

## UN-Women Executive Board

### First regular session 2021

**Background note on an updated status of UN-Women management actions to address outstanding audit recommendations in the United Nations Secretary-General’s Report on ‘Implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2019 on the United Nations funds and programmes’ (A/75/339/Add.1 starting at paragraph 1378)**

**Note: Updated UN-Women actions to implement each recommendation are reflected in the green box.**

The paragraph numbers of each recommendation and management response below are consistent with those in the report [A/75/339/Add.1](#) to facilitate cross-referencing.

**Summary of updated status of the United Nations Board of Auditor’s (hereinafter referred to as “the Board”) outstanding recommendations**

Year Issued	Number of recs	Closed	Closure requested*	Under implementation
2019	11	5	3	3
2018	2	1	0	1
2017	2	0	0	2
2016	2	1	0	1
<b>Total</b>	<b>17</b>	<b>7</b>	<b>3</b>	<b>7</b>
<b>%</b>	<b>100%</b>	<b>41%</b>	<b>18%</b>	<b>41%</b>

\* “Closure requested” means UN-Women has submitted evidence for completed management actions and awaits The Board’s assessment as “Implemented” to close the recommendation.

### **A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2019**

1380. In paragraph 22, the Board recommended that UN-Women formalize the categorization of its offices, establishing the definition of the functional setup of each presence type, including minimum functions, positions and resources for both resident and non-resident modalities as well as the different types of services to be provided. An accurate and updated registry of all offices should also be maintained.

*Department(s) responsible:* Office of Deputy Executive Director for Resource Management, Sustainability and Partnerships  
*Status:* Closure requested

*Priority:* High  
*Target date:* Not applicable

1381. The UN-Women Presence Governance Framework, which formalises the categorization of offices and establishes the functional setup of each presence type has been promulgated to guide the Entity’s ongoing work. The Framework underwent extensive consultations and rigorous reviews towards the final sign-off by the UN-Women Executive Leadership Team. An up-to-date single database for the registry of standard information regarding field presences is diligently maintained. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

The promulgated Presence Governance Framework formalized the categorization of UN-Women offices and established the definition of the functional setup of each presence type. Accordingly, the Board assessed this audit recommendation as implemented.

The Board reviewed and acknowledged UN-Women’s initial launch of the Presence Tracking System. UN-Women’s related activities are ongoing to ensure the consistency of data between the newly launched Presence Tracking System and other existing corporate systems on the types of each office. The Board assessed this portion of their recommendation as under implementation until they have reviewed the final completion of this related activity.

**1382. In paragraph 30, the Board recommended that UN-Women strengthen oversight of the service performed, and the execution of the review in accordance with the applicable standards on ICT access control and user account management (ITS-009), to ensure that all user accounts that remain dormant for 180 consecutive days are deactivated regularly and in a timely manner.**

*Department(s) responsible:* Management and Administration Division  
*Status:* Closure requested  
*Priority:* Medium  
*Target date:* Not applicable

1383. UN-Women has strengthened its monitoring oversight for UNDP to diligently perform the regular Atlas user account clean-up by instituting a regular review between UN Women and UNDP user account management focal points. This ensures that all user accounts that remain dormant for 180 consecutive days are timely deactivated and mitigate any unnecessary information security risks to UN-Women. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

UN-Women, together with UNDP, has addressed the isolated case identified by the auditors of a user account that was not deactivated in a timely manner due to a system glitch, as clarified by UNDP. UN-Women continues to hold quarterly review meetings with UNDP to ensure the process of user account clean-up is performed.

UN-Women considers this recommendation as implemented and requested its closure by the Board. The Board will further assess the completed management actions to address this recommendation upon the Board’s return in 2021.

**1384. In paragraph 40, the Board recommended that UN-Women review and update its internal control policy in order to reflect that periodical manual monitoring of usage of critical profiles has been replaced by a suitable configuration of automatic controls in the Atlas system.**

*Department(s) responsible:* Management and Administration Division  
*Status:* Closure requested  
*Priority:* Medium  
*Target date:* Not applicable

1385. UN-Women has updated the Internal Control Framework to reflect the newly instituted system control where the same staff member cannot approve both the purchase requisition and purchase order for the same transaction. This replaced the periodic manual monitoring of usage of critical profiles in Atlas. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

“Implemented” per the Board’s assessment.

**1386. In paragraph 45, the Board recommended that UN-Women multi-country office in Fiji ensure that duly signed funding authorization and certificate of expenditure forms from responsible parties are accepted and processed in a timely manner in compliance with the Cash Advances and Other Cash Transfers to Partners Policy by the corresponding responsible staff.**

*Department(s) responsible:* Fiji Multi-Country Office  
*Status:* Closure requested  
*Priority:* Medium  
*Target date:* Not applicable

1387. The UN-Women Fiji Multi-Country Office has initiated a standardized process to validate and confirm all funding authorization and certificate of expenditure (FACE) forms are duly approved and signed in line with the updated corporate “Cash Advance and other Cash Transfers to Partners Policy”. To institutionalize the process, the following actions were taken: a] Designed a check-list for use with various payments, including advance liquidations, to validate expenses in line with applicable corporate policies; b] Developed an advance tracker table in use since November 2019, to facilitate monitoring of partner advances, and; c] Trained project managers and project associates on FACE form management in November 2019 and February 2020. Furthermore, continuous staff training is periodically planned to calibrate, as necessary, the above process and reinforce clear understanding of delineation of timelines, roles and scope of responsibilities in the overall processing of FACE forms. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

“Implemented” per the Board’s assessment.

**1388. In paragraph 50, the Board recommended that UN-Women multi-country office in Fiji ensure the proper recording of project expenditures through the timely preparation and posting of the corresponding accounts payable journal vouchers following the provisions of the UN-Women Cash Advances and Other Cash Transfers to Partners policy in a reasonable and timely manner after the Project Manager approves the funding authorization and certificate of expenditure form.**

*Department(s) responsible:* Fiji Multi-Country Office  
*Status:* Closure requested  
*Priority:* High  
*Target date:* Not applicable

1389. UN-Women Fiji Multi-Country Office has ensured the timely preparation of accounts payable journal vouchers to properly record project expenditures reported through the FACE forms received from Partners. The prompt submission of FACE forms is closely monitored and immediately followed-up from partners when there is any noted delay. The Cash Advances and Other Transfers to Partners Policy was amended in December 2019 with increased time period allowed for adequate processing of FACE forms and preparation of the accounts payable journal entry enabling consistent adherence to the updated policy. This is reinforced by the continuous training of any new staff to the requirements of the updated Cash Advances and Other Transfers to Partners Policy. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

“Implemented” per the Board’s assessment.

**1390. In paragraph 51, the Board recommended that UN-Women multi-country office in Fiji ensure that reviewed project expenditures and request for advance transactions of duly signed approved funding authorization and certificate expenditure forms by authorized officials are recorded in the accounting system.**

*Department(s) responsible:* Fiji Multi-Country Office  
*Status:* Closure requested  
*Priority:* High  
*Target date:* Not applicable

1391. The UN-Women Fiji Multi-County Office ensures that only after receiving the duly approved and signed FACE forms will the corresponding accounts payable journal voucher be prepared and approved for proper accounting. To institutionalize the standardized process to validate and confirm all FACE forms are duly approved and signed, the following actions were taken: a] Designed a check-list for use with various payments, including advance liquidations, to validate expenses in line with applicable corporate policies; b] Developed an advance tracker table in use since November 2019 to facilitate monitoring of Partner advances, and; c] Trained project managers and project associates on FACE form management in November 2019 and February 2020. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

“Implemented” per the Board’s assessment.

**1392. In paragraph 58, the Board recommended that UN-Women multi-country office in Fiji monitor the implementing partners or responsible parties closely, so that funding authorization and certificate expenditure forms are timely, and project expenditures appropriately recorded and the monitoring role in their activities fulfilled.**

*Department(s) responsible:* Fiji Multi-Country Office  
*Status:* Closure requested  
*Priority:* High  
*Target date:* Not applicable

1393. UN-Women Fiji Multi-Country Office has established a process that facilitates close monitoring of implementing partners or responsible parties. In addition to the development of the Advance Tracker Table used since November 2019 to facilitate monitoring of Partner advances, project managers reminded and emphasized to partners that: a) only upon liquidation of at least 80% of prior advance that any further and future advance will be issued and paid, and; b) partners' strict adherence to the mandatory requirement to submit a FACE form at the end of each quarter will be observed and closely monitored. Furthermore, project managers and staff associates have been trained on the proper monitoring and tracking of partners' advance and expense to ensure consistency of data and compliance with the corporate policies.

1394. Fiji Multi-Country Office continually carries out orientation and learning sessions for any new Implementing Partner or Responsible Party on the reporting (i.e., for both narrative and financial) requirements and timeframes prescribed by UN Women. Existing partners' capacities are regularly assessed during project monitoring and where necessary, the strengthening of partners' capacities for project sustainability towards national ownership are included in programme activities. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

UN-Women Fiji Multi-Country Office (MCO) continuously implements the established processes to facilitate close monitoring of responsible parties. This was particularly challenging in 2020 considering the highly dispersed geographical location of the projects the Fiji MCO monitors, exacerbated by the difficulties imposed by the COVID-19 pandemic.

The Board's recent review of 188 transactions of 11 Fiji MCO projects noted: a) two cases of more than three months between liquidation and advances; b) eight cases with more than six months between liquidation and advances, and; c) one case with more than twelve months between liquidation and advances. Accordingly, the Board assessed this recommendation as under implementation.

UN-Women strives to monitor timely submission of FACE Forms and makes sure project expenditures are properly reviewed and verified before they are recorded in Atlas. UN-Women will further strengthen its efforts to ensure implementing partners submit their FACE Forms on time. Any delays will be diligently followed up.

**1395. In paragraph 69, the Board recommended that UN-Women multi-country office in Fiji ensure in the review process of supporting documentation from projects in execution, that proper authorizations and reliable information regarding the support receipts for the liquidation of an advance are made in a timely manner.**

*Department(s) responsible:* Fiji Multi-Country Office  
*Status:* Closure requested  
*Priority:* Medium  
*Target date:* Not applicable

1396. UN-Women Fiji Multi-Country Office ensures that documents and receipts to support liquidation of partner advances are properly authorized, reliable and timely submitted. Project managers and project associates have been trained to complete the standardized Letter of confirmation for the certification of expenditures reviewed and to document the percentage of total expenditure sampled. They are also required

to properly submit an excel list of all documents supporting the liquidation of the FACE forms in line with the recent updates to the Cash Advances and Other Cash Transfers to Partners Policy. Programme Managers will continue to assess the quality and completeness of supporting documentation and discuss with a partner whenever any document is inadequate. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

The auditors were unable to complete their assessment of the management actions completed to address this recommendation. They will proceed with their review and assessment when they come back in 2021.

UN-Women considers this recommendation as implemented and requests its closure by the Board.

**1397. In paragraph 75, the Board recommended that UN-Women ensure and reflect the risk factor of implementing partners in the sampling process review of expenditures through the funding authorization and certificate of expenditure form.**

<i>Department(s) responsible:</i>	Management and Administration Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1398. On 31 December 2019, UN-Women promulgated a revised Cash Advances and Other Cash Transfers to Partners policy by adding Annexes 8 and 9 (Letter of confirmation for certification of expenditure). The new certification provided that each programme manager for each liquidation of an advance informs the level of risk assessed at the time of reviewing and sampling the supporting documents, evidences the percentage of total expenses sampled and to specify if there are any risk mitigation actions to be taken. Training was provided, region by region, for all programme and operations staff in early 2020 by Financial Management Section. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

The auditors, in their recent review of selected sample of advance liquidations, identified some cases where the “Letter of Confirmation for Certification of Expenditure” was not prepared by the programme managers. Accordingly, the Board considered this recommendation as still under implementation.

UN-Women will remind all Programme/ Project Managers, prior to the 2020 financial year end, that methodology of sample selection for supporting documents reviewed is required to be evidenced by completing Annex 8 or Annex 9 “Letter of Confirmation for Certification of Expenditure” for all liquidations. This is irrespective of the sample size determined for supporting documents review. UN-Women will conduct regional webinars in early January 2021 on the revised Cash Advances and Other Cash Transfers policy to further strengthen the understanding of staff on the requirements of the revised policy which will include the compliance to the submission of the Annex 8 or Annex 9 “Letter of Confirmation for Certification of Expenditure”.

**1399. In paragraph 83, the Board recommended that UN-Women ensure that through the overtime request form, or any other means, reflect accurately and reliably that all overtime work has been authorized in advance, and in the case of use of funds, the availability of the funds are certified, in accordance with the policy on overtime compensation.**

<i>Department(s) responsible:</i>	Office of Human Resources
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*Status:* Under implementation  
*Priority:* Medium  
*Target date:* First quarter of 2021

1400. UN Women continues to closely monitor the submission of forms to ensure that pre-approval of overtime request is obtained, and the funding is certified before the forms are submitted for payment. Simultaneously, UN-Women is currently reviewing the process steps and the design of the overtime form to streamline and reduce the transactional burden while preserving the controls and accountability intended by the policy. Management actions to implement this recommendation is in-progress.

*Recommendation action status update:*

UN-Women has revised the workflow and the certification requirements for overtime submission. The updated form has been shared with the HR users, Operations Managers and Leave Monitors as well as through HR communities of practice. UN-Women has completed all actions for this recommendation.

UN-Women has submitted to the Board evidence to support the completed action to this recommendation and awaits the Board’s final assessment of this recommendation as “Implemented”.

**1401. In paragraph 93, the Board recommended that Turkey country office ensure a mechanism to avoid the late submission of a travel expense claim and comply with the controls stated in the policy.**

*Department(s) responsible:* Turkey Country Office  
*Status:* Closure requested  
*Priority:* Medium  
*Target date:* Not Applicable

1402. UN-Women Turkey Country Office has put in place, since January 2020, an updated travel tracking tool that has facilitated diligent monitoring for timely submission of duly filled-out travel expense claim forms with supporting post travel documents. Additionally, an update to the standard operational procedure has been disseminated among personnel whereby future travel advance will not be processed if they have any pending travel expense claim forms and a notification issued if travel expense claim form is not submitted within 30 days after completion of travel. The instituted travel management improvements have resulted to an effective 100% compliance by Turkey Country Office on the timely submission by staff of travel expense claim forms during the first half of 2020. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

“Implemented” per the Board’s assessment.

**B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods**

**Report of the Board for the year ended 31 December 2016**

**1405. In paragraph 58, the Board recommended that UN-Women: (a) expedite the development of policy and guidelines that clearly define the rationale for the establishment of programme presences and the management of programme and field presences; and (b) develop business cases for the already established programme and field presences so as to suit the current needs and situation.**



<i>Department(s) responsible:</i>	Office of Deputy Executive Director for Resource Management, Sustainability and Partnerships
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1406. The UN-Women Presence Governance Framework, which formalises the categorization of offices and establishes the functional setup of each presence type has been promulgated to guide the Entity’s ongoing work. The Framework underwent extensive consultations and rigorous reviews towards the final sign-off by the UN-Women Executive Leadership Team. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

“Implemented” per the Board’s assessment.

**1407. In paragraph 81, the Board recommended that UN-Women: (a) consider the use of the implementing agent code in the chart of accounts for Atlas to enhance efficiency and effectiveness; (b) work closely with the global auditors to review the audit process to ensure that project audit reports are submitted in a timely manner; and (c) enhance the capacity of the Audit Coordination Unit to ensure that it supports effectively the oversight function in the organization.**

<i>Department(s) responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2021

1408. The Strategy, Planning, Resources and Effectiveness Division (SPRED) is a new division established in headquarters as part of the UN-Women Change Management initiative and where audit coordination unit was relocated during the fourth quarter of 2019. SPRED was created to strengthen the assurance and oversight functions in the second line of defence of UN-Women. The roles and responsibilities of the audit coordination unit will be further assessed, not in isolation but with the overall review and assessment of the capacity of all sections and units within the newly established division under the leadership of the Director of SPRED.

1409. The operationalization of the newly established SPRED and the full identification of workstreams and commensurate workforce levels will be completed as a holistic exercise at the divisional level. Due to the urgency of the required COVID-19 responses, this work was placed temporarily on pause to allow the Division to pivot work towards the response efforts, thereby creating the delay in implementation.

*Recommendation action status update:*

The Board has postponed the assessment of this recommendation after the targeted date of completion of second quarter of 2021.



**1410. In paragraph 27, the Board recommended that UN-Women to improve the link between Results Management System tool and Atlas system such that the information in Results Management System is up to date to facilitate timely and accurate decision-making.**

<i>Department(s) responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1411. UN-Women is presently analysing its options within available resources for its Enterprise Resource Planning (ERP) system following the recent decision of its main Atlas Partner Agencies to move into a new ERP system. The implications with ongoing systems work will have to be considered, including further system enhancement to improve the interface between the Results Management System and Atlas. The system development work on the Enhanced Atlas Grants Module and Project Gateway was initiated in 2019. But the testing, piloting and roll-out scheduled in 2020 have been delayed due to COVID-19. UN-Women needs to re-assess and determine its best course of action to mitigate any risks and seize any opportunity to redirect UN-Women’s limited resources to a more viable and improved ERP system. All of these are causing the delay in completing the implementation of this recommendation which may potentially be considered as overtaken by events.

*Recommendation action status update:*

The Board has postponed the assessment of this recommendation after the targeted date of completion of fourth quarter of 2021.

**1412. In paragraph 44, the Board recommended that UN-Women: (a) ensure conclusive assessment of prior year’s qualified audit report financial findings is conducted to determine the causes and prevent recurrence of the identified weakness; and (b) consider introducing policies to address weaknesses in project management that lead to ineligible expenditure and to guide the administration on the proper accounting for prior years ineligible expenditure to avoid potential misstatements in the financial statements.**

<i>Department(s) responsible:</i>	Management and Administration Division and Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2020

1413. UN-Women had discussed the proposed procedure and guideline for resolution of audit recommendations arising from project partner audits with the Advisory Committee on Oversight. The recommendations from the Internal Audit Service’s recently concluded audit on Implementing Partner Management also had to be considered. This includes the identification of Programme Support and Management Unit (PSMU) in Policy, Programme and Intergovernmental Division (PPID) as the Business Process Owner for Partner Management in UN-Women. Hence, the management of the project partner audits was transferred from the Management and Administration Division to PMSU, PPID which contributed to the further delay in the finalization of a holistic procedure and guideline.

*Recommendation action status update:*

The auditors reviewed the revised Procedure for the Resolution of Audit Recommendations Arising from Project Partner Audits which was promulgated in November 2020. They requested additional information and clarifications from UN-Women. Accordingly, the Board considers this recommendation as still under implementation.

### Report of the Board for the year ended 31 December 2018

**1414. In paragraph 21, the Board recommended that UN-Women consider establishing, at the programme formulation stage, obligatory reporting on the procurement plans of projects that are executed under programmes**

<i>Department(s) responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2020

1415. UN-Women has successfully incorporated the project procurement plan in the project document template and the project appraisal committee checklist. However, further refinement of the budget template had to be integrated as well to reflect the requirements of the Cost Recovery Policy. The revised budget template is near completion after extensive consultations with regional and headquarter offices. The updated project document template together with the project appraisal committee checklist will be promulgated immediately upon finalization of the revised budget template.

*Recommendation action status update:*

UN-Women is in the final stage of review prior to the issuance of the revised the Project Document template. The revised document and Project Appraisal Committee checklist have undergone extensive iterative consultation and are on track to be promulgated in early 2021. The Board will proceed with their assessment of this recommendation in 2021.

**1416. In paragraph 29, the Board recommended that UN-Women Americas and the Caribbean Regional Office comply with timely Atlas purchase order clean-up processes as established in the finance manual and standard operating procedures.**

<i>Department(s) responsible:</i>	Regional Office of Americas and Caribbean
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1417. UN-Women Americas and Caribbean Regional Office instituted since the beginning of 2020 a dedicated Community of Practice (COP) to enhance internal controls and ensure that Month-End Certification related activities, that includes the Atlas purchase Order clean-up, are closely monitored and timely completed. This initiative resulted to an effective 100% compliance by Americas and Caribbean Regional Office, during the first half of 2020, on the timely Atlas purchase order clean-up processes as established in the Finance Manual and Standard Operational Procedures. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

*Recommendation action status update:*

“Implemented” per the Board’s assessment.