



AUDIT

OF

THE UN WOMEN TRAINING CENTRE

IN THE

DOMINICAN REPUBLIC

Report No. 1230
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Report on the audit of the UN Women Training Centre in the Dominican Republic Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of the UN Women Training Centre in the Dominican Republic (the Centre) from 13 February to 5 March 2014. 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);
- (b) strategic framework for the Centre (training needs, demand and delivery mechanisms, partnerships and resource mobilization, monitoring and reporting, training design and curriculum development); and
- (c) operations (human resources, finance, procurement, information and communication technology, general administration, safety and security, UNDP support to the Centre, asset management and leave management).

The audit mainly covered the activities of the Centre from 1 January to 30 November 2013. The period was expanded to cover some activities as early as January 2011 and as recent as January 2014. This was the first audit of the Centre.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Overall audit rating

OAI assessed the Centre as **unsatisfactory**, which means “Internal controls, governance and risk management processes were either not established or not functioning well. The issues were such that the achievement of the overall objectives of the audited entity could be seriously compromised.” This rating was mainly due to weaknesses in leadership, monitoring, and financial management.

Key recommendations: Total = 11, high priority = 8

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:

Limited country
presence
(Issue 1)

Although Executive Board decision 2012/6 indicated, *inter alia*, that UN Women was to establish a Country Office in the Dominican Republic, corporately the decision was taken to maintain only the Centre due to available funding and competing priorities. Nonetheless, a Country Representative and a National Gender Advisor had been appointed, but they had been unable to implement a development programme in the Country.

Recommendation: Define UN Women’s plans for supporting national priorities at the country level relating to gender equality and the empowerment of women, and communicate these plans to the Executive Board and the host government.

Lack of a strategy and guidance
(Issue 2)

The activities of the International Research and Training Institute for the Advancement of Women (UN-INSTRAW), one of the four entities that merged to become UN Women, were neither fully evaluated as to its mission and the practicality of maintaining the Centre's location, nor was its role explicitly included in UN Women strategic plans. The Centre had also not developed a medium/long-term plan to provide guidance and operational clarity. This resulted in a lack of a strategy and guidance.

Recommendation: Perform a detailed analysis of the Centre's ability to deliver within the existing context and use the analysis to determine the Centre's mandate, mission, role, and optimal location.

Recommendation: Develop a medium/long-term plan for achieving the Centre's mandate, as redefined, which identifies major milestones, clearly defined deliverables and the infrastructure necessary to ensure sustainable operations.

Inadequate funding to sustain operations
(Issue 3)

The Centre had not secured new non-core resources, and funds inherited from the merger had been frozen, pending the conclusion of discussions with the donor. The Centre has shared responsibility for mobilizing resources with the Resource Mobilization Unit at Headquarters, but this partnership had not yielded any new funds. A resource mobilization strategy had been drafted, but a plan had not been developed to guide these efforts.

Recommendation: Maintain adequate funding for the Centre's resource mobilization activities by: (a) finalizing, approving and implementing a resource mobilization strategy and a related plan to guide the Centre's resource mobilization efforts; and (b) providing training to management on how to make its resource mobilization a sustainable activity.

Lack of results management, monitoring and reporting
(Issue 5)

The Centre had not developed clear Annual Work Plans or budgets for training, and had not implemented a process for monitoring and reporting on the status of training activities and expenditures. Moreover, the training activities were combined into one project and key performance indicators had not been determined, making it difficult to determine if the Centre had effectively used UN Women resources to deliver on activities.

Recommendation: Improve the management, monitoring and reporting of training activities by: (a) developing budgets and Annual Work Plans which delineate individual activities/projects, with clear and measurable outputs and outcomes; (b) assigning a unique code in Atlas for each training activity; (c) developing a facilitated training schedule and budget; (d) implementing a process for monitoring the progress of each Atlas project, including preparation of regular reports for management review that indicate the status of training development compared with the planned status and comparisons of expenditures versus budgets; and (e) implementing a mechanism to track and report on course delivery and participation.

Ineffective budgeting process
(Issue 7)

The Centre did not have a standardized budgeting process, which resulted in unrealistic budget estimates and insufficient funds being requested to complete activities.

Recommendation: Standardize the course development budgeting process to ensure that realistic budget estimates are developed for each of the Annual Work Plan outputs.

Poor utilization of available financial resources
(Issue 8)

The Centre had not used its available resources effectively. The Centre had inappropriately allocated costs which utilized hospitality funds and incurred telecommunication expenses above reasonable levels, without ensuring that amounts incurred by staff for personal use were recovered. Also, amounts paid on behalf of another United Nations entity were not recovered. Management indicated in their response that actions have been taken to avoid a reoccurrence of the risks identified. However, pending the validation by OAI of actions taken, this issue has been retained in the audit report.

Recommendation: Comply with the 'Programme and Operations Manual' on the utilization of resources by: (a) informing staff on the rules, policies and procedures for the proper use of hospitality funds, cell phones and related mobile devices; (b) recovering amounts attributable to the personal use of cell phones and other devices from the staff; (c) re-examining the existing telecommunication services contract on behalf of another United Nations entity; and (d) performing a full reconciliation of outstanding amounts due from the other United Nations entity, which should include processing fees incurred.

Absence of a Business Continuity Plan
(Issue 10)

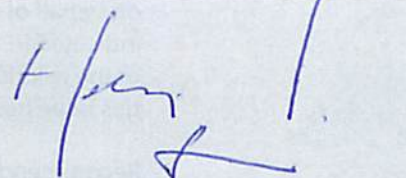
Although the Centre is located on an island prone to hurricanes and earthquakes, it had not developed a Business Continuity Plan. Instead, the Centre prepared draft procedures on how to work remotely in case of an emergency. An IT risk assessment had also not been performed as part of the development of the Business Continuity Plan.

Recommendation: Develop, approve and implement a Business Continuity Plan and ensure that it is adequately tested.

Management comments and action plan

The Chief of the UN Women Training Centre, and the Directors of the Policy Division and the Programme Division accepted all of the recommendations and are in the process of implementing them. Comments and/or additional information provided have 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.



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