2).
- (b) Ensure compliance with the requirements of the procurement guidelines (Recommendation 3).

Medium priority recommendations, arranged according to significance:

- (a) Ensure that all personnel involved in the implementation of Joint Programmes are familiar with relevant programme documentation, rules, regulations and procedures, prior to programme initiation (Recommendation 1).
- (b) Improve the management of assets (Recommendation 4).

- (c) Develop and implement an action plan for achieving compliance with UN Women's Information and Communication Technology Standards (Recommendation 5).
- (d) Ensure proper backup of all critical data and test Business Continuity Plan (Recommendation 6).

The detailed assessment is presented below, per audit area:

A. Programme activities

1. Programme and project management

Issue 1 Corporate Issue: Lack of communication on procedures, policies, and rules on joint programming

As per the standard operating procedures and 'Guidance Note on Joint Programmes' issued by the United Nations Development Group, even before a Joint Programme Document has been signed, the participating United Nations organizations need to coordinate their start-up processes to maximize efficiency. The different processes and procedures of United Nations organizations and the different implementation modalities of organizations in a given country need to be taken into account when setting up realistic timeframes and work plans, as well as details on monitoring, reporting, evaluations, etc.

In December 2012, UN Women signed a Standard Administrative Arrangement for Multi-Donor Trust Funds and Joint Programmes using pass-through fund management together with the Global Initiative, which is implemented by six United Nations agencies in the Country. The programme aimed to build the capacities of national institutions and inform national policies/strategies on the provision of integrated reproductive, maternal, newborn, and child health services. The overall management of the UN Women component of the Joint Programme was assigned to the Headquarters Policy Unit. The audit team reviewed the component of the Joint Programme implemented in the Country (Project No. 864820) and met with the relevant personnel in the Office and the Headquarters Policy Unit. It was not clear if the Policy Unit had a detailed understanding of the Joint Programme implementation modality and if it had clarified processes and tools to all stakeholders involved. In addition, the audit team noted that there was a lack of knowledge on different monitoring and, in particular, financial reporting methodologies applied by UN Women and the United Nations agency assigned as the Administrative Agent². UN Women was unaware of these different modalities until two years after the Joint Programme was initiated. The lack of sufficient knowledge on financial reporting requirements created an impression that the project had more funding than it actually did. When this was finally clarified by the Administrative Agent, the Project Manager had to reduce the number of planned activities to be in line with the available budget.

As a result of the above, in the case of two implementing partners, financial resources were not made available to them as per the Project Cooperation Agreements signed with the Office, namely:

- One implementing partner received \$131,898 instead of \$189,097 as initially agreed, a decrease representing 31 percent of funds.
- The second implementing partner received \$140,000 instead of \$200,788, a decrease representing 29 percent of funds agreed to in the Project Cooperation Agreement.

² The Administrative Agent is accountable for the effective and impartial fiduciary management of the Joint Programme

Upon receiving information from Headquarters on the unavailability of funds previously committed to the Office, the implementing partners were requested to complete outstanding activities with the reduced funds and prepare final project reports. This resulted in several project activities not being completed as planned, such as implementation of the monitoring tools; support to community health workers to report gender-based violence cases; and collection and dissemination of lessons learned and human-interest stories.

The latest information as of February 2016 was that UN Women Headquarters was discussing with the Regional Directors on how to proceed with regards to the shortage of the project funds.

Not providing sufficient financial resources (as agreed to in the Project Cooperation Agreement) may lead to failure in delivering programme results as intended. It may also have an adverse impact on partnerships with civil society as well as on UN Women's reputation in the Country.

| | |
|---|--------------------|
| Priority | Medium (Important) |
| Recommendation 1: | |
| The UN Women Policy and Programme Division should ensure that all personnel involved in the implementation of Joint Programmes are familiar with relevant programme documentation, rules, regulations and procedures, prior to programme initiation. In case another United Nations agency is the Administrative Agent, UN Women personnel must ensure that both agencies are conversant with each other's programmatic and financial monitoring and reporting practices. | |
| Management action plan: | |
| The Policy and Programme Division will provide necessary guidance to its personnel on the implementation of the Joint Programmes, also in the event that another United Nations agency is the Administrative Agent. In addition, the Policy and Programme Division through the Policy and Programme Division Operation Group have started collaborating on such issues and are involving each division in the design and implementation of such Joint Programmes. | |
| Estimated completion date: December 2017 | |

2. Programme and project monitoring, reporting, oversight and evaluation

Issue 2 Corporate Issue: Lack of criteria and guidance on implementation of infrastructure-related programmes

The 'UN Women Programme and Operations Manual' requires that UN Women Representatives, Regional Directors, and Headquarters Section Chiefs be accountable for ensuring that all programmes have quality Programme Monitoring Framework and Monitoring and Evaluation and Reporting Plans, and that Programme Managers have the required capacities to see these carried out. Based on best practices, overseeing a project with significant infrastructure components would normally require technical capacity within the office or the engagement of an independent civil engineer who would monitor site reports and progress of the works.

Within the framework of the UN Women Fund for Gender Equality Project (Women Economic Empowerment and Leadership: Market Women Take the Lead), an international non-governmental organization (grantee) was awarded \$3 million in December 2010 to construct a total of eight viable and safe market spaces and

economically empower Liberian women. Construction activities intended to provide safe water and sanitation, storage facilities, and day care facilities. Upon receipt of the funds, the grantee established a local non-governmental organization, responsible for day-to-day project implementation. In 2015, the grantee communicated their intent to close the grantee organization, and only then an independent technical assessment was requested by the Office and conducted by another United Nations agency with the necessary expertise in the construction of related projects. The report, dated July 2015, indicated that the previous project implementation reports as prepared and submitted by the grantee were incorrect and misleading, both in terms of the level of completion, and of the quality assessment of the work performed. More specifically, the conclusion of the report was that “market structures were of poor and inadequate quality, some unfeasible to function, and even dangerous for people in and around them.” The report further concluded that the levels of completion were below what was previously reported by the local grantee. Following deliberations with the Government and other stakeholders on the continuation of the project, a decision was made to complete at least one market with the remaining funds and to use the completed market for further resource mobilization. A Memorandum of Understanding was signed in May 2016 with the specialized United Nations agency that had previously conducted the technical assessment of the completion of the works, for the remaining amount of \$418,784.

The audit noted that contrary to the standard requirements when selecting the implementing partners/grantees, no capacity assessment was performed (of either the international or local grantee), and that none of the Office’s personnel responsible for the monitoring and oversight of the programme had any educational or professional background/experience in implementing construction works. Furthermore, no independent civil engineer was engaged by the Office to monitor site reports and assess the progress of the works, or identify shortcomings and suggest corrective measures, if and when needed. At the time of the audit fieldwork, 86 percent of the programme funds had already been spent with only one market functioning. However, the roof construction of that functioning market was assessed by a team of independent civil engineers as dangerous for humans in and around, due to poor and inadequate structure quality. Even if the roof were repaired, the market would not have access to safe water and sanitation, storage facilities, day care facilities for children and health facilities, as planned by the programme. As of October 2016, all of the activities on the remaining markets were idle, due to delays in the provision of land title ownership-related documents. It was not clear why these documents had not been obtained back in 2010/2011 before the construction started, as this was a standard requirement for infrastructure works.

The Office’s management confirmed their intention to complete one existing market with the funds recently mobilized and to use it for fundraising for other similar market-related projects throughout the Country. In view of the fact that the remaining activities had been passed on to another United Nations agency, OAI is not making a recommendation to this respect.

The situation mentioned above occurred due to the fact that there were no clearly established criteria and guidance at the corporate level to ensure that all offices follow the correct policy when engaging in infrastructure projects. The existence of such corporate guidance would have enabled the Office to exercise adequate project monitoring and oversight through qualified and technically competent staff. In addition, funds would have been used as intended, and the risk of project funds being spent for the construction of only one incomplete market, instead of the eight originally planned, would have been avoided.

| | |
|---|-----------------|
| Priority | High (Critical) |
| Recommendation 2: | |
| The UN Women Programme Division should develop detailed criteria and guidance for the implementation of infrastructure-related programmes and projects, in order to ensure proper monitoring and oversight of such undertakings. | |
| Management action plan: | |
| UN Women is strengthening the programme management function in the Programme Division through the establishment of the Programme Support Management Unit to provide necessary support to programmes being implemented. In addition, the review process of the Programme Action Committee would be reviewed to ensure that criteria and guidance for the implementation of infrastructure-related programmes and projects is followed. | |
| Estimated completion date: September 2017 | |

B. Operations

1. Procurement and supply chain management

Issue 3 Non-compliance with corporate procurement policy

Article 24 of the 'UN Women Financial Regulations and Rules' specifies the key regulations and rules for procurement, types of procurement instruments and the evaluation mechanisms and priority of competitive tendering, while recognizing situations that may not be in the best interest of UN Women.

The audit team reviewed a sample of 108 transactions amounting to \$1.4 million and noted the following:

- 31 transactions amounting to \$0.26 million had purchase orders that were initiated after the receipt of the invoices. Subsequently, the Office did not accrue the outstanding payments to suppliers where the goods/services had been delivered/provided and received in Atlas since the purchase orders had not been generated before the delivery of the goods and services. Further, at the end of the financial year, the Office was not able to accrue the expenditures that would be paid in the subsequent financial year since the Office generated the purchase orders after the receipt of invoices.
- There were seven instances of direct contracting amounting to \$22,137 without proper justification for contracting the services.
- There were seven instances amounting to \$40,358 where the Office generated manual purchase orders that were not tracked in Atlas. In one of the seven cases, the Office generated a manual purchase order amounting to \$28,000 for the provision of hall rental and catering services. Further, the hall rental and caterings services was performed without complying with the UN Women procurement requirement that all procurements between \$5,000 and \$30,000 should be sent to a minimum of five bidders. Since these transactions were not being tracked in any tool, there was a risk that Office would be unable to track its commitments as they fall due.

As a mitigating measure, the Office's management sent out on 17 October 2016 an inter-office memorandum in regard to the need to comply with the corporate procurement policy.

The discrepancies mentioned above may have resulted from the lack of staff awareness of the UN Women corporate procurement rules and regulations.

Non-compliance with corporate procurement policy requirements may lead to the sub-optimal use of financial resources and possible misrepresentation of the Office's financial information. Moreover, there may be possible delays in payments to vendors and other stakeholders, which may lead to reputational risks.

| | |
|---|-----------------|
| Priority | High (Critical) |
| Recommendation 3: The Office should control compliance with the requirements of the procurement guidelines by: <ul style="list-style-type: none"> (a) undertaking hands-on and walk-through training on various financial and procurement processes with the assistance of the Headquarters finance and procurement teams; (b) complying with the requirements of direct contracting; and (c) reviewing the status of all contracts, agreements and procurement actions taken to ensure that they are all supported by purchase orders. | |
| Management action plan: <ul style="list-style-type: none"> (a) Hands-on briefing sessions have been organized during the months of December 2016 and January 2017 in order to introduce new templates for the accounts payable entry form and the voucher for reimbursement of expenses form. (b) Close oversight from the Operations Manager is in place for the procurement requesters, E-requisition approvers and buyers. A final 2017 list of trainings is being finalized in consultation with Regional Office for West and Central Africa and Headquarters (Finance Field Support and Procurement Sections) in order to cover all of the finance and procurement areas where weaknesses have been identified. The Office's buyer has also registered for the CIPS level 3 training in early October 2017. (c) During the year-end closure exercise, a close review was conducted to retrieve all the pending payments not supported by purchase orders in order to record them in the other accrual tables on SharePoint. | |
| Estimated completion date: February 2017 | |
| OAI Response OAI acknowledges the action taken by management; this will be reviewed at a later stage as part of the standard desk follow-up process of OAI. | |

2. General administration – Asset management

Issue 4 Weaknesses in management of assets

The asset management chapter of the 'UN Women Programme and Operations Manual' defines policies and procedures for the day-to-day management, use, and disposal of UN Women assets, as well as the requirement for offices to maintain accurate and current records and the security of assets.

The Office had a total of 97 assets with a net book value of \$241,856 (initial acquisition cost amounted to \$486,526) as at the date of the audit fieldwork. The following deficiencies were identified in the management and recording of assets:

- 10 assets with a net book value of \$11,670 (with an initial acquisition cost of \$21,612) did not have a clearly defined asset location.
- A fully depreciated old server which was decommissioned in April 2015 had not been listed for disposal during the biannual fixed assets verification exercises in June and December 2015. In addition, there were six decommissioned desktop computers, a desktop and three network printers which had been fully depreciated and were awaiting disposal.
- The ownership and maintenance of three generators purchased by UNDP in 2014 at a net book value of \$43,578 was not clear. The generators had been disposed of by UNDP to other United Nations agencies sharing the same premises. One of the United Nations agencies was their new custodian; however, all agencies had contributed towards their purchase, with the Office contributing \$8,267, while the maintenance contract was under the purview of the UNDP Country Office on a cost recovery basis. These generators were not recorded in any of the agencies' books as assets. In 2016, the Office relocated to new premises together with the three generators, which were not reflected in the Office's Assets In-Service Report. The UNDP Country Office's management had indicated that it would not be providing further maintenance support to these generators after December 2016. The Office had contacted the Headquarters Asset Management Focal Point to obtain guidance on how these generators should be presented in UN Women's books and on the issue of the generators' maintenance and refueling.

This situation was due to lack of oversight regarding compliance with the UN Women rules and procedures.

Lack of compliance with the asset management policies and procedures and incorrect allocation of assets may result in the loss of assets and/or inaccurate financial reporting of asset values, over statement of non-capitalized asset costs and understatement of depreciation.

| Priority | Medium (Important) |
|--|--------------------|
| Recommendation 4: The Office should improve its management of assets by: <ul style="list-style-type: none"> (a) engaging with the Asset Management Focal Point on the correct treatment of the three generators; (b) updating all asset locations in the Asset Module, and using the correct item codes from the procurement catalogue; and (c) disposing of old assets in line with the assets management chapter of the 'UN Women Programme and Operations Manual'. | |

Management action plan:

- (a) The Office has contacted the Asset Management Focal Point at UN Women Headquarters on the treatment of the three generators and it was agreed that the Office will register the three generators under the Office's in-service assets based on the amount that the Office paid for during the acquisition of the generators. The amount paid will be apportioned to the three generators.
- (b) All asset locations have been clearly defined. A training session on the creation of E-Requisition has been included in the 2017 training plan. It will cover the use of correct item codes.
- (c) The disposal of old assets is ongoing. Payments of one vehicle and three motorbikes are already processed. For the rest the Office is exploring the alternative of disposal through donation. Further discussions are ongoing to disclose to the Assets Management Focal Point at Headquarters the assets that reached zero net book value as of January 2017 but are still functional.

Estimated completion date: March 2017

OAI Response

OAI acknowledges the action taken by management; this will be reviewed at a later stage as part of the standard desk follow-up process of OAI.

3. Information and communication technology

Issue 5 Non-compliance with UN Women minimum requirements for data and server environment

The UN Women Information and Communication Technology (ICT) Infrastructure and Telecommunications Standards outline the minimum requirements for data center/server room environments, which cover server room physical security, power, climate control, environment monitoring, fire suppression, administration/organization/management, backups and change management.

The audit team identified the following deficiencies in the server room environment, which could negatively affect the safety and operations of the ICT systems:

- Lack of a fire suppression system in the server room.
- Lack of a firewall.
- Lack of water-condition alarms with the capacity of transmitting signals in the server room.
- No access logs to be signed when non-ICT staff access the server room.
- Weak reactive access controls –there were no cameras in the server room.
- Office's wireless routers used the default administrator credentials.

Lack of adherence to the minimum requirements for ICT data centres and server rooms may expose the Office to information maintenance and security risks and in the event of a disaster, the Office may not have access to critical data if the backup and restoration process is not successful.

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| Priority | Medium (Important) |
| Recommendation 5: The Office should develop and implement an action plan for achieving compliance with the UN Women Information and Communication Technology Standards. | |
| Management action plan: <ul style="list-style-type: none"> Two Class I fire extinguishers (12Kg and 10Kg) are available respectively inside and by the entrance of the server room. The procurement of the firewall is being completed on the Office's behalf by the Headquarters Procurement Unit. Market search is being conducted for the water-condition alarms with paging capabilities in the server room. The equipment is not available on the local market therefore the Office will have to go for an international competitive sourcing taking into account after sale maintenance service. The access log sheet has been introduced in the server room since December 2016 and it has been utilized. Non-ICT staff accessing the server room are logged in for the records. The Office has installed a CCTV IP surveillance camera system within and around the whole office building including the server room. The IP cameras are installed strategically to monitor and capture movement. Monitoring TV screens and recording devices are part of the package delivered. The Office has put in place secure wireless router credentials. All default settings for the router have been changed to UN Women global password standards. The wireless password is changed on a monthly basis by the IT Assistant. Outsiders do not have access, except provided by the ICT staff upon formal request cleared by the Operations Manager. The Office is in process of installing CISCO access points across the office's two floors. When done, the wireless network will be separated into the Office's wireless and dedicated guest wireless networks. This has been included in the ICT plan for 2017. | |
| Estimated completion date: March 2017 | |
| OAI Response OAI acknowledges the action taken by management; this will be reviewed at a later stage as part of the standard desk follow-up process of OAI. | |

Issue 6 Weaknesses in disaster recovery planning process

In accordance with the 'UN Women Information Security Policy' and the Disaster Recovery Standards for UN Women offices, all critical ICT systems shall have adequate disaster recovery provisions in place. A list of critical ICT systems must be defined by office management along with business continuity requirements, as well as recovery objectives for these systems. The UN Women Information Systems and Telecommunication Unit is

responsible for the overall backup and recovery of enterprise systems, and end-users are responsible for ensuring that all critical data files are maintained on UN Women servers and not on individual laptops or workstations.

The review of the Office's business continuity preparedness disclosed that the Office had not tested its Business Continuity Plan since it was updated in August 2014.

The audit team reviewed the server room environment and noted the following:

- There was insufficient and incomplete backup of Office data.
- The Office did not adhere to UN Women's standards of performing backups regularly – weekly full, daily incremental scheme for backup media.
- The Office personnel was not able to work remotely.
- The Office had not tested the restoration of data as part of the Disaster Recovery Plan.
- The Office had invested in a backup server that was not operational at the time of the audit.

Weaknesses in the disaster recovery were due to a lack of oversight on the part of the Office regarding compliance with UN Women's Information Security Policy.

If the Business Continuity Plan is not tested, the Office is at risk of permanently losing data should a disaster occur. The backed up data is critical for the Office's business continuity in case of a business disruption or disaster.

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| Priority | Medium (Important) |
| Recommendation 6: | |
| The Office should ensure proper backup of all critical data and perform a test of its Business Continuity Plan. | |
| Management action plan: | |
| <p>The Office is coordinating with the Headquarters' Information and Systems Telecommunication Unit to implement a back-up solution in compliance with UN Women global backup standards. In the interim, the Office is backing up data from the shared drive to three external hard disk drives. The Office also implemented OneDrive for Business on all staff computers in December 2016 and January 2017. Trainings to staff were conducted to guide in backing up of important office data. Office personnel can access their files/folders from outside of the office through OneDrive for Business using secure UN Women credentials. Non-UN Women staff do not have access to OneDrive for Business. The Office is coordinating with Information Systems and Telecommunication Unit to implement the Office's offsite backup.</p> | |
| Estimated completion date: April 2017 | |
| OAI Response | |
| OAI acknowledges the action taken by management; this will be reviewed at a later stage as part of the standard desk follow-up process of OAI. | |

[NOTE: This section has been redacted as it is deemed to contain sensitive information.]

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| [REDACTED] | [REDACTED] |

Page 12 of 13

Definitions of audit terms - ratings and priorities

A. AUDIT RATINGS

- **Satisfactory** 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.
- **Partially Satisfactory / Some Improvement Needed** 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/area.
- **Partially Satisfactory / Major Improvement Needed** The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
- **Unsatisfactory** The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.

B. PRIORITIES OF AUDIT RECOMMENDATIONS

- **High (Critical)** Prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women.
- **Medium (Important)** Action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women.
- **Low** Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the Office management, either during the exit meeting or through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are not included in this report.