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联合国教育、  
科学及文化组织

## Internal Oversight Service Audit Section

IOS/AUD2015/10

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## Remote Audit of the UNESCO Office in Windhoek

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### **Auditors:**

Hir Purkait

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## EXECUTIVE SUMMARY

### Key Results:

IOS conducted a remote audit of the financial and administrative processes of the Windhoek Office and concluded that controls need improvement, particularly in the areas of contracting and travel management.

The selection of contractors by the Office often did not conform to UNESCO policy and, in some instances, there was inordinate delay in the receipt of final deliverables. Banking information for some vendors was incomplete, and there were instances of password sharing among staff.

With regard to travel management, action is needed to ensure that travel orders are always issued prior to the travel and tickets are purchased at least two weeks in advance. There was also a case of business class travel on mission, in contravention with the existing guidelines, and overpayment in the settlement of some travel claims.

### Background

1. The UNESCO Office in Windhoek is a National Office and is part of the Southern Africa Multi-Sectoral Regional Office based in Harare, Zimbabwe. The Office has activities in the fields of Education, Natural Sciences, Communication and Information and Culture.
2. The Office is led by a Head of the Office (P-5) with established posts of a Programme Specialist (P-3) in SC and two National Officers in ED and a National Officer in CLT. The administration is headed by an administrative Officer (P-2). The Office also employs seven Service Contractors and two Project Appointments.
3. The 2014-2015 budget allotments of the Office totaled US \$570,000 for the Regular Programme (RP) which included the running costs budget of US \$380,000. In addition, it was implementing extrabudgetary projects totaling US \$1 million.<sup>1</sup>

### Scope, Objective and Methodology

4. IOS conducted a remote audit of the UNESCO Windhoek Office. The audit objective was to assess the functioning of the Office's internal controls and compliance with UNESCO rules and procedures in Contracting & Procurement, Financial Management, Human Resource Management and Travel.
5. The remote audit is a limited-scope examination of financial and administrative actions, documents and records away from the place of action. The audit was performed in accordance with the *International Standards for the Professional Practice of Internal Auditing* and covered activities undertaken from January 2014 to May 2015. The methodology entailed substantive testing of a sample of contracts, travel and financial transactions. In doing so, the auditors examined relevant transactional documentation and interviewed personnel.
6. The audit included examination of a sample of 18 contracts / purchase orders for review, totaling US \$ 500,000, representing 23 percent by value of all contracts issued during the period under audit. Of these, six were contracts for services / purchase orders and eight were individual consultant contracts. The audit also reviewed a sample of nine mission travels with an expenditure of \$33,100. This represented 79 percent of all mission travels during the audit period.

### Assessment of Controls

7. As part of the audit, IOS validated the most recent self-assessment of internal controls completed by the Office. The purpose of this validation is to reinforce the self-assessment methodologies and resultant assurance as this process continues to evolve. We concluded that the self-assessment accurately presented the status of the Office's controls in only two of the four functional areas reviewed in this audit. Implementation of the recommendations contained in this report will improve controls where needed.

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<sup>1</sup> Data extracted from SISTER and FABS

Functional Area	2014 Self-Assessment	IOS assessment
Financial Control	Globally Under Control	Globally Under Control (Recommendations 1 & 2)
Supply of Goods, Works & Services	Globally Under Control	Needs improvement (Recommendations 3 & 4 )
Human Resource Management	Globally Under Control	Globally Under Control (Recommendation 5)
Travel Management	Globally Under Control	Needs Improvement (Recommendation 6)

### Table of recommendations

**Recommendation 1:** The Office to reiterate to all personnel the mandatory requirement to respect UNESCO's IT Security Policy and Guidelines, in particular those relating to Access Codes and Password Policy, noting that future instances may lead to disciplinary measures as provided in the policy. Passwords should be re-set for any personnel having engaged in sharing.

**Recommendation 2:** BFM to establish detailed guidelines for the validation of vendors in the VIP data base in order to ensure that complete vendor information, including bank details, are available.

**Recommendation 3:** The Office AO to (a) in consultation with the BFM, organise training on the UNESCO policy for selection of contractors for all personnel involved in the contracting process and (b) ensure that relevant policy for selection of contractors is followed before certifying the contracts.

**Recommendation 4:** The Office to (a) establish a checklist and a monitoring system to ensure that contracts are signed on or before the start date and deliverables are received on time and (b) expedite the delayed deliverables noted in this report and, if not received within an acceptable timeframe, initiate a process of obtain appropriate reimbursement from the contractor.

**Recommendation 5:** The Head of the Office, in consultation with HRM, to review and revise the job descriptions of Office staff where needed to align with the current to align with current roles and priorities of the Office.

**Recommendation 6:** The Office to (a) establish a check list for travel to ensure that travel orders are complete, in compliance with policy and travel records are processed accurately and (b) recover the overpayment of US \$ 947 from the travellers as indicated in the Annex III.