**Key areas for improvement identified in audit reports**

Key areas for improvement identified in IAIG internal audit reports in 2017 include:

1. *Finance,* with recommendations made concerning: authorization of project expenditure; management of operational advances and cash suppliers; compliance with the receipting process; implementing controls to prevent, detect and mitigate fraud in the enterprise resource planning system; segregation of duties; and compliance with the UNOPS Financial Regulations and Rules;
2. *Procurement,* with recommendations made concerning: development of a well-documented office procurement strategy; performance of supplier due diligence; strengthening of corporate level guidance; compliance with delegation of authority requirements; monitoring for red flags of collusion and corruption in the procurement process; contract management; segregation of duties; and duplicated suppliers in the enterprise resource planning system;
3. *Human resources,* with recommendations made concerning: utilization of desk reviews and 100 day contracts; interview panel set-up; review of office organizational structure; review and clean-up of vendor database; guidance on hiring personnel of retirement age; and monitoring for red flags of contracts being issued to retirees or pension recipients;
4. *Project management,* with recommendations made concerning: adherence to established “engagement acceptance” process; segregation of duties; formal authorization for budget reallocations; consistent integration of risk management in all projects; discrepancies between scope of works and actual works completed; timely closure of projects; and adherence to UNOPS environmental management and health and safety policies;
5. *Information technology,* with recommendations made concerning: transition to eSourcing; vulnerability of critical applications and infrastructure; and cyber security of UNOPS procurement systems;
6. *General administration,* with recommendations made concerning: proper asset management; inventory and records of assets; guidance on the treatment of small value assets; and proper utilization and upgrade of enterprise resource planning asset module;
7. *Partnerships,* with recommendations made concerning: portfolio diversification planning; business acquisition strategic planning; and strategic alignment between UNOPS, specific office and client priorities; and
8. *Security,* with recommendations made concerning: business continuity and disaster recovery plans.

Key areas for improvement identified in IAIG project audit reports in 2017 include:

1. *Project/grant management,* with recommendations made concerning: compliance with reporting requirements; the adequacy of project oversight by project steering committees; the appointment of project steering committees; the declaring of conflict of interest; and the publicizing of grant opportunities;
2. *Finance and enterprise resource planning processes,* with recommendations made concerning: correction of transactions causing duplicated expenditure; maintenance of supporting documents with regards to expenditures; reporting to stakeholders; and payments made outside of contract periods;
3. *Procurement,* with recommendations made concerning: compliance with procurement procedures; definition of roles and responsibilities in the procurement team; and procurement planning;
4. *Human resources,* with recommendations made concerning: compliance with recruitment procedures; and the maintenance of personnel files;
5. *General administration (asset management),* with recommendations made concerning the maintenance of a detailed inventory list; and
6. *General administration (information management),* with recommendations made concerning the maintenance of documentation and the preparation of field visit reports.