



9 April 2024

Annex 3

Summary of common and high-risk issues noted in the 2023 audit reports

Report of the Office of Audit and Investigation Services on UNFPA internal audit and investigation activities in 2023

(DP/FPA/2024/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA, and UNOPS

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New York

Annex 3: Summary of common and high-risk issues noted in the 2023 audit reports

Issue	Root cause	Recommendation	# of Countries /BUs where issue was noted
Governance:			
Inadequate results planning and reporting.	<ul style="list-style-type: none"> • Resources: inadequate training. • Guidance: inadequate supervision at the office level. 	<ul style="list-style-type: none"> • Train personnel involved in results planning, monitoring, and reporting, and strengthen existing quality assurance review processes to ensure the formulation of quality results plans and improve monitoring and reporting. • To enhance accountability for results, country offices should raise awareness among staff members and implement supervisory controls to align individual performance goals with office results plans. 	15
Inadequate management meetings, action process, and follow-up procedures.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Guidance: Lack of supervision at the Headquarter level. 	<ul style="list-style-type: none"> • Establish a robust process for tracking and monitoring implementation of management decisions and/or actions as a basis for timely and well-informed remediation measures. • Institute a structured follow-up mechanism to monitor the outcomes of crucial decisions, progress on assurance recommendations, and completion status of high-priority tasks. 	4
Organizational structure and staffing arrangements may not be optimized for programme delivery and operations.	<ul style="list-style-type: none"> • Guidelines: inadequate planning. • Guidance: inadequate supervision at the Headquarter, Regional and Country Office levels. 	<ul style="list-style-type: none"> • Country offices should conduct timely comprehensive reviews of their organizational structures and staffing arrangements to align them to programme delivery and operational requirements in new programme cycles and expedite recruitment processes for vacant positions. 	8
Misalignment of staff performance appraisals and development plans with office results plans.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Resources: inadequate training. 	<ul style="list-style-type: none"> • To enhance accountability for programme delivery and operations, align staff members' individual performance goals with output indicator targets in the annual results plans. 	6
Low completion rates by personnel of mandatory training courses.	<ul style="list-style-type: none"> • Guidance: inadequate of supervision at the office level. 	<ul style="list-style-type: none"> • Training management could be enhanced to ensure timely completion of mandatory training courses by personnel. 	4
Inadequate risk management processes.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the Headquarter, Regional and Country Office levels. 	<ul style="list-style-type: none"> • Leveraging the provisions of the new Enterprise Risk Management Policy, develop, implement, and report on action plans to identify, assess, and mitigate critical or high risks using the corporate enterprise risk management tool. 	6
Programme Management:			
Inadequate workplan management process.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Guidelines: inadequate planning. 	<ul style="list-style-type: none"> • Train personnel and implement supervisory controls to ensure the preparation of quality workplans and that revisions to project budgets and workplans are of a reasonable frequency and are processed in accordance with applicable guidelines. 	8

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Inadequate programme monitoring process.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Resources: inadequate training. 	<ul style="list-style-type: none"> • Improve programme monitoring through training of personnel, preparing, and tracking monitoring plans, and tracking monitoring findings to their logical conclusion. 	14
Gaps in implementing partner selection and management processes.	<ul style="list-style-type: none"> • Resources: inadequate training. • Guidelines: inadequate supervision at the office level. 	<ul style="list-style-type: none"> • Strengthen the implementing partner management process by using competitive methods for the selection of non-governmental organization implementing partners, using the United Nations Partner Portal to register and manage implementing partners, and transferring funds to implementing partners in a timely manner. 	12
Weaknesses in the planning, assessment, management, distribution, and monitoring of programme supplies.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Resources: inadequate training. • Guidelines: inadequate corporate policies or procedures. 	<ul style="list-style-type: none"> • Strengthen programme supplies management by training personnel on applicable policy and procedures, including programme supplies-related outputs, indicators, and milestones in office results plans and workplans, distributing supplies based on needs assessments, and improving commodity storage conditions. 	15
Operations:			
Noncompliance with procurement procedures.	<ul style="list-style-type: none"> • Guidelines: inadequate supervision at the office level. • Guidelines: inadequate training. 	<ul style="list-style-type: none"> • Enhance compliance with procurement procedures, particularly those related to the development of comprehensive procurement plans, proper documentation of receipt and inspection of goods using the correct policy-mandated reports and establishing long-term agreements for goods and services that are purchased on a regular basis to achieve best value for money. 	6