
External and internal audit recommendations: progress on implementation

Report by the Secretariat

1. In resolution WHA58.4 the Director-General was requested to propose a tracking programme for external and internal audit recommendations that include time frames for implementation. At its fourth meeting, in May 2006, the Programme, Budget and Administration Committee agreed that progress on tracking audit recommendations would continue to need close monitoring. The Committee subsequently requested the Secretariat to apprise the Committee more specifically of progress made in implementation of the External Auditor's recommendations.¹
2. The present progress report is the fourth on the status and future direction of the Secretariat's work to monitor implementation of recommendations of the External and Internal Auditors. The previous progress report on this topic – submitted to the Programme, Budget and Administration Committee at its ninth meeting in January 2009² – contained a summary of specific actions taken in response to important recommendations contained in the most recent report of the External Auditor, which was submitted to the Sixty-first World Health Assembly.³
3. At its ninth meeting, the Programme, Budget and Administration Committee suggested that the matrix providing information on implementing audit recommendations should in future be included in the relevant Secretariat document as an annex, rather than being made available at the meeting. The Secretariat agreed to the suggestion and information on that matter was included in the Committee's report to the Executive Board at its 124th session.⁴ The relevant details on implementation are attached to the present report at Annexes 1 and 2. A summary of the principal points contained therein follows below, with particular attention paid to internal and external audits that have remained open for a longer period of time. This information is expected in future to be supplied on a regular basis to the Organization's newly-established Independent Expert Oversight Advisory Committee, to be reviewed in conjunction with the reports prepared separately by the Office of Internal Oversight Services and the External Auditor.

¹ Document A59/31, paragraph 6.

² Document EBPBAC9/6.

³ Document A61/23.

⁴ Document EB124/3.

ACTION TAKEN ON AUDIT RECOMMENDATIONS

Internal audit reports

4. Progress has now been made in respect of one of the internal audit reports where full implementation has been difficult, and thus delayed. The issues associated with telephone expenses at WHO headquarters have begun to be resolved, following the implementation of a modified call accounting system. This system allows staff members to identify private telephone calls made using WHO-owned mobile phones, and allows their supervisors to review all calls made on both mobile and desk phones. Once identified, the total cost of private calls is deducted from the following month's salary. The cost of all such private calls is recovered in a similar manner from staff members based in the regional and country offices. Although this is still an honour-based system that relies on individuals to declare their private calls made on mobile and desk phones, it will be further strengthened by a series of new follow-up measures that, collectively, should allay any remaining audit concerns.

5. Specifically, it has been decided (a) to strengthen the call accounting system by introducing more vigorous measures to make sure that the declarations of private calls are comprehensive and completed on time; and (b) to take swift recovery action regarding any outstanding balances from non-official calls, including for past periods. Furthermore, more rigorous policies, standards and guidelines for issuing mobile phones and similar devices to WHO staff members are being developed. Senior management will now be provided with a monthly summary analysis of all telephone expenses, which will allow better monitoring through trend analysis and identification of unusually high amounts or spending patterns. This will in turn facilitate the tightening of follow-up actions, including automatic recoveries from salaries in the event of late identification of private calls.

6. The prospects for a quick resolution of long-standing audit issues are not as good regarding the two audits on security management, involving respectively, the staff security unit at headquarters and security in the regions. In both cases, the main obstacle is the lack of sufficient funding to ensure the full compliance of all WHO offices with the United Nations Minimum Operating Security Standards. In view of the magnitude of the funding gap – estimated at US\$ 48.5 million with respect to the total requirements in the area of safety and security, both building- and non-building-related – it will only be possible to close this audit when additional funding has been agreed to by WHO's governing bodies.

7. The Secretariat's most recent attempt to obtain guidance on these issues with a view to identifying a long-term sustainable funding mechanism for safety, security and capital investments involved the submission of a report on the safety and security of staff and premises and the Capital Master Plan to the Sixty-second World Health Assembly in May 2009.¹ However, the predominant feeling among Member States was that agreement on a specific funding "package" would depend on progress being made on some of the United Nations-wide initiatives on safety and security.

8. With regard to the latter, a new framework on accountability is being finalized which, once endorsed by CEB, will be presented to the United Nations General Assembly for its consideration. The framework is based on a new approach to safety and security in a location, in which the focus is on "how to stay" rather than "when to leave". It is hoped that this will enable the United Nations

¹ Document A62/4 Add.1.

community to deliver critical programmes even in the most challenging security environments. However, the new document presenting the framework also makes clear that the respective United Nations executive heads have to ensure that adequate funding is provided for the safety and security of staff. This is a matter of grave concern for WHO, as the Organization is currently less compliant with the Minimum Operating Security Standards than any of the other main United Nations agencies.¹

9. On another long-standing report of significant importance, namely the internal audit on enterprise risk management, considerable progress has been made following a detailed consultancy study performed in early 2009, which included the classification of the existing risks. This provided the basis for the implementation, which is currently under way, of a full enterprise risk management system, including the identification and structured management of key risks. Further review by the Internal Auditor of the effectiveness and longer-term sustainability of the new risk management systems and related efforts has yet to be carried out, but it is hoped that this audit can be closed once the auditors are satisfied with implementation of the systems.

10. Regarding other open internal audit reports, the recommendations of the Internal Auditor on selection and recruitment at headquarters have been largely implemented, and only one recommendation, on short-term staffing, remains outstanding. The response to the internal audit risk assessment of the Memorandum of Understanding for WHO's hosting of UNITAID has been slow. However, a joint memorandum from the Secretariat and UNITAID, focusing on the five most serious risks identified in the executive summary of the audit report, is currently in preparation. Not all responses, however, fall sufficiently within the remit of WHO management to ensure a prompt reply; this is the case, for example, with audit reports concerning WHO partnerships.

11. Finally, in July 2009 the management of the Global Service Centre submitted a detailed response to the Internal Auditor's report on the assessment of the Centre's control readiness. This submission is still being reviewed. Further internal audit analysis has been deferred pending the outcome of the new audit review of controls at the Global Service Centre currently being undertaken by a leading audit firm on behalf of the Internal Auditor. This additional audit may obviate the need to provide a further response to the earlier audit. More information on audit issues regarding the Global Management System, and the initial problems experienced with it, is contained in the discussion of the relevant recent external audits below.

External audit reports

12. The External Auditor has highlighted risks associated with the stabilization of the Global Management System, including the use of transition accounts to facilitate conversion of legacy data and the incorporation of the finances of the selected regions concerned. There was an expectation that concerns over data conversion would be resolved before the System was introduced in those regions in order to ensure the reliability of the System's outputs. The Secretariat has responded to these concerns by cleaning, validating and testing data more thoroughly than was possible when the Global Management System was introduced in the initial group of locations in July 2008. The results will be available for analysis early in 2010.

13. Other areas of concern include the security of all electronically stored information and the need for a well documented and comprehensive disaster recovery plan for ensuring business continuity for the Global Service Centre in Kuala Lumpur.

¹ For more details, particularly on WHO's unmet funding needs for security, see document EB126/24.

14. The technical processing problems in the human resource module of the Global Management System – which affect, for example, payroll and travel claims – have also been highlighted as a significant concern by the External Auditor. Considerable attention has been paid by management to enhancing the human resource module and to resolving specific problems; the results of these efforts should become apparent early in 2010.

ACTION BY THE PROGRAMME, BUDGET AND ADMINISTRATION COMMITTEE

15. The Committee is invited to note this report.

ANNEX 1

SUMMARY OF OPEN AUDIT STATUS: REPORTS BY THE OFFICE OF INTERNAL OVERSIGHT SERVICES

Subject	Update on implementation
Telephone expenses at headquarters	<p>Date audit issued to management: 19 January 2005</p> <p>The main outstanding issue concerns the need to review usage patterns and WHO's communication policies and to recover the outstanding cost of private mobile telephone calls. Delays associated with the introduction of the Global Management System led to the postponement of implementation efforts planned for 2008. A call tracking system has been in place for years, but it is an honour-based system. A modified call accounting system was introduced in May 2009 within the Global Management System, enabling identification of all private calls and subsequent recovery from salaries. Senior management will henceforth be provided with a monthly summary analysis of all telephone expenses, which will allow better monitoring and tighter follow-up. Completion of the full declaration by staff members of all private calls for subsequent recovery will permit the closure of this audit.</p>
Security at headquarters	<p>Date audit issued to management: 24 June 2005</p> <p>The main obstacle to the closure of this audit, as with the audit on security in the WHO regions, is the fact that funding is not sufficient to ensure the full compliance of all WHO offices with United Nations Minimum Operating Security Standards. The funding gap for this is estimated at US\$ 48.5 million (all WHO locations). In view of the magnitude of this gap, it appears that this audit can only be closed once additional funding has been agreed to by WHO's governing bodies.</p>
Enterprise risk management	<p>Date audit issued to management: 8 December 2006</p> <p>Considerable progress has been made following a detailed study, including the classification of the existing risks, carried out by a leading firm of management consultants in early 2009. Follow-up activities to implement a full enterprise risk management system are continuing; they include the identification and structured management of risks. Further monitoring by internal audit of the effectiveness and longer-term sustainability of the new risk management systems and related efforts is to be carried out as a precondition for closing this audit.</p>

Subject	Update on implementation
Bank accounts of associations and other entities established by WHO staff at headquarters	<p>Date audit issued to management: 4 June 2007</p> <p>The recommendations to strengthen controls over the existing bank accounts of the associations have been implemented. However, the same has not been possible for the recommendations to create guidelines for the establishment and operation of WHO-related associations and other entities and their bank accounts, as these are concerned by broader negotiations that are continuing between WHO's management and the WHO staff associations regarding WHO's statutory staff welfare provisions.</p>
WHO selection and recruitment at headquarters	<p>Date audit issued to management: 30 August 2007</p> <p>This audit has been largely implemented, with only one recommendation on recruitment guidelines for temporary staff remaining outstanding. In a meeting on 28 October 2009, additional information was shared with the auditors and it appears that most of the remaining audit concerns are being addressed.</p>
WHO Research Ethics Review Committee	<p>Date audit issued to management: 10 January 2008</p> <p>On 10 November 2009, the secretariat of the Committee provided a response on follow-up actions undertaken to date. This still being evaluated by the Office of Internal Oversight Services.</p>
Risk assessment of the Memorandum of Understanding with the International Drug Purchase Facility, UNITAID	<p>Date audit issued to management: 10 December 2007</p> <p>After a slow start, a comprehensive response to the auditors' recommendations – in the form of a joint memorandum from the Secretariat and UNITAID – is in preparation. The memorandum will focus on the five most serious risks identified in the executive summary of the audit report. This response is planned for mid- to end-November 2009.</p>

Subject	Update on implementation
Audit of the Regional Office for Africa, Brazzaville	<p>Date audit issued to management: 12 February 2008</p> <p>During 2008, progress reports indicated that some issues, in particular in the procurement area, had been resolved. However, the implementation status of six other audit recommendations remains open. A further response from the Regional Office was received on 1 October 2009 and, as a result, several additional recommendations can be closed.</p>
Assessment of the control readiness of the Global Management System's Global Service Centre	<p>Date audit issued to management: 15 January 2008</p> <p>A detailed response to the audit was provided in July 2009 and is still being reviewed. Further internal audit analysis has been deferred until the outcome of a new audit review of controls at the Global Service Centre undertaken by a leading international audit practice on behalf of the Office of Internal Oversight Services. That audit is currently under way; it may mean that no further response is needed to the earlier audit.</p>
Office of the WHO Representative, Dhaka	<p>Date audit issued to management: 26 June 2008</p> <p>A response to the audit provided in January 2009 confirmed effective implementation of some recommendations. Further information was requested on four other recommendations. A further response regarding follow-up on outstanding issues was sent to the Office of Internal Oversight Services in mid-October 2009 and is being evaluated.</p>
Office of the WHO Representative, Pretoria	<p>Date audit issued to management: 23 May 2008</p> <p>A response received in December 2008 confirmed effective implementation of some recommendations. Further documentation was requested by the Office of Internal Oversight Services. Partial responses were received on 5 and 14 June 2009; however, additional follow-up will be needed.</p>
Performance audit of WHO's collaboration with the private sector	<p>Date audit issued to management: 24 June 2008</p> <p>An initial response was received on 20 August 2009, enabling closure of some recommendations. However, work is reported to be continuing in response to other substantial recommendations.</p>

Subject	Update on implementation
Audit of the Regional Office for Europe	Date audit issued to management: 25 July 2008 An initial response was received by the Office of Internal Oversight Services on 27 October 2009 and is being evaluated.
Audit of the Regional Office for the Eastern Mediterranean	Date audit issued to management: 26 August 2008 A response received in October 2008 confirmed effective implementation of a number of audit recommendations. A status report on the implementation of the five recommendations that remained outstanding was sent to the Office of Internal Oversight Services on 8 November 2009. The report is still under review.
HIV/AIDS, tuberculosis and malaria cluster at the Regional Office for South-East Asia	Date audit issued to management: 29 August 2008 In mid-January 2009, the Office of Internal Oversight Services was provided with a response that dealt with most of the issues. A further response, concerning all outstanding items, is planned for mid-November 2009.
Epidemic and pandemic alert and response operations at headquarters	Date audit issued to management: 20 August 2008 An initial response was received on 19 August 2009, indicating that work had begun. However, only a few recommendations could be closed since most implementation work was reported to be in progress.
Office of the Special Representative of the Director-General in the Russian Federation	Date audit issued to management: 14 October 2008 An initial response was sent to the Office of Internal Oversight Services on 27 October 2009 and is being evaluated.
WHO Centre for Health Development, Kobe, Japan	Date audit issued to management: 10 October 2008 A comprehensive response was received on 16 July 2009. Four recommendations remain outstanding pending receipt of documentary evidence of implementation.

Subject	Update on implementation
Security in the WHO regions	<p>Date audit issued to management: 19 November 2008</p> <p>Although no formal response has been received, the issues largely mirror those already identified in the earlier audit report on security at headquarters (see relevant comments above). The Secretariat is resubmitting a comprehensive report to the Executive Board on the safety and security of staff and the Capital Master Plan (document EB126/24). The report focuses on the unmet security needs in the light of the recent United Nations-wide developments with respect to the new “how to stay” approach to safety and security in a location.</p>
Global insurance coverage at headquarters	<p>Date audit issued to management: 27 November 2008</p> <p>An initial response to the audit report is in preparation and will shortly be sent to the Office of Internal Oversight Services.</p>
Office of the WHO Representative, Islamabad	<p>Date audit issued to management: 27 November 2008</p> <p>The initial response is to be sent to the Office of Internal Oversight Services by mid-November 2009.</p>
Office of the WHO Representative, Phnom Penh	<p>Date audit issued to management: 27 February 2009</p> <p>An initial response was sent to the Office of Internal Oversight Services on 25 August 2009. A further response covering all open items was sent on 23 October 2009 and is still being evaluated.</p>
Education grants at headquarters	<p>Date audit issued to management: 30 January 2009</p> <p>A response was received by the Office of Internal Oversight Services in July 2009 and a supplementary response followed on 28 September 2009, providing additional information on a number of recommendations. The latter response is currently under review and the audit of controls at the Global Service Centre currently being conducted by a leading audit firm also covers, among other things, education grant processing.</p>

Subject	Update on implementation
Accounts payable, following the introduction of the Global Management System	<p>Date audit issued to management: 28 January 2009</p> <p>A response was received in July 2009, but most recommendations have so far only been dealt with partially. The decision to initiate further follow-up action by the Office of Internal Oversight Services will also depend on the results of the audit of controls at the Global Service Centre that is currently under way.</p>
Malaria Unit at the Regional Office for Africa	<p>Date audit issued to management: 23 March 2009</p> <p>An initial response was sent on 18 September 2009. On 26 October 2009, the Office of Internal Oversight Services duly responded, closing some of the recommendations. The outstanding recommendations continue to be reviewed by the relevant staff at the Regional Office. It is planned that an update on their implementation will be provided to the Office of Internal Oversight Services during the first quarter of 2010.</p>
Office of the PAHO/WHO Representative, Quito	<p>Date audit issued to management: 2 April 2009</p> <p>An initial response was sent on 17 September 2009, and this is currently under review.</p>

ANNEX 2

SUMMARY OF OPEN AUDIT STATUS: REPORTS BY THE EXTERNAL AUDITOR

Subject	Update on implementation
<p>Contracts and procurement services follow-up</p>	<p>Date audit issued to management: November 2007</p> <p>The audit was merged with an earlier audit issued to management in November 2005. Items covered by the External Auditor's observations and recommendations included insurance agreements, freight management, vaccine procurement, order processing time, bidding, sole-source purchases, price estimates, low-value purchases and the vendor database.</p> <p>The management proposed to implement many of the recommendations after the introduction of the Global Management System. The relevant responses were sent to the External Auditor in January 2009 in the light of experiences with the introduction of the Global Management System.</p> <p>On 23 April 2009 the External Auditor indicated his acceptance of the response in respect of all items except the monitoring of processing time for purchase orders in the unit responsible for contract and procurement services. This item remains open, pending stabilization of the Global Management System. In September 2009, the External Auditor indicated that a further progress report was awaited.</p>
<p>Audit of the Regional Office for Europe</p>	<p>Date audit issued to management: October 2007</p> <p>Items covered by the External Auditor's observations and recommendations included procurement, technical service agreements, Agreements for Performance of Work, programme budgeting, staff advances and staff health insurance claims (the Staff Health Insurance Rules do not permit payment of advances).</p> <p>In March 2009, the Regional Office confirmed implementation of actions concerning procurement, technical service agreements, Agreements for Performance of Work, programme budgeting and staff health insurance. Responses on staff advances were pending.</p> <p>On 30 March 2009, the External Auditor settled all items except personal accounts, which remains open pending clearance of old items under salary advances. The External Auditor is to verify action on personal accounts in the audit due in November 2009.</p>

Subject	Update on implementation
Audit of the Office of the WHO Representative, Kabul	<p>Date audit issued to management: November 2007</p> <p>Items covered by the External Auditor's observations and recommendations included imprest account and cash book, inventory and procurement, programme management, unliquidated obligations, fellowships, Agreements for Performance of Work and direct financial cooperation.</p> <p>A response from the Office, dated 16 April 2009, enabled the following items to be settled: imprest account and cash book, inventory and procurement, fellowships and Agreements for Performance of Work.</p> <p>On 23 April 2009, the External Auditor settled all items except unliquidated obligations, which remains open pending full liquidation. In September 2009 the External Auditor indicated that a further response was awaited from the Regional Office.</p>
Global Management System – project processes and preparedness for implementation	<p>Date audit issued to management: February 2008</p> <p>Items covered by the External Auditor's observations and recommendations included project management, compliance with the International Public Sector Accounting Standards, records management, conversion and cutover, testing, project cost, procurement, legacy decommissioning, disaster recovery planning, training, organizational readiness, printing and security.</p> <p>By December 2008, the majority of the items had been settled in responses provided by the management.</p> <p>Some items remain open pending the stabilization of the Global Management System and its full introduction in the regions. The items concerned – including procurement, legacy decommissioning and cost – were to be reviewed in the March 2009 audit of headquarters. In September 2009, the External Auditor indicated that the following items remained open pending the stabilization and validation of the Global Management System: deadlines for the introduction of the System, costing analysis, parallel testing, end-to-end scenarios for the user acceptance test, knowledge management, Global Private Network, procurement, database archiving and system security issues. To be updated by the Secretariat.</p>

Subject	Update on implementation
Audit of headquarters 2008	<p>Date audit issued to management: February 2008</p> <p>Items covered by the External Auditor's observations and recommendations included cash balances, imprest accounts, staff health insurance, personal accounts (accounts receivable and accounts payable), miscellaneous income, pledges, interest apportionment, Real Estate Fund, tax equalization, garage parking funds, and the United Nations System Accounting Standards.</p> <p>The majority of the items were settled in a response from the management dated 27 March 2009.</p> <p>On 30 March 2009 the External Auditor indicated that three items remained outstanding: accounts receivable (personal accounts awaiting write-offs), underground parking operations, and use of the Real Estate Fund for major repairs and alterations to office buildings. The External Auditor has indicated that a further progress report is pending.</p>
The African Programme for Onchocerciasis Control	<p>Date audit issued to management: October 2008</p> <p>Items covered by the External Auditor's observations and recommendations included fund statement, cash deposits, non-expendable equipment, budgetary control, local purchases, outstanding balances, cash management, bank reconciliation, project management, direct financial cooperation, letters of agreement, technical service agreements and inventory management.</p> <p>In its response, the management accepted the recommendations and informed the External Auditor that implementation was under way. A further submission in 2009 settled the items on project and inventory management. An additional response, received in October 2009, dealt with certified accounts, unliquidated obligations and inter-office payments and provided clarification on the value of land and buildings.</p> <p>In April 2009 the External Auditor indicated that all items had been settled, except salary advances (pending clearance) and project management and inventory management, which were in the process of being settled. In September 2009, the External Auditor's response showed that only one item, salary advances, remained open.</p>

Subject	Update on implementation
Audit of the Regional Office for Africa	<p data-bbox="703 268 1294 300">Date audit issued to management: December 2008</p> <p data-bbox="703 331 1980 466">Items covered by the External Auditor's observations and recommendations included budget control, fund utilization, negative balances, imprest, cash management, bank reconciliation, direct financial cooperation, personal accounts, human resources management, Agreements for Performance of Work, technical service agreements, procurement, inventory, fellowships and programme management.</p> <p data-bbox="703 497 1980 730">In its response, the management accepted the recommendations and informed the External Auditor that implementation was under way. A further submission in 2009 enabled the items on project and inventory management to be settled. In October 2009 an additional submission provided information on inventory, including the installation of inventory tracking software in country offices, the issuing of terms of reference for a contractor to help to reconcile personal accounts, updated reporting on direct financial cooperation by countries, and human resources management (performance management and development system) and contracting.</p> <p data-bbox="703 762 1980 995">In May 2009 the External Auditor indicated that all items had been settled, except direct financial cooperation, personal accounts, human resource management, inventory and Agreements for Performance of Work. In September 2009, a response from the External Auditor indicated that the item on Agreements for Performance of Work had been settled. In a response to the management's submission in October 2009, the External Auditor indicated that the recommendations regarding direct financial cooperation, personal accounts, human resource management (performance management and development system) and inventory continued to stand open pending completion of continuing activities.</p>
Audit of the Office of the WHO Representative, Abuja	<p data-bbox="703 1034 1294 1066">Date audit issued to management: December 2008</p> <p data-bbox="703 1098 1980 1232">Items covered by the External Auditor's observations and recommendations included budget control, negative balances, imprest, cash and bank balances, personal accounts, human resources management, Agreements for Performance of Work, technical service agreements, procurement, inventory management and programme management.</p> <p data-bbox="703 1264 1980 1359">In March 2009, the Regional Office responded to the External Auditor's comments on budgetary control, Agreements for Performance of Work, technical service agreements, procurement, inventory management and programme management.</p>

Subject	Update on implementation
	<p>On 28 April 2009, the External Auditor indicated that all the items had been settled, except negative balances, imprest accounts and inventory management. The item on procurement would be settled when the vendor profiling exercise was finished. A response from the External Auditor in September 2009 indicated that action was awaited on negative balances, imprest, personal accounts, procurement (vendor profiling) and inventory management.</p>
<p>Audit of the Regional Office for the Western Pacific</p>	<p>Date audit issued to management: December 2008</p> <p>Items covered by the External Auditor's observations and recommendations included budget control, fund utilization, reprogramming, unliquidated obligations, negative balances, suspense accounts, cash management, bank reconciliation, imprest, direct financial cooperation, personal accounts, human resources management, Agreements for Performance of Work, technical service agreements, procurement, inventory, insurance, fellowships, programme management and implementation of the Global Management System.</p> <p>In March 2009, the response from the Regional Office indicated that the majority of the items had been accepted and that recommendations on negative balances and fellowships had been implemented. A further update was provided to the External Auditor in October 2009, reporting completion of regional issues. Work continues on the following items of a global nature: unliquidated obligations, inventory and the stabilization of the Global Management System.</p> <p>On 12 May 2009 the External Auditor's response indicated that all items had been settled, except unliquidated obligations, suspense accounts, staff health insurance, inventory (record disposal module for asset accounting), insurance and the stabilization of the Global Management System. Those items remain open as action is continuing. In October 2009, the External Auditor accepted a report on regional issues. Other items, such as inventory and stabilization of the Global Management System, remain open.</p>
<p>Global Management System – data conversion</p>	<p>Date audit issued to management: December 2008</p> <p>Items covered by the External Auditor's observations and recommendations included data preparation and mapping, business owner validation, testing in support of the introduction of the Global Management System, data conversion, expenditure recognition, budget carry forward, technical assessment of the Global Management System and timelines for the introduction of the System in the regions.</p>

Subject	Update on implementation
	<p>In its response to the External Auditor in January 2009, the management indicated that it accepted all the recommendations and that implementation was under way. A further submission in October 2009 gave details of progress on implementation of recommendations on preparations for the introduction of the Global Management System.</p> <p>The management's October 2009 submission is under review by the External Auditor.</p>
Global Service Centre	<p>Date audit issued to management: January 2009</p> <p>Items covered by the External Auditor's observations and recommendations included preparation for the introduction of the Global Management System in the regions, accounts payable, global procurement and logistics, pending service requests, travel advances, information technology security, disaster recovery and continuity, service catalogue, online training materials, customer satisfaction, imprest and insurance.</p> <p>On 22 April 2009, the management response indicated acceptance of the recommendations.</p> <p>In April 2009 the External Auditor responded to the management's submission, indicating that all the outstanding items referred to in document A62/29 remained open, except online training materials and imprest, which had been settled. In a response made in September 2009, the External Auditor indicated that a further submission was awaited.</p>
International Computing Centre	<p>Date audit issued to management: March 2009</p> <p>Items covered by the External Auditor's observations and recommendations included income accounting, income recognition, expenditure accounting, asset accounting, procurement and outstanding dues.</p> <p>The management's response was received in April 2009.</p> <p>In April 2009 the External Auditor indicated that the following items remained open: income accounting, income recognition, expenditure accounting, asset accounting and outstanding dues.</p>

Subject	Update on implementation
The UNICEF/UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases	<p>Date audit issued to management: March 2009</p> <p>Items covered by the External Auditor's observations and recommendations included income recognition, accounting of prepayments, asset management, accounts payable and fellowships.</p> <p>The management's response is pending.</p>
UNAIDS	<p>Date audit issued to management: March 2009</p> <p>Items covered by the External Auditor's observations and recommendations included findings on assets, contingent liabilities, voluntary contributions, programme budget, staff expenditures, internal audit and compliance with the International Public Sector Accounting Standards.</p> <p>In June 2009, a response on all items was received from management.</p> <p>In September 2009, the External Auditor indicated that all recommendations were settled, except those on voluntary contributions and programme budget, in response to which action is continuing. The External Auditor is to be kept informed of progress.</p>
IARC	<p>Date audit issued to management: March 2009</p> <p>Items covered by the External Auditor's observations and recommendations included interim accounts for the biennium 2008–2009, travel advances, inventory management, Agreements for Performance of Work and whether the information technology system facilitated compliance with the International Public Sector Accounting Standards.</p> <p>In October 2009, a response on all items was transmitted to the External Auditor.</p> <p>Following the submission in October 2009, the following items have been closed: interim accounts for the biennium 2008–2009, travel advances and Agreements for Performance of Work. The item on inventory management remains open, pending clearance; the item on the information technology system remains open, pending stabilization of the Global Management System and compliance with the International Public Sector Accounting Standards.</p>

Subject	Update on implementation
Audit of headquarters 2009 	<p>Date audit issued to management: March 2009</p> <p>Items covered by the External Auditor's observations and recommendations included: void payments, bank reconciliations, duplicate payments, the use of imprest accounts, duplicate suppliers, recoveries for irregular travel claims, travel agent invoices, award recording, record management, sundry debtors, unliquidated obligations, staff health insurance data reconciliation, pensions, cargo insurance, requests for proposals and selections, travel agent contracts, Global Management System efficiency and service requests, inventory and training on the System.</p> <p>A detailed response from management was sent in August 2009 concerning items on cash management, bank reconciliation, imprest, duplicate payments and suppliers, irregular travel claims, methods for overcoming difficulties with the Global Management System and training in the System, pensions, staff health insurance, service requests and travel agent contracts.</p> <p>A response was received from the External Auditor in September 2009, indicating that items on procurement, service requests and travel agent contracts were settled. An enhancement of the Global Management System made in response to difficulties concerning void payments, bank receipts, and duplicate payments is to be validated in audits in October and November 2009. Other recommendations remain open with the relevant action under way. Award automation is to be reviewed in line with the International Public Sector Accounting Standards.</p>