



INTERNAL AUDIT DIVISION

REPORT 2015/170

Audit of the implementation of Umoja in the Economic and Social Commission for Western Asia

Overall results relating to the audit of the implementation of Umoja in the Economic and Social Commission for Western Asia were initially assessed as partially satisfactory. Implementation of one important recommendation remains in progress.

**FINAL OVERALL RATING: PARTIALLY
SATISFACTORY**

11 December 2015
Assignment No. AT2015/519/03

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AUDIT REPORT

Audit of the implementation of Umoja in the Economic and Social Commission for Western Asia

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the implementation of Umoja in the Economic and Social Commission for Western Asia (ESCWA).
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. ESCWA was established on 9 August 1973 pursuant to the Economic and Social Council resolution 1818 (LV). Its objectives are to: (a) foster economic integration at the sub-regional and regional levels; (b) promote the regional implementation of internationally agreed development goals, including the Millennium Development Goals; and (c) support regional sustainable development by contributing to bridging economic, social and environmental gaps in member countries and sub-regions.
4. ESCWA comprises 18 Member States in Western Asia, which met biennially to provide overall direction to the work of the Secretariat and to report to the Economic and Social Council. Eight inter-governmental legislative and consultative committees, called subsidiary bodies, provide substantive guidance to seven subprogrammes. The committees assisted ESCWA in formulating its work programme in the respective areas of competence and served as points of interaction on programmatic issues between the specialists of the Member States and the substantive staff of the ESCWA Secretariat.
5. Umoja is an application of the SAP enterprise resource planning software that supports management activities related to finance, budget, human resources, supply chain, central support services, and other core business functions. This system is replacing and integrating numerous existing legacy information systems in use across the United Nations Secretariat.
6. The Department of Management has been leading the implementation of the Umoja project through the Umoja Office. The deployment of Umoja has been divided into phases (Foundation, Extension I, and Extension II), modules, and clusters. The implementation of Umoja in ESCWA was planned for 1 November 2015, along with the other Cluster 4 entities.
7. Comments provided by ESCWA are incorporated in italics.

II. OBJECTIVE AND SCOPE

8. The audit was conducted to assess the adequacy and effectiveness of ESCWA governance, risk management and control processes in providing reasonable assurance regarding **readiness for the effective deployment of Umoja in ESCWA**.
9. The audit was included in the OIOS work plan for 2015 in view of the high risks associated with the implementation of Umoja in ESCWA and its potential impact on deployments at other locations.

10. The key controls tested for the audit were: (a) project management; and (b) information and communications technology (ICT) support system. For the purpose of this audit, OIOS defined these key controls as follows:

- (a) **Project management** – controls that provide reasonable assurance that appropriate project management mechanisms are in place at ESCWA to implement Umoja, including: (i) adequate financial and human resources; and (iii) appropriate project management tools.
- (b) **ICT support system** – controls that provide reasonable assurance that the Umoja system is appropriately configured and functions in accordance with ESCWA business needs.

11. The key controls were assessed for the control objectives shown in Table 1. Certain control objectives (shown in Table 1 as “Not assessed”) were not relevant to the scope defined for this audit.

12. OIOS conducted the audit from 31 August to 10 September 2015. The audit covered the period from 1 April to 10 September 2015 and included a review of the readiness for the effective deployment of Umoja processes (Foundation and Extension I) in ESCWA.

13. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

III. AUDIT RESULTS

14. The ESCWA governance, risk management and control processes examined were initially assessed as **partially satisfactory**¹ in providing reasonable assurance regarding **readiness for the effective deployment of Umoja in ESCWA**. OIOS made three recommendations to address issues identified in the audit.

15. ESCWA had established some good control practices in preparation for the implementation of Umoja, such as: (i) direct involvement of senior management in the project; (ii) adequate project governance; (iii) conduct of several practice runs for data cleanup and conversion; and (iv) generally adequate training preparation and overall readiness for Umoja deployment. However, there were some important control weaknesses due to: (i) the absence of updated documentation for the impact on some business processes; (ii) missing product category data in some purchase orders; and (iii) the need for a dedicated power generator for the data and security centres.

16. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **partially satisfactory** as implementation of one important recommendation remains in progress.

¹ A rating of “**partially satisfactory**” means that important (but not critical and/or pervasive) deficiencies exist in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Table 1: Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Readiness for the effective deployment of Umoja in ESCWA	(a) Project management	Satisfactory	Satisfactory	Not assessed	Partially satisfactory
	(b) ICT support system	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Project management

Local project governance was generally adequate

17. According to the project management framework of the United Nations Secretariat, ICT initiatives should be supported by adequate governance mechanisms with clear identification of roles, responsibilities, authorities, and reporting. Specific provisions for the governance of Umoja were also defined in the Umoja Deployment Guide.

18. ESCWA followed good project management practices for the deployment of the system, in accordance with the instructions in the Umoja Deployment Guide. The deployment team lead at ESCWA regularly updated various tasks in the project management tool provided by the Umoja Office based on the feedback received from various functional areas and work units (i.e., Human Resources, Finance, Procurement, etc.). Further, a review of a sample of project plan items shown as completed or in-progress reflected their actual status. ESCWA had established a local deployment governance and structure as required by the Umoja Deployment Guide. Minutes and actions points arising from weekly Umoja coordination committee meetings were adequately documented. In addition, ESCWA had established a risk register defining risk categories, assignees, risk details, impact, mitigation measures and status.

19. Based on the review conducted and evidence provided, OIOS concluded that the overall project governance at ESCWA was generally adequate and on track for the scheduled deployment.

Local deployment activities were generally adequate

20. The Umoja Deployment Guide required establishing a Deployment Coordination Committee and a local deployment team comprising of staff members responsible for executing the realization plan and ensuring that all milestones are met in a timely fashion.

21. In January 2015, ESCWA had established its Deployment Coordination Committee and local deployment team consisting of core organizational members, including a deployment team coordinator, Umoja deployment lead, training coordinator, local process experts, and technical focal point. ESCWA had selected local deployment team members who were knowledgeable and experienced in the processes included in the scope of Umoja. ESCWA had completed the Umoja deployment team and coordination committee organization charts, the local deployment team template, and had adequate minutes of the Umoja coordination committee meetings and action items.

22. Based on the review conducted and evidence provided, OIOS concluded that the local deployment activities in ESCWA were generally adequate.

Documentation of the current business model was generally adequate

23. The Umoja Deployment Guide required local deployment teams to document the footprint of their entity. This task required the completion of: (i) a footprint survey; (ii) the current organizational structure; (iii) a list of delegation of authorities by staff member; and (iv) a list of current transactional users in the legacy system. ESCWA had completed all of these, as required.

24. OIOS therefore concluded that the documentation of the current business model was generally adequate.

Training activities were generally adequate

25. The Umoja Deployment Guide required ESCWA to ensure that staff received essential training and acquired the necessary skills and knowledge to perform their functions in Umoja.

26. The following were noted with regard to training:

- (i) Creation and distribution of Umoja communication materials were in accordance with the Umoja Deployment guidelines and tools provided;
- (ii) Dedicated training coordinators were appointed for Umoja deployment;
- (iii) Local process experts and trainers were appointed for each functional area;
- (iv) Training programmes were in place and staff members were attending courses or completing computer based training initiatives as required;
- (v) Cooperation with UNIFIL on cross-cutting training opportunities (i.e., processes related to treasury, cashier, procurement, logistics and property management, etc.) was adequate; and
- (vi) Monitoring and tracking procedures were in place to ensure that staff members completed the required training for their roles.

27. Based on the review conducted and evidence provided, OIOS concluded that the training activities conducted by ESCWA for its staff members were generally adequate.

Need to update To-Be processes documentation

28. According to the Umoja Deployment Guide, ESCWA was required to document the “As-Is” and “To-Be” processes related to the functionalities of the Umoja Foundation and Extension I modules, based on change impact documents (CID). The Umoja Project Management Office, in coordination with the relevant process owners at New York Headquarters, had developed and published CID which detailed the impact on individual roles, work effort, delegations, work locations, reporting lines, legacy software systems and policies. The ESCWA local deployment team was required to review the changes described in the CID and to either approve the process as stated or prepare their own local CID in consultation with the Umoja Office.

29. ESCWA analyzed the processes and documented any differences required in its local processes. However, ESCWA was not able to complete some of the “To-Be” processes prior to their local process experts attending Umoja training, as further knowledge of Umoja was required in order to be able to complete this exercise. ESCWA had also created a consolidated list of all “As-Is” and “To-Be” processes to document the changes and the impact to its activities, and implemented tracking and monitoring mechanisms to ensure that all processes had been analyzed.

30. After attending the Umoja training, ESCWA staff learned additional information that required some of their Finance “To-Be” processes to be updated (i.e., procedures in support of development accounts for project planning, initiation and execution; extra-budgetary funded projects; and closing of projects). Therefore, the updating of this documentation was still pending. Further, process owners at New York Headquarters had not provided ESCWA with CID for several Foundation processes (i.e., accounts payable, accounts receivable, general ledger, treasury and cash management, and service delivery). As a result, ESCWA had to document several “As-Is” and “To-Be” processes for the related Foundation modules.

31. Outdated documentation of “To-Be” processes might prevent users from gaining a correct understanding of the new processes and expected functions, which could cause errors and delays in the adoption of Umoja and lead to cases of non-compliance with existing administrative issuances.

(1) ESCWA should update its consolidated list of “As-Is” and “To-Be” processes to reflect the current status of handling development accounts for project planning and execution, extra-budgetary funded projects, and closing of projects.

ESCWA accepted recommendation 1 noting that to a large extent, the tools (CID) required to complete this task were not made available by the process owners on time. As of 17 August 2015, a total of 50 of the 116 CID covering 126 processes have been validated, signed and published. ESCWA will update the “As-Is” and “To-Be” processes when CID are cleared by the process owners. Recommendation 1 remains open pending receipt of the updated documentation on the ESCWA “To-Be” processes.

B. ICT support system

Readiness for human resources processes was generally adequate

32. According to the Umoja Deployment Guide, the Office of Human Resources Management (OHRM) was responsible for ensuring the business readiness of human resources processes in the various field offices, including ESCWA, for the deployment of Umoja. These processes included those related to personnel administration, entitlements, time management, and consultants and individual contractors. OHRM was also jointly responsible for the process and functionalities related to organization and position management.

33. The scope of the OHRM business readiness included seven pillars: (i) organizational alignment; (ii) process management; (iii) business transformation; (iv) benefits realization; (v) technology; (vi) training; and (vii) communication. Furthermore, the business readiness requirement for Umoja deployment also included data cleansing for human resources data objects. OHRM had published a “job aid” for cleansing data related to Umoja Human Resources (HR) processes and master list elements. The HR Section at ESCWA was supposed to follow guidelines published by OHRM to ensure its readiness for Umoja deployment.

34. The following were noted with regard to ESCWA HR processes:

- (i) Local process experts and trainers were appointed;
- (ii) Primary and back-up data collectors and data validators for HR data collection, cleansing and validation were appointed;
- (iii) Delivered reports were identified for HR functionalities, including those for monitoring contract expirations, step increments, rental subsidies, and fixed term expirations;
- (iv) Employee self-service and manager self-service functions were identified for eligible staff;
- (v) User access mapping of HR roles was completed. OIOS noted that a user role generally reserved for senior staff (“PA.01 HR PARTNER_ALL”) had been assigned to 11 ESCWA HR staff including some staff at G-5 level. However, it was confirmed that ESCWA HR had obtained OHRM approval to map these roles for the G-5 staff to ensure that given the relatively small size of the HR Section, adequate back-up was available for processing HR transactions related to this role; and
- (vi) Data cleansing of HR data objects and master list was on track in accordance with the project plan and OHRM data clean-up job aid.

35. Based on the review conducted and evidence provided, OIOS concluded that the readiness of ESCWA for HR processes was generally adequate.

Readiness for payroll processes was generally adequate

36. The Umoja Deployment Guide referenced several CID for payroll processes that were developed, validated and approved by the Office for Programme Planning, Budget and Accounts (OPPBA). The CID assessed and described the changes to the existing business processes due to the implementation of Umoja. As per the Deployment Guide, local deployment teams, including ESCWA, needed to: (i) validate the CID for their local operations; (ii) review enterprise roles of their staff; and (iii) ensure essential training.

37. The following were noted with regard to ESCWA payroll processes:

- (i) ESCWA had conducted the review of “As-Is” and “To-Be” processes in accordance with the CID for all of the 11 payroll sub-processes;
- (ii) Instructor-led training courses were being provided with a combination of theory and hands-on experience to ESCWA staff at the United Nations Office at Geneva (UNOG). Training materials were available on Umoja payroll processing, post processing and payroll master data maintenance;
- (iii) Parallel payroll testing was being conducted at UNOG. ESCWA was closely involved in the analysis and testing of the parallel payroll results to mitigate potential defects;
- (iv) A proprietary payroll information tool for Umoja (UPAYIT) was identified for comparing prior month actual payroll to current month trial payroll in order to identify

any discrepancies and take corrective action before finalizing the current month's actual payroll;

- (v) ESCWA received instructions on the establishment and management of the new house bank accounts configured in Umoja, which represent the banks and corresponding accounts shared by several United Nations entities for payment transactions. These instructions included arrangements for training, workflow, role mapping, delegation of authority and bank signatories;
- (vi) ESCWA received specific guidance on payroll processing, including: (i) the establishment of a UNOG payroll team comprising also of ESCWA staff; and (ii) the assignment of a "payroll partners role" to ESCWA staff to be granted with the deployment of Umoja Cluster 4 on 9 November 2015; and
- (vii) ESCWA had updated its risk register to include a new risk stemming from any issues that might arise from the transfer of ESCWA payroll to UNOG.

38. Based on the review conducted and evidence provided, OIOS concluded that the readiness of payroll processes in ESCWA was generally adequate.

Readiness for finance processes was generally adequate

39. According to the Umoja Deployment Guide, the system must contain complete and high-quality data. The Finance Unit in ESCWA was responsible for ensuring the business readiness of functionalities and processes related to general ledger, accounts payable, accounts receivable, bank reconciliation, funds management, grants, fixed assets, treasury and cash management. The preparation for these processes required extensive data cleansing in line with the instructions issued in the Finance Data Improvement Plan of the Umoja Deployment Guide, and those provided by OPPBA for the cleansing and preparation of the conversion from the Integrated Management Information System (IMIS) to Umoja. The Finance Unit was also required to complete the analysis of "As-Is" and "To-Be" processes for finance.

40. The following were noted with regard to the readiness of finance processes:

- (i) The overall data collection and cleansing process for finance data had been executed as expected, tracked, and was near completion;
- (ii) The required templates were completed for general ledger, accounts payable, accounts receivable, bank reconciliation, funds management, grants, fixed assets, treasury and cash management, etc.) in accordance with the Umoja Deployment Guide;
- (iii) The "As-Is" and "To-Be" finance processes were completed, including those where no changes had previously been identified;
- (iv) A log of all required tasks was maintained and monitored with the associated responsible parties to ensure that all tasks were completed on time;
- (v) The online data collection tool was properly utilized for data cleansing of grants;
- (vi) Documentation and audit trails were well maintained;

- (vii) Draft standard operating procedures were prepared for managing data during the blackout period, which included clear provisions for the use of black-out forms, and a strategy for limiting finance transactions; and
- (viii) A finance staff member was sent to Headquarters for addressing and resolving outstanding issues with the Umoja Office.

41. Based on the review conducted and evidence provided, OIOS concluded that the readiness for finance processes at ESCWA was generally adequate.

Readiness for property management processes was generally adequate

42. A cleansing exercise on property data was required to be completed before the conversion of data in Umoja. Annexes to the Umoja Deployment Guide contained data collection templates and instructions, which were provided to offices for collecting and reviewing data related to equipment, fixed assets, real estate and inventory. Departments and offices, including ESCWA, were required to designate a Property Custodian as focal point. In addition, Offices were required to populate templates for inventory data to be uploaded in a collection tool for managing, enriching, and mapping their legacy inventory data with the required data formats of Umoja.

43. The following were noted with regard to the readiness of property management processes:

- (i) ESCWA had appointed a dedicated resource for equipment, fixed assets, real estate and inventory as required;
- (ii) Data collection was completed in accordance with the conversion schedules;
- (iii) ESCWA provided missing data to the Umoja Office and confirmed existing property data as required;
- (iv) Real estate data had already been cleansed and completed in time for Umoja go-live in November 2014, when offices went live on Umoja for real estate management;
- (v) ESCWA utilized the inventory data collection tool and properly mapped its inventory data as required; and
- (vi) ESCWA completed the analysis of the “As-Is” and “To-Be” processes for property management.

44. Based on the review conducted and evidence provided, OIOS concluded that the readiness of ESCWA for property management processes was generally adequate.

Need to complete data for procurement processes

45. According to the Umoja Deployment Guide, the system must contain complete, high-quality data. The ESCWA Procurement Unit was responsible for ensuring the preparedness of data related to purchase orders (PO) and contracts. This process required extensive data cleansing in line with the Umoja Contract Template Completion Instructions, which contained detailed requirements for master data, product categories, and various data fields in contracts and purchase orders. The Procurement Unit in ESCWA was also responsible for completing the analysis of the “As-Is” and “To-Be” procurement processes.

46. The Umoja Office also issued additional instructions requiring ESCWA to complete the cleansing of additional data (i.e., identifying PO with vendors that have staff index numbers and therefore should not be converted, PO aged more than 12 months, PO line items with blank text descriptions, PO with blank product category, PO with negative balances; etc.).

47. The following were noted with regard to the readiness of procurement processes:

- (i) Adequate staff members had been assigned as local process experts for procurement;
- (ii) Training on procurement for end-users and requisitioners was well planned and on schedule;
- (iii) The Procurement Unit completed the analysis of the “As-Is” and “To-Be” processes, as required; and
- (iv) The Procurement Unit analysed and confirmed PO data in accordance with the Umoja Deployment Guide Contract Template Completion Instructions.

48. However, although ESCWA conducted most of the cleansing of procurement data in accordance with the instructions received, a review of the data files submitted for the mock conversion showed that there were several PO with blank text descriptions in the line items and blank product categories. This was due to an oversight during the data cleansing process of PO. The absence of line item descriptions and product category information could result in incomplete data in Umoja, leading to potential errors and confusion when receiving goods against line items in the Umoja system, and ultimately generate errors and omissions in financial reporting and compliance with the International Public Sector Accounting Standards.

49. During the course of the audit, ESCWA took action and provided evidence that the missing data elements for blank text descriptions had been entered. However, missing information relating to product categories was not yet provided.

(2) ESCWA should correct the purchase orders that have missing product categories prior to the conversion of data in Umoja.

ESCWA accepted recommendation 2 and stated that it has updated the missing product categories prior to the end of the audit and notes that the sampled data was part of a mock cycle activity. OIOS reviewed the documentation provided by ESCWA and confirmed that the required corrections for PO data were completed. Based on the action taken and evidence provided, recommendation 2 has been closed.

Readiness for travel processes was generally adequate

50. The Umoja Deployment Guide instructed entities to build in a timely manner sufficient process expert capabilities for all areas of travel management. Local Process Experts were required to train ESCWA end-users on travel processes in Umoja. In addition, the ESCWA Travel Unit received instructions from Headquarters to complete all travel transactions in the system by 31 August 2015, for travel expected to take place through December 2015.

51. The following were noted with regard to the readiness of travel processes:

- (i) The Travel Unit:
 - (a) Was well aware of the requirements regarding cut-off dates and blackout periods for travel, and was prepared to handle travel requests accordingly;
 - (b) Had raised obligations and funds, and the associated authorizations in IMIS by the 31 August 2015 deadline as required; and
 - (c) Had completed the “As-Is” and “To-Be” processes for travel processes in accordance with the CID provided.
- (ii) The Local Process Experts (LPE) for training had recently attended three weeks of Umoja Travel training at the United Nations Office at Vienna (UNOV) Umoja training centre.

52. OIOS was informed of some limitations experienced by the staff who attended the training at UNOV. However, during the audit, ESCWA confirmed that these limitations had been addressed with follow-up actions which included: (a) receipt of the required training materials from UNOV; (b) making available a testing environment with Cluster 4 data for travel LPEs to practice scenarios; and (c) travel LPEs would be given access to the Umoja training database in time for delivery of end-user training, along with other Cluster 4 entities.

53. Based on the review conducted and evidence provided, OIOS concluded that the readiness of travel processes ESCWA was generally adequate.

Need to implement additional controls in support of infrastructure and technology

54. The Umoja Deployment Guide provided detailed guidelines for ensuring the readiness of infrastructure and technology at each deployment location. These requirements included: (i) identification and involvement of a technical focal point; (ii) training; (iii) availability of the Enterprise Identity Management System (EIDMS) accounts for all Umoja end users; (iv) bandwidth and network support (v) deployment of the customer relationship tool (iNEED); (vi) SAP printing; and (vii) readiness testing at the location.

55. The following were noted with regard to the readiness of the infrastructure and technology:

- (i) A detailed applications roadmap analysis had been completed;
- (ii) The required network (i.e., Multiprotocol Label Switching) had been installed;
- (iii) Primary and secondary communication links had been installed;
- (iv) Application interface protocol templates were documented and submitted for technical and substantive reviews;
- (v) Information and Communication Technology Section (ICTS) staff at ESCWA was actively involved in relevant Umoja training initiatives;
- (vi) ICTS provided support for data cleansing and reporting;

- (vii) The iNEED platform was in place with a defined local service catalogue. Further, the local service catalogue had been amended to avoid duplications and overlaps with the Umoja service catalogue; and
- (viii) Standard period reports for local reporting had been defined.

56. With regard to power supply, however, a dedicated generator for the data and security centres of ESCWA was not available. This condition, which was considered a potential critical risk to the continuity of ICT operations, had led ESCWA to initiate a technical review of possible solutions that were being documented in a proposal and expected to be reviewed shortly by senior management.

57. The absence of a dedicated generator for the data and security centres may prevent ESCWA from ensuring the continuity of its operations during extended periods of power failure.

(3) ESCWA should finalize the technical proposal for installing a generator dedicated to the data and security centres.

ESCWA accepted recommendation 3 and stated that the General Services Section has released the technical specifications for the generator to the Procurement Unit and the latter has taken necessary action to proceed with the purchase. OIOS reviewed the documentation provided by ESCWA and confirmed that the purchase process for the generator is in progress. Accordingly, recommendation 3 has been closed.

User access and role management were generally adequate

58. According to the Umoja Deployment Guide, enterprise roles had to be mapped with end-users and supported by workflows. The roles should be assigned in accordance with the delegation of authority, where applicable. In order to prepare for the user access mapping process, ESCWA was required to compile information related to: (i) organizational charts; (ii) listing of all individuals with delegated authority indicating their exact delegation along with dollar values, fund centres or other restrictions; and (iii) updated list of all active users in the current legacy systems with the roles performed.

59. ESCWA: (a) used the Role Mapping Tool (RMT) and all other key documents provided by the Umoja Office to ensure proper mapping of user roles; and (b) prepared organization charts, listing all individuals who possessed delegated authority, and updated the list of all active users in the current legacy system.

60. Based on the review conducted and evidence provided, OIOS concluded that user and role mapping readiness at ESCWA was generally adequate.

IV. ACKNOWLEDGEMENT

61. OIOS wishes to express its appreciation to the Management and staff of ESCWA for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja
Assistant Secretary-General, Acting Head
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the implementation of Umoja in the Economic and Social Commission for Western Asia

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	ESCWA should update their consolidated list of “As-Is” and “To-Be” processes to reflect the current status of handling development accounts for project planning and execution, extra-budgetary funded projects, and closing of projects.	Important	O	Receipt of the updated documentation on ESCWA “To-Be” processes.	30 June 2016
2	ESCWA should correct the purchase orders that have missing product categories prior to the conversion of data in Umoja.	Important	C	Action completed	Implemented
3	ESCWA should finalize the technical proposal for installing a generator dedicated to the data and security centres.	Important	C	Action completed	Implemented

² Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

³ Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

⁴ C = closed, O = open

⁵ Date provided by ESCWA in response to recommendations.

APPENDIX I

Management Response



CONFIDENTIAL

27 November 2015

TO: Mr. Gurpur Kumar, Deputy Director
Internal Audit Division
OIOS

FROM: Rima Khalaf
Executive-Secretary, ESCWA

A handwritten signature in blue ink, appearing to read 'Rima Khalaf', is written over the printed name and title.

SUBJECT: **Draft report on an audit of the implementation of Umoja in the Economic and Social Commission for Western Asia (Assignment No. AT2015/519/03)**

1. Reference to your memo dated 18 November 2015 on the above-mentioned report, please find attached our complete comments and an action plan with target dates for implementing the recommendations in Appendix I.
2. We accept the recommendations by OIOS and have initiated the necessary steps to address the issues identified.
3. We look forward to receiving the final report.
4. Thank you.

cc: Mr. Yukio Takasu, Under Secretary-General, Department of Management
Mr. Ernesto Baca, Assistant Secretary-General, Umoja Office
Mr. Pontus Molin, Director of Administrative Services Division, ESCWA
Ms. Zorana Maltar, Administrative Officer, Umoja Deployment Lead, ESCWA
Ms. Dilek Akyuz, Administrative Officer, Office of the Director, Administrative Services Division, ESCWA
Ms. Dionne Maxwell, Audit Focal Point, Umoja, Department of Management
Mr. Zachary Ikiara, Chief, Oversight and Coordination Support Unit, Department of Management
Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS

Management Response

Audit of the implementation of Umoja in the Economic and Social Commission for Western Asia

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ESCWA should update their consolidated list of “As-Is” and “To-Be” processes to reflect the current status of handling development accounts for project planning and execution, extra-budgetary funded projects, and closing of projects.	Important	Yes	ESCWA Deployment Lead	30 June 2016	<p>ESCWA notes that, to a large extent, the tools (CIDs) required to complete this task were not made available by the Process Owners (POs) on time.</p> <p>As stated in the Umoja Deployment Guide (attachment number 37.0):</p> <p><i>“As of 17 August 2015: a total of 50 of the 116 CIDs, covering 126 Processes have been validated, signed and published.”</i></p> <p>ESCWA will update the “As-Is” and “To-Be” processes accordingly in the cited areas when CIDs are cleared by the POs.</p>
2	ESCWA should correct the purchase orders that have missing product categories prior to the conversion of data in Umoja.	Important	Yes	Chief Procurement Unit	18 September 2015	<p>ESCWA updated the missing product categories prior to the end of the audit and notes that the sampled data was part of a mock cycle activity.</p> <p>Ultimately only the PO #2200032339 for ammunitions was migrated. The POs were migrated as Funds Commitment (FC) and therefore are not in SRM.</p>
3	ESCWA should finalize the technical proposal for installing a generator dedicated to the data and security centres.	Important	Yes	Chief General Services Section	21 October 2015	The General Services Section of ESCWA has released the technical specifications for the generator to the Procurement Unit and the latter raised

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Management Response

Audit of the implementation of Umoja in the Economic and Social Commission for Western Asia

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						an RFQ to the supplier soon after the audit.