

Unresolved audit recommendations issued more than 18 months before 31 December 2020

Functional area/audit recommendation description
Project management
1. Undertake a vetting process for local grant advisors as the new operational instruction (OI) allows for important decisions to be made by these advisors without necessarily addressing segregation of duties or conflicts of interest; and prepare guidance for practical application in order to help field offices differentiate between the grant modality and contracts for services which are solicited through procurement. (Report on the Review of the Peace and Security Cluster – Grants Management, IAIG/8402/03)
2. Include detailed guidance in the current OI for Grant Support specifying the circumstances where grant support agreements can be amended, including thresholds at which a new call for proposals is required. (Report on the Review of the Peace and Security Cluster – Grants Management, IAIG/8402/08)
3. Strengthen the processes that will assist field offices in mitigating the risk of transacting with grantees, which may have been sanctioned by UNOPS and other UN entities. (Internal audit of the Peace and Security Cluster – UNMAS Afghanistan Programme, IAIG/8403/03)
4. Revise the engagement risk assessment process to ensure that risk impacts and likelihoods are appropriately identified and classified for amendments of on-going engagements and future engagement additions. Ensure continuous risk monitoring and, whenever deemed appropriate, their escalation to the Regional Office. Strengthen project implementation oversight and take immediate action with respect to those projects whose status is ‘pending operational closure’ but which have passed their implementation end dates as well as those with potential and/or showing cash deficits. Ensure that all country offices under the auspices of Cambodia Operational Hub (KHOH) comply with the provisions of the signed project agreement through strengthening of programme/project management function in the key areas of quality assurance, implementation and delivery oversight. (Internal audit report of the Cambodia Operational Hub, IAIG/9002/05)*
5. Ensure that engagements are awarded by an appropriate level of authority and legal agreements are signed only after the engagement has been approved by the engagement authority. Ensure that project agreements are amended to reflect changes in timing or budget prior to their expiration. (Internal audit report of the Cambodia Operational Hub, IAIG/9002/06)*
6. Clarify to field offices the roles and authority between legal advisors in Legal Group (LG) and legal advisors in Integrated Practice Advice and Support (IPAS) during the engagement acceptance process. (Internal audit report of the Afghanistan Operations Centre, IAIG/8005/07)*
Procurement
7. Ensure that market research is timely and properly performed at the procurement planning phase before deciding on the method of solicitation and type of competition. Ensure that the solicitation process is properly managed, including complete information in solicitation documents, selection of the most appropriate solicitation method, and compliance with the minimum solicitation periods. Strengthen the knowledge of the procurement officials and practitioners on the sourcing of vendors for small value procurements, and their ability, in particular, to manage potential conflicts of interest within the procurement environment, as well as to understand ‘cumulative amounts’ when determining the level of delegation of authority (DOA) required for clearance. Ensure that the evaluation of offers is conducted according to the requirements of the solicitation documents and clearly documented in the evaluation report. (Internal audit report of the Cambodia Operational Hub, IAIG/9002/09)

<p>8. Ensure proper diligence in the issuance of purchase orders in accordance with the UNOPS Procurement Manual (PM), and ensure that all commitments covering the full value of the agreements are raised as soon as contractual obligations have been signed and within the duration of project implementation. Ensure that a contract amendment is signed by UNOPS and the supplier stating the contract phase finalization per portion of the works/services completed and for any change to the originally agreed terms and conditions. Ensure that every award document specifies the decision taken by the Procurement Authority and that it contains the approver's designation, date and name. Develop and implement a document control and management system consistent with the requirements of the PM and OI.LG.2018.03 on Document Retention. Ensure corrective actions are undertaken on existing retroactive and post facto cases as well as the overstatement of liabilities pertaining to contingencies included in the purchase orders. (Internal audit report of the Cambodia Operational Hub, IAIG/9002/10)</p>
<p>9. Ensure that corrective action is undertaken to immediately regularize the retroactive and post facto cases identified above. Ensure that all project managers familiarize themselves and comply with the implementation mechanism specified in the signed agreement. Ensure that all concerned personnel are kept abreast of the policies and procedures applicable to grant management. (Internal audit report of the Cambodia Operational Hub, IAIG/9002/12)</p>
<p>Human resources</p>
<p>10. Ensure compliance to appropriate level of DOAs as per Table B of the Master Table of Authority in Procurement when awarding individual contract agreements (ICAs) in one UNOPS. (Internal audit report of the Cambodia Operational Hub, IAIG/9002/13)*</p>
<p>11. Ensure full compliance with UNOPS recruitment policy and procedures to benefit from the best candidates available in the market as well as to promote transparency in recruitment processes, including ensuring that all reclassifications of positions are conducted through the formal process and that justifications for exceptions from this formal process are properly documented and approved. Coordinate with ECR and IPAS HR to review the TORs of all personnel in the Office and align these with UNOPS positions, also ensuring that fee rates are aligned to the type of work that the personnel are performing; and make sure that titles used by personnel are as per their current TORs and no other titles should be used. Seek approval from Headquarters if long term agreements (LTAs) of other UN Agencies want to be piggy-backed on in relation to hiring of personnel, including as and when this option is being considered in future. Ensure that the position of the HR Officer is recruited competitively and it should be an international position. The pre-clearance should still rest with either the ECR HR Regional Advisor or IPAS HR, until such time (at least 12 months) that the person is fully aware of UNOPS rules and has received the necessary training. (Final IAIG advisory review of the Ukraine Office, IAIG/9003/12)*</p>
<p>Partnerships</p>
<p>12. Strengthen partnerships function to ensure that partners and clients are well aware of service lines that UNOPS could be engaged to its full potential in the region. Strengthen UNOPS' communication to partners with regards to pricing policy and expected waivers. (Internal audit report of the Cambodia Operational Hub, IAIG/9002/01)*</p>
<p style="text-align: right;">Total number of aged audit recommendations: 12</p>

*As of the date of issuance of this report, these six recommendations have been implemented by management and resolved by IAIG.