



**INTERNAL AUDIT DIVISION**  
**OFFICE OF INTERNAL OVERSIGHT SERVICES**

**RISK ASSESSMENT**

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**United Nations Office in Vienna  
(UNOV)**

**17 October 2007  
Assignment No. AE2007/361/0 (UNOV)**

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**United Nations**  **Nations Unies**

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

**INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE  
OIOS · BSCI**

**TO:** Mr. Antonio Maria Costa, Director General  
A: United Nations Office in Vienna

**DATE:** 17 October 2007

**REFERENCE:** AUD-File no. (07- *00639*)

**FROM:** Dagfinn Knutsen, Director  
**DE:** Internal Audit Division, OIOS



**SUBJECT:** Assignment No. AE2007/361/0 - UNOV Risk Assessment Update

**OBJET:**

1. I am pleased to present OIOS' risk assessment of the United Nations Office in Vienna which was carried out from May to August 2007 for your information. While we do not require a formal response to this report, you are welcome to discuss any of the issues raised further.
2. OIOS encourages the United Nations Office in Vienna to use the results of this risk assessment to put in place appropriate risk mitigation measures. OIOS will update the risk assessment periodically, based on subsequent audits or additional information obtained.
3. I take this opportunity to thank the management and staff involved in the risk assessment for the assistance and cooperation provided to the project team in connection with this assignment.

**cc:** Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors  
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management  
Mr. Byung-Kun Min, Programme Officer, OIOS  
Mr. Franz Baumann, Deputy Director General, UNOV  
Mr. Anders Hjertstrand, Chief, Geneva Audit Service, OIOS

## **INTERNAL AUDIT DIVISION**

### **FUNCTION**

*"The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization" (General Assembly Resolution 48/218 B).*

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### **INFORMATION**

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## PARTICIPANTS

The OIOS risk assessment team conducted workshops and interviews with the following staff members of UNOV to gain an understanding of existing organizational relationships, risks, controls and process issues.

<b>Name</b>	<b>Functional Title</b>
Strategic Management and Governance Programme and Project Management	<i>Mr. Franz Baumann</i> , Deputy Director General, UNOV <i>Mr. Bo Mathiesen</i> , Chief of Staff, Office of the Executive Director, UNOV/UNODC <i>Mr. Sergio Camacho-Lara</i> , Director, Officer for Outer Space Affairs (OOSA) <i>Ms. Nasra Hassan</i> , Director UN Information Service, UNOV <i>Mr. Niklas Hedman</i> , Chief, Committee Services and Research Section, OOSA <i>Ms. Alice Lee</i> , Chief, Space Applications Section, OOSA <i>Professor Hans Haubold</i> , Consultant, OOSA <i>Mr. Imre Karbuczky</i> , Chief, Conference Management Section (CMS), UNOV
Financial Management	<i>Mr. Chris Kirkcaldy</i> , Chief, Financial Resources Management Services <i>Mr. Kenneth Ericsson</i> , outgoing, Chief Financial Resources Management Services <i>Ms. Jessica Turner</i> , Chief Accounts Section, FRMS, DM, UNODC/UNOV <i>Ms. Maria Rosario Paguio</i> , Financial Management Officer, FRMS, DM, UNODC/UNOV
Human Resources Management	<i>Ms. Khurshid Bhimani</i> , Chief, Human Resources Management Services, DM, UNODC/UNOV <i>Ms. Margrete Sobrale-Kiefl</i> , Chief, Staff Administration Unit, HRMS, UNODC/UNOV
Information Technology	<i>Mr. Philip Kruss</i> , Chief, Information Technology Services, DM, UNODC/UNOV
Security and Safety	<i>Mr. Nauludole Mataitini</i> , Chief, Security and Safety Section, DM, UNOV/UNODC <i>Mr. Rahimi Sassan</i> , Asst. Chief,

Name	Functional Title
	Security and Safety Section, DM, UNOV/UNODC <i>Mr. Christopher Ankersen</i> , Deputy Chief, Security and Safety Section, DM, UNOV/UNODC
Procurement and Contracts Management Logistic Management Property Management Conference and Documents Management	<i>Mr. Franz Baumann</i> , Deputy Director General, UNOV <i>Mr. Bo Mathiesen</i> , Chief of Staff, Office of the Executive Director <i>Mr. Romain Keiffer</i> , Chief, General Support Section, DM, UNOV/UNODC
Conference and Documents Management	<i>Mr. Imre Karbuczky</i> , Chief, Conference Management Section, UNOV <i>Ms. Melanie Suzara</i> , Chief, Planning, Coordination and Meetings Section, CMS <i>Mr. Romain Keiffer</i> , Chief, General Support Section, DM, UNOV/UNODC

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## SUMMARY OF RISK RATINGS

The risk assessment identified the following areas as Higher, Moderate and Lower Risk. A summary of the identified risks is shown below. Full details of the identified risks are listed in the Risk Register.

Focus Area	Overall Risk
i. Strategic Management and Governance ii. Financial Management iii. Human Resources Management iv. Programme and Project Management	<b>Higher Risk</b>
i. Procurement and Contracts Administration ii. Property and Facilities Management iii. Conference and Documents Management iv. IT Management v. Security and Safety vi. Logistics Management	<b>Moderate Risk</b>
	<b>Lower Risk</b>

# RISK REGISTER

## Risk Assessment of : UNOV

Focus Area:		Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
1	<b>Strategic Planning and Monitoring</b>	<p>ST/SGB/2004/05 indicates that the UNIS and OOSA are accountable to the Director General of the UNOV. The Deputy Director General noted some ambiguity as far as UNIS is concerned since it is also accountable to the USG for Communications and Public Information. A way of monitoring these agencies, however, would be through the Executive Committee where both agency heads are members.</p> <p>B(i) The nature and extent of reporting and accountability between the UNOV and the attached agencies: Office of Outer Space Applications (OOSA) and UN Information Service (UNIS) are not clear such that these may be subject to misinterpretation. Moreover, programme delivery by these two agencies may or may not be adequately monitored by the UNOV.</p> <p>B(ii) The nature and extent of reporting and accountability between the UNOV and the newly created agency, UN Register of Damages (UNROD) are not clear and again may be subject to misinterpretation resulting in the possible inadequate or inappropriate monitoring of UNROD activities.</p>	Governance	Possible	High	Higher Risk	
		<p>Both UNIS and OOSA agency heads interpret accountability as related to the administrative support rendered by UNOV. In the case of UNIS, programme direction is given by the Department of Public Information and the OOSA by the UN Committee on Peaceful Uses of Outer space and from the 4th Committee as well as the Department of Political Affairs.</p> <p>UNOV was identified as the site of the agency and as providing administrative support similar to UNROD which was established only on November 2006.</p>	Governance	Possible	High	Higher Risk	

## Risk Assessment of : UNOV

2		Focus Area:	Financial Management	Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	<b>Treasury arrangements</b>  D(i) Disbursements may be based on incorrect data resulting in loss of funds.	Disbursements are automated and are approved by two bank signatories . There are monthly checks to ensure the correctness of the automation system by the treasurer.	Financial	Remote	High	Moderate Risk
	F(i) Bank signatories, if they lack integrity can abuse their authority and misappropriate funds.	Only qualified officials are selected as bank signatories: contractual policy (permanent contracts), four eyes principle (two pairs of eyes review and approve transactions).	Human Resources	Remote	High	Moderate Risk
	G(i) The electronic banking system for bank related transactions may collapse resulting in loss of data.	The banking systems are backed up and information is saved on CDs on a monthly basis.	Information Resources	Remote	High	Moderate Risk
	E(i) Investments placed with banks might not be paid back to organization.	Funds are placed only with banks with A ratings. The Treasurer monitors bank placements daily.	Operational	Remote	High	Moderate Risk
II	<b>Budgetary arrangements</b>	The Accounts Unit of the UNODC accounts and prepares the following financial statements: -CPCJ Funds -Consolidated Funds of UNICRI, CPCJ and UNDCP funds -OOSA -Jointly financed activities -Programme Support Costs -Visitors Service -VIC Garage Operations -UNOSEK	Human Resources	Possible	High	Higher Risk

2	Focus Area:	Financial Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	<p>D(i) Programme funds budgeted for attached agencies may be reduced because of unauthorized realignments of such funds to administrative and project support expenses.</p> <p>D(ii) Poor planning and inaccurate projections may lead to over or under-expenditure by biennium-end, which may negatively impact on fund availability for future bienniums/periods.</p> <p>D(iii) Lack of awareness and budgetary/accounting knowledge may lead programme managers to certify documents against improper account codes</p> <p>D(iv) The General Purpose Funds position is very sensitive to the risk of even small deviations from budget which may lead to problems in financing infrastructure costs and core posts.</p>	<p>According to the Accounts Section Chief, the Budget Implementation Monitoring system is in place for monitoring actual expenditures, forecasts and unforeseen expenditures. Training of staff in substantive departments on budget monitoring and implementation is being done.</p> <p>There is an Administrative circular (in the form of electronic finance tips) on the responsibilities of the certifying officer and the purpose of the different funds and object of expenditure codes</p> <p>There is need to systematize General Purpose Funds (GPF) reporting and control in ProFi. At present, obtaining and analysing relevant data sources is still difficult and there is no audit trail for forecasts made. Management recognizes the need for: regular update of the current and projected general purpose fund position; systematic evaluation of costs and different funding options and introduction of suitable reports in ProFi.</p>	Financial	Possible	High	Higher Risk

2	Focus Area:	Financial Management	Possible	High	Higher Risk		
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
			Financial	Remote	High	Moderate Risk	
III	<b>Payment of vendor invoices</b>	<p>Payments are made only on certified original documents. If copies are accepted, appropriate clarifications is recorded. Moreover, the IMIS is checked as to travel status, in the case of travel claims, and as to receipt, inspection and payment status, in the case of invoices. In the unlikely event of a double payment, the payee is advised and a recovery action is initiated in IMIS.</p> <p>D(i) Double payments may be made due to duplicate submissions of claims and invoices.</p> <p>D(ii) A travel claim may be overpaid based on erroneous rates, calculations or allotments. Moreover, allotments may be posted to the wrong ledgers.</p> <p>D(iii) Payments may be processed beyond the established three days to one week turnaround time and a vendor's invoice may be settled beyond the agreed upon 30 days upon receipt.</p> <p>D(iv) Payments may be returned by banks in view of inaccurate banking information.</p>	<p>Payments are made only on certified original documents. If copies are accepted, appropriate clarifications is recorded. Moreover, the IMIS is checked as to travel status, in the case of travel claims, and as to receipt, inspection and payment status, in the case of invoices. In the unlikely event of a double payment, the payee is advised and a recovery action is initiated in IMIS.</p> <p>Travel authorization showing dates of travel will allow the system (IMIS) to calculate the DSA entitlements accurately. In case of overpayment, the payee is advised and a recovery action is initiated.</p> <p>Follow-up action is taken to expedite certification and inspection of documents. This includes automatic reminders for inspection and certification initiated by the Payables Register.</p> <p>Confirmation of banking information is requested from the payees and the banking details are entered into IMIS with the help of the Procurement Unit and Treasury when necessary.</p>	Financial	Remote	High	Moderate Risk

2		Focus Area: Financial Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
IV	<b>Payroll</b> D(i)The staff member may be paid an incorrect amount or the wrong type of entitlement due to incorrect data/instructions given to Payroll Unit. (e.g. from HRMS) and the approval of a wrong entitlement to a Staff member (PA, Ed.Grant etc).	Input is checked by a Certifying Officer in HRMS. Payroll also checks the accuracy of entitlements before approving payment. Payroll Actions and other request for Payments are thoroughly reviewed by Payroll staff. Furthermore, Information Circulars have been issued, encouraging staff to submit their EG claims after 2/3 of the schoolastic year in order to spread the workload over a period of time instead of an annual peak in July and August.	Financial	Remote	High	Moderate Risk
	G(i)Failure of MIS Servers to produce timely and accurate payroll reports may result in deadlines not being met and staff members not being paid on time.	There are backup Systems. Should the system go down, staff will be advanced equivalent amount of previous month payroll.	Information Resources	Remote	High	Moderate Risk

2	Focus Area: Financial Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	Risk Category	Likeli-hood	Impact	Overall Risk
V	<p><b>Accounting and financial reporting</b></p> <p>D(xii) Collections from revenue producing activities (guided tours and VIC garage operations, such as parking stickers, parking fees and fines; interest income and organizations shares) may not be properly accounted for and reported in the financial statements because of lack of staff specifically assigned to handle such function.</p> <p>D(xiii) Income from jointly financed activities ( allocations from other UNA funds, contributions from participating agencies and other miscellaneous income for two programmes: security and safety and conference and administrative services) may not be properly accounted for and recorded in the financial statements.</p>	<p>The jointly-financed activities are now accounted strictly based on OPPBA's guidelines that is on a no gains and no loss basis to the United Nations. However : UNIDO still refuses to be acknowledge its share of gains/losses and miscellaneous income. As such its share is still included in the fund balances of the Joint Fund activities and CFS funds.</p> <p>The VBOs (Vienna based organizations) have been invoiced for all receivables, and each VBO uses a different approach to pay : UNOV and CTBTO pay in advance for their share of allotment in CFS Fund for H-MOSS projects; while UNIDO and IAEA pay only their share of obligations and disbursements of the quarter.</p> <p>The Accounting Unit of the UNODC accounts and reports the financial activities of UNOV. Certain tasks related to both UNODC and UNOV such as applying deposits, monitoring accounts receivable, processing IOVs are done by the same staff while distinct groups prepare the financial statements for UNOV and UNODC.</p>	Possible	High	Higher Risk

2	Focus Area:	Financial Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	<p>D(xiv) UN financial rules and regulations on project support costs and how these should be accounted exist but these may not be properly complied with.</p> <p>D(xv) Insufficient funding to close the ZNA accounts may happen if projected new allotments are not realized.</p>	<p>The PSC Expenditure recorded for CPCJF and UNICRI is inflated, as well as the PSC Income recorded for OVA. UNICRI is questioning why it has to pay PSC on operating advances provided by executing agencies and why a 5.5% is used to calculate the PSC while UNICRI and UNODC agreed on a lumpsum PSC to be paid once a year. The entries to UNICRI's FAA were reversed in 2006.</p> <p>Without having received a financial authorization and or allotment to ensure funding for UNOSEEK (UN Office of Special Envoy for Kosovo) which is a self-financing service and uses ZNA; no expenditures are incurred for UNOSEEK.</p>	Financial	Possible	High	Higher Risk

## Risk Assessment of : UNOV

No	Focus Area:	Human Resource Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
No	Entitlements and allowances		Remote	High	High	Moderate Risk
1	F(i) Errors in the interpretation of UNJSPF staff pension rules pertaining to staff benefits may lead to financial loss to staff members.  F(ii) Errors in the interpretation of benefits which can be availed of from Health and Life Insurance policies may lead to financial loss to staff members and their families and compromise the credibility of the organization.  F(iii) Erroneous information to staff concerning their entitlements and allowances may lead to financial loss for both the staff and organization and/or loss of credibility to the service.  F(iv) Personnel related administrative decisions may lead to appeals, which have financial implications for the organization and/or loss of credibility.  F(v) Personnel issues may be decided based on wrong interpretation of rules.	The HRMS is careful in its interpreting guidelines related to entitlements and allowances because it is conscious of the possible effects of any HR staff interpreting HR related rules and regulations inaccurately--particularly at the Headquarters. In case certain provisions are unclear, it benchmarks with other organizations or seeks clarification from UN HQ.	Human Resources	Remote	High	Moderate Risk

3		Focus Area: Human Resource Management				Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk	
				Human Resources	Possible	High	Higher Risk	
II	<b>Recruitment activities in UNOV</b>	<p>F(i) The entry medical examinations may not have captured pre-existing chronic conditions of selected candidates.</p> <p>F(ii) The best qualified candidate may not have been selected because reference checks are not conducted to verify applicants' representations.</p> <p>F(iii) There may be allegations that the best qualified candidate was not selected such that there would be appeal cases for non-selection for a post.</p> <p>F(iv) There may be delays in the recruitment process caused by external factors to HRMS (pending medical results, CR body endorsements, availability of candidate to report for duty)</p> <p>F(v) Time critical information (PCO announcement of selected candidate prior to DH selection) and the selection process itself (classified or sensitive information, medical condition), may be disseminated prematurely to unauthorized persons who will use such information to sow discontent or intrigue among staff.</p> <p>F(vi) HR needs of attached agencies may not be properly attended to because concentration is on HR needs of UNODC.</p>	<p>HR ensures that complete medical examination is made with classification "fit for duty" before issuing a letter of appointment.</p> <p>Reference checks are carried out for all staff being recruited to the organization, including consultants.</p> <p>HRMS can only ensure that the process was fair and transparent. However, responsibility for determining a candidate's suitability for the post, rests with the programme managers.</p> <p>In case of appeals, HRMS' role is to draft the respondent's reply on behalf of the Administration. HRMS can only sensitize and advise Programme Managers to abide by provisions of STIAI/2002/04 and brief managers on their roles and responsibilities in the process.</p> <p>Interviews with attached agencies revealed HR concerns which apparently have not been attended to such as lack of staff for certain grades, lack of trainings, among others .</p> <p>While control mechanisms are considered adequate, the impact of the risks is high as these will result in losses financially and reputation-wise.</p>					

3	<b>Focus Area:</b> <b>Human Resource Management</b>	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	Risk Category	Likeli-hood	Impact	Overall Risk
III	<b>Training</b>  D(i) Delay in the receipt of training funds impacts on the programme delivery as Staff Development Unit may not be able to pursue training plans until the funding arrives.	Financial	Possible	High	Higher Risk
	E(i) Training activities are planned and financial commitments are made with trainers based on a preliminary list of participants. Last minute cancellations may lead to a reduced number of participants or eventual cancellation of courses.	Operational	Possible	High	Higher Risk
	F(i) Training needs of staff under the conference management services and agencies under the UNOV may have been overlooked in favor of UNODC concerns.	Human Resources	Possible	High	Higher Risk

3		Focus Area:	Human Resource Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
IV	<b>Performance Appraisal system</b>	<p>HRMS receives the lists of all pending and incomplete cases with an average delay of six months from OHRM and is only reacting to issues instead of proactively capturing difficulties and taking action. No other control mechanisms are available.</p> <p>HRMS does not have independent access to the ePAS system and its reporting facilities. HR practitioners are not able to address directly and efficiently technical difficulties as well as access various reports necessary for effective monitoring.</p>	Human Resources	Possible	High	Higher Risk	
	F(i) HRMS may not be able to capture possible rebuttals and noncompliance with performance evaluation management process early enough to be able to intervene timely and effectively because it is not allowed access to the e-PAS of staff.						

## Risk Assessment of: UNOV

4		Focus Area:	Procurement and Contract Administration		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
I	<b>Procurement process</b>  E(i) Bad inventory control system may lead to wastage by way of over-ordering, losing items and damaged inventory.  E(ii) Delays in procurement activities may adversely affect programme delivery schedules, usage of funds, quality of services and equipment and vendor relations.  E(iii) The financial and technical aspects of the offers may not be properly evaluated so that the contractors selected are not those which can offer the best services or equipment at the prices specified.	The vendor registration improvement activities is in progress; procurement system version 1.0 is in place; procurement plan has been completed by end of 2006 .  A focused audit on the Bid Process indicated the lack of transparency in selection and the lack of a Tender Opening Committee.	Operational	Possible	Medium	<b>Moderate Risk</b>	

4		Focus Area: Procurement and Contract Administration		OIOS Assessment				Risk Category				Compliance				Likeli-hood				Impact				Overall Risk				Moderate Risk			
No	Interview/Review Summary (Description of risk)																														
4	C(i) Procurement activities may not have been undertaken on a competitive and transparent basis in compliance with UN Procurement regulations in the Procurement Manual.			UNOV's Commercial Operations Unit is responsible for contracting with service providers and vendors the needs of UNOV, UNODC, OOSA, UNSCEAR and UNCITRAL.				Procurement controls have not been audited in a comprehensive manner. A focused audit on the Bid Process indicated the lack of transparency in selection and the lack of a Tender Opening Committee.																							
	C(ii) Risk from procurement fraud and irregularities may arise as a result of poor controls.							Segregation of duties in procurement, and supervisory and Committee on Contracts reviews contribute to the prevention of fraud and irregularities. UNOV's Commercial Operations Unit is responsible for contracting with service providers and vendors the needs of UNOV, UNODC, OOSA, UNSCEAR and UNCITRAL.																							
								However, procurement controls have not been audited by OIOS in a comprehensive manner. A focused audit on the Bid Process indicated the lack of transparency in selection and the lack of a Tender Opening Committee. External audit by BOA stated general compliance with the UN Procurement Manual and recommended improved vendors evaluation and advertised invitations to bid.																							

## Risk Assessment of : UNOV

No	Focus Area: Interview/Review Summary (Description of risk)	Logistics Management OIQS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
5	Focus Area: Logistics Management		Possible	Medium	Medium	Moderate Risk	
1	<b>Travel services</b>  D(i) Scarce organization funds may be spent for travel activities which are unnecessary.  D(ii) A travel claim may be overpaid based on erroneous rates or calculations or is more than the obligation. Moreover, allotments may be charged pr posted to the ledgers.	Payments are made against certified documents justifying the travels to be made and in accordance with the obligations.  After the examiner calculates and inputs the amounts and prepares the voucher, the approving officer verifies the entitlements and recalculates to avoid over/under payments.	Financial Operational	Possible Possible	Medium Medium	<b>Moderate Risk</b>	
	E(i) Booking beyond entitlements, extra stopovers or missing the least cost routing may cause overspending.  E(ii) Official shipments and shipments of staff members' personal effects may be lost, misrouted or damaged in shipment.	Booking instructions are supervised by the Travel office with least cost routing mandatory and rates negotiated with airlines  Ensuring that the IMIS approval sequence and that dealings are made only with established shipping companies minimize the risks of shipment losses and overspending.	Operational	Possible	Medium	<b>Moderate Risk</b>	

<b>5</b>	<b>Focus Area:</b> Logistics Management	<b>Logistics Management</b>	Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
			Operational	Remote	High	Moderate Risk
II	<b>UNLP</b>  E(i)Unauthorized use of UNLPs particularly those which should have been surrendered to the UNODC/UNOV may occur because of the failure to control issuance and confiscation of expired UNLPs.	There are a number of ways one might use to subvert the system but for each there are countermeasures:  - a LP is declared lost or stolen: such occurrences are reported to Interpol for distribution to the immigration authorities of its member nations. Even a bogus extension signature will not remove the LP from the hot-list. - a LP is not returned to UNOV at the end of a contract or at retirement: Funds are retained from final payments until the document is returned or the document is declared stolen or lost and the above procedure applies.  - a LP is extended by an unauthorised person while the holder of the LP is still employed by the United Nations: The violation is technical, because the holder is still entitled to the LP. However, a signature does not end the process because LPs need visas to enable the holder to enter specific countries. It may be noted though that not all countries need visas to enter if one is a UNLP holder.				

## Risk Assessment of: UNOV

No	Focus Area:	Information Technology Management	Remote	High	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
No	<b>Business continuity and disaster recovery</b>	UPS and alternative power sources (diesel generators) and redundant computer centers (CCA and CCB) are available. However, there is residual risk in that the UPS and diesel generators may not provide power long enough to cover the outage.	Operational	Remote	High	Moderate Risk
1	<p>E(i) The electrical power supply throughout VIC may not be correctly documented or may have complex interdependencies leading to power loss which can damage equipment.</p> <p>E(ii) Since the entire V.I.C. site has only one single entry-point for power, water and telecommunication lines situated on the side facing Wagramerstrasse, road construction may sever part or all of the connections leading into the VIC</p> <p>E(iii) An external site may not have been identified and configured as a stand-by site so that in the event of a major disaster, ITS may not be able to recover all of its data to an external site, e.g. if (parts of) the VIC.</p>	<p>A four-hour power failure caused by this crisis is not covered in the crisis management plan. The CMP lacks full funding for proper and complete implementation of a plan in case the UPS, which has a maximum running time of one hour and the diesel generators run out.</p> <p>A crisis management plan exists.</p>				

6		Focus Area: Information Technology Management		IOIS Assessment				Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
No	Interview/Review Summary (Description of risk)	While the likelihood is almost certain and impact high, the monitoring system in place reduces the time and frequency of the outages to an absolute minimum at most. General availability of critical services is now over 99.5%.	Prolonged down-time, inability to recover system(s) in a meaningful time. ---- team leaders need to conduct drills and ensure that documentation is kept up to date.	Need to enforce change management	Emergencies may happen at any time, for numerous reasons. However the steps to recover systems and entire operational structures (multiple servers and/or services) are typically standard procedures, military-style drills.	ITS/EAU/WDT runs web services and applications for a number of organizations. In particular UNODC and the Information for Member States website, but also for UNOV, INCB, IMOLIN, UNIS, OOSA, UNCITRAL, UNSCEAR, UNOSEEK, etc.	Remote	High	Impact	Overall Risk	Moderate Risk	
	G(i) Mail, file or other critical service may be unavailable or experiencing problems such that people are unable to communicate, use networked files or launch applications (which may partially reside on network drives)  G(ii) Improper labelling and/or incorrect logging of current server status (e.g. Physical location) in ITS servers database may cause additional delays during an outage or even cause the incorrect server, routers, cable or storage unit to be physically manipulated.  G(iii) A failure or damage to the hardware emanating from technology failure or natural disasters may cause a total loss of files in the Storage Area Network.  G(iv) In case of a server crash, all web services and applications for UNODC and other UN organizations would stop and the websites would be unavailable.											

6		Focus Area:	Information Technology Management			Remote	High	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Remote	High	Moderate Risk
II	<b>ICT Technical Support</b>  F(i) ICT staff's technical skills may not be continuously upgraded because of the lack of training funds resulting in non-upgrade of IT systems, decreased productivity due to low morale and eventually resignations.  F(ii) The most qualified staff for highly technical posts may not be recruited because of the uncertain contract terms and low salary grades offered (a database administrator for Sybase and Oracle is graded G6 by HRMS but market rate is equivalent to P3 to P5).  F(iii) Hiring delays may result in tight deadlines not being met, the non-pursuit of new projects and reduction in capacity to maintain productive systems—all due to the non-availability of staff resources when required.	ITS management notes that "this risk is being addressed obliquely, whenever feasible, by redeployment of funds for training purposes within the scope of financial regulations and rules, e.g., 022 (Other expenditures) where Certifying Officers have some flexibility to meet needs and requirements."  ITS notes that "This risk is exacerbated by the Organization's rigid recruitment policies making it sometimes more challenging to get the right person at the right time particularly for special projects."	Human Resources	Remote	High		Remote	High	Moderate Risk

6		Focus Area: Information Technology Management		OIQS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
No	Interview/Review Summary (Description of risk)									
	<p>G(i)The procurement system may require almost identical data to be entered in up to three different systems thereby increasing the potential for confusion and inaccuracy .</p> <p>G(ii)The UN exchange rate is not available in FOML by first day of each month such that payment requests generated during the first few days of the month may reflect wrong exchange rates resulting in numerous exchange rate adjustment entries.</p> <p>G(iii) Delays in message delivery by the Lotus-based email system may result in delays in implementing projected tasks .</p> <p>G(iv) Some patches and new reviews of software applied by the Helpdesk may negatively affect the workstation of a particular user (developer) leading to loss in productivity during the end-phase of a project.</p>	<p>The importance of the workflow applications cited (PROFI, SPF) and the concern raised by the FRMS Chief on the two dissimilar financial management systems, the two financial closures, two sets of financial statements his Service Unit has to contend with point to the gravity of this issue. Technically, the multiple systems in question should be linked together to restrict and minimize duplication of data ensuring a single point of data entry.</p> <p>Common table pulls the information from IMIS although there is need to pull information directly from UN Treasury website and update these before the end of each month.</p> <p>ITC management notes that email delays of more than 10 minutes pertain to large mails ( 10 mb or more ) which need time to transfer than small sized mails. Mails which cannot be delivered immediately are queued and sent to the recipient as soon as possible.</p>	<p>E(i) Workplans and staff responsible for some servers or services may not have been properly delineated for specific IT areas such that problems may not be immediately checked and corrected.</p> <p>E(ii) Users may not be properly trained or oriented of new applications or updates so that the HelpDesk may be overloaded with calls for assistance regarding an already established problem.</p>	<p>Information Resources</p>	<p>Remote</p>	<p>High</p>	<p>Impact</p>	<p>Overall Risk</p>	<p>Moderate Risk</p>	

6		Focus Area: Information Technology Management		OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
No	Interview/Review Summary (Description of risk)	Remote	High	Remote	High	Remote	High	Remote	High	Remote
III	<b>Management of ICT Infrastructure</b>									
E(i)	Lack of space for IT staff may affect staff efficiency.	Unless more office space is provided to ITS staff, the risk cannot be addressed.				Operational	Remote	High	Medium	Moderate Risk
G(i)	Documentation of source code, modules and maintenance procedures may not be maintained by ITS leading to temporary downtime of development or to a lower service level if the responsible staff member is absent.	Manuals, plans and documentations are collected in various locations. Most of them are kept up to date but are not located in central location.				Information Resources	Remote	High	Medium	Moderate Risk
G(ii)	G(xiv) A major power surge may damage equipment.	Construction, renovations or refurbishments going on often result in power surges. Surge control protectors are located in specific building/floor sites.								
IV	<b>IT Security</b>						Possible	Medium	Medium	Moderate Risk
G(i)	The organization's IT information system may not be secured such that unauthorized access goes undetected .	The BOA in its Financial Report and audited financial statements for the biennium ended 31 December 2005 last May 2006 noted the need to address emerging ICT risks and new forms of fraud due to electronic misconduct. The ITS management contend that existing security policies are adequate and that the BOA report does not apply very well to actual concerns .				Information Resources	Remote	High	Medium	Moderate Risk
G(ii)	A trojan virus may lead to leak of sensitive data, such as web server passwords and user names.									
G(iii)	UNOV hosts services published in the internet which are also connected to internal services (interdependencies). One system may affect another in unpredictable ways such as external attack on UNODC/UNOV services or denial of service.	Web server passwords are not stored in servers, but in encrypted format in Lotus Notes and the LDAP directory. Therefore, the likelihood of a Trojan to extract and decrypt the web password is theoretical.								
		There are firewall, password policies, restrictive access rights on all services.								

6		Focus Area:	Information Technology Management				Moderate Risk		
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Remote	High	Remote
	E(i) The lack of clear cut instructions and training on actions necessary to deal with threats ( bombs / terror etc.) received at the UN Switchboard may cause serious damage to persons and buildings  E(ii) Papers possibly containing password or other sensitive information, left lying around may pose a security risk in the hands of people with ill intent towards the UN.	The Crisis Management Plan maintained by the UNSSS should anticipate this risk.  Clean-desk policy( meaning staff should clear their desks and should not leave before storing confidential documents and records in a secure place. ) will prevent attempts to penetrate the system outsiders or a disgruntled staff-member .	Operational	Remote	High	Moderate Risk			
V	<b>Software development</b>  G(i) New IT systems launched to replace old systems or to update changes in real workflow of the organisation may not present any significant real-world improvement over the old system.	The ITS recognizes the need for direct communication between developers and end-users to ensure effective IT systems.	Information Resources	Remote	High	Moderate Risk			
	F(i) The organization may be unable to properly maintain productive services because of the lack of dedicated support staff or developers	The ITS recognizes the need for having staff with the required qualifications, but also notes the difficulty in having additional manpower due to delays in recruitment, very low posts offered among others.	Human Resources	Remote	High	Moderate Risk			
	E(i ) UNODC/UНОV may not be able to purchase hardware and software requirements because of UNHQ's tendency to dictate the organizations' requirements without determining real needs.  E(ii) New software licenses may not be acquired on time such that softwares cannot be used immediately thereby affecting staff productive time.	The ITS notes that this risk can only be addressed if UNHQ recognizes UNODC/UНОV's right to determine their own IT needs.  The ITS contends that this is a procurement and funding issue which affects their work. An action done to mitigate this is the modification of the software license verification until license can be purchased.	Operational	Remote	High	Moderate Risk			

6		Focus Area:		Information Technology Management				High		Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk				
	D(i) The timeliness and completeness of data on drug enforcement and monitoring may not be ensured because the National Drug Control System for the International Narcotics Control Board cannot be fully developed due to lack of funds.	The National Drug Control system lacks funds so that systems developers and other staff needed cannot be hired.	Financial	Remote	High		Moderate Risk				
VI	<b>Communication services</b>	The Team leader for ITS Communications checks flow of data daily and calculates costs of own data (CDRs) to match bills received by Finance Offices	Financial	Possible	Medium	Medium	Moderate Risk				
	D(ii) Incorrect cost sharing and calculations by ITS particularly of telephone billings may result in disputes among UN agencies based at the VIC.	Notification is done via SMS or email from the Big Brother monitor or via calls by users. If the communication server experiences serious hardware problems which cannot be fixed by a server restart, the impact may be heavy.	Information Resources	Possible	Medium	Medium	Moderate Risk				
	G(i) Communications servers for BlackBerry, OneBridge and TopCall Server may be down leading to inability of officials equipped with these equipments to communicate decisions or instructions on time.	Communication is maintained by ensure that the requesting unit is contacted.									
	G(ii) Missing or wrong information/telephone numbers for an audio conference may result in waste of time and loss of credibility on VIC conference management and ITS services.	There is need to install signal repeaters inside the building.									
	G(iii) Many parts of the UNOV (inside the building) have no cellphone reception such that in the event of an emergency, staff assigned in these locations may not be immediately informed of danger inside the building.										

## Risk Assessment of : UNOV

No	Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management	Possible	High	Higher Risk	
		OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
1	<b>Outerspace affairs</b> B(i)The nature and accountability of the Office of Outer Space Affairs (OOSA) to the UNOV is unclear and may result in misinterpretations as far as supervision and coordination are concerned.	The OOSA Director clarifies that his agency is hierarchically and administratively under UNOV but programme-wise receives guidance and direction from the UN Committee on Peaceful Uses of Outer space and from the 4th Committee as well as the Department of Political Affairs. Budget-wise too it is independent from the UNOV although all its support services are obtained from UNOV.  Accountability wise, its annual workplan is included in the compact of the DG to the Secretary General and the Office is committed to achieve the goals and objectives contained in the workplan. It may be noted though that the OIOS-MECID in its year 2006 inspection report found OOSA operations as well managed.	Governance	Possible	High	Higher Risk

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	<p>F(i) The Office may not have the required training and staff component needed for it to operate effectively.</p> <p>F(ii) Staff development may be hampered because of the lack of any career path leading to low morale and high staff turnover.</p>	<p><b>More independence is sought by the OOSA</b> in terms of staff selection and staff development from the HRMS of UNODC/UINOV. It noted that the training modules offered are more suited towards UNODC concerns.</p> <p>Staffing levels do not allow for promotions within a section. For instance, the sections do not have P3 posts. For a P2 to be promoted, he has to leave the section after two years of service and P4s have to be recruited externally since there is no internal feed from the P3 level. The two Moreover, sections of the Office have the same number of staff but have different levels of seniority in posts. The Committee Services and Research Section is not ranked equally with the Space Applications Section.</p> <p>The Chief of the CSRS noted the need for discussions on long-term planning to include overall staffing policy of the Office.</p>	Human Resources	Possible	High	Higher Risk	
	<p>A(i) The Office, particularly the Space Applications Section, may not be able to evaluate the effectiveness of its projects because of the lack of performance indicators which are truly reflective of the desired outcomes and impact.</p>	<p>The Section Chief of Space Applications noted that while it is easy to measure the success of a project quantitatively, attention has to be given to measures evaluating the quality of results of a project and sustainability for future operations.</p>	Strategy	Possible	High	Higher Risk	

Focus Area:		Programme and Project Management		High		Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
II	<b>Information services</b>  B(i) The nature and accountability of the UNIS may need to be clarified as the interpretation of the limits of supervision and coordination are in conflict.	The UNIS Director clarified that the her office is not substantively and directly under the UNOV but under the Department of Public Information. While it is true that UNIS handles some public information activities for UNOV, it is as a client agency and not as part of its operational functions. She also noted that her office's budget is part of the DPI budget not UNOV's.  Audits of her office are done as part of an overall DPI audit and not of UNOV's. A risk assessment of DPI activities was done by the UN External Auditors in September to October 2006.	Governance	Possible	High	Higher Risk	
III	<b>VIC Garage Operations</b>  D(i) Income by way of monthly parking stickers, daily parking fees, fines, interest income and organization shares may not be properly accounted for by the General Services Section of the UNOV.  D(ii) The use of collections may not be properly controlled such that these are used for questionable purposes.	The general administration of the VIC Garage Operations which had a reported total income of \$281,000 in year 2006 was transferred to the GSS, UNOV in 1994. While the amount involved may not be material, there may be need to check on the adequacy of controls over collections received.  Expenditures related to salaries, operating expenses and supplies and materials exceeded collections received, in 2006 compared with net incomes reported in 2004 and 2005.  The Board of Auditors performs financial audits of the UNODC/UНОV.	Financial	Possible	Low	Lower Risk	

7	Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management OIQS Assessment	Possible Risk Category	High Likeli-hood	Impact	Overall Risk	Higher Risk
No	E(i) Operations may not be carried out efficiently, economically and effectively.	No performance evaluation was focused in this area in the past possibly because the operations are small in terms of financial magnitude.	Operational	Possible	Low	Lower Risk	
IV	<b>Services to Visitors at UNOV</b>  D(i) Income by way of revenue producing activities and services rendered to UNOV visitors may not be properly accounted for.  D(ii) Expenditures may not be properly controlled and may not be related to the intent of the fund.	While reported income of \$125,800 may not be material, there is need to evaluate adequacy of controls over these activities more so because reported expenditures were more than total income by \$149,601. Temporary assistance charges represented 60% of total charges.  The BOA performs financial audits of the UNOV/UNODC which may cover these activities.	Financial	Possible	Low	Lower Risk	<b>Moderate Risk</b>
	E(i) Operations may not be carried out efficiently, economically and effectively.	No performance evaluation was focused in this area in the past possibly because the operations are small in terms of financial magnitude.	Operational	Possible	Low	Lower Risk	
V	<b>Jointly financed activities</b>  D(i) Income by way of allocations from other funds, contributions from participating agencies and miscellaneous income may not have been properly accounted for.  D(ii) Expenditures may not be properly controlled and may not be related to the intent of the fund.	Reported income for safety and security services totalled \$11.5 million while reported expenditures totalled \$9.8 million. In the case of conference and administrative services reported income totalled \$26.6 million while reported expenditures totalled \$25.3 million.  At least 95% of expenditure costs pertained to staff and other personnel costs.  The BOA performs financial audits of the UNOV/UNODC which may cover these activities.	Financial	Possible	High	Higher Risk	Higher Risk

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	E(i) Operations may not be carried out efficiently, economically and effectively.	No performance evaluation was focused in this area in the past.	Operational	Possible	High	Higher Risk

## Risk Assessment of: UNOV

No	Focus Area:	Conference and Documents Management	Remote	High	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
No	Records Management	A centralized archiving system is not in place. E(i) Records -be these paper or electronic- may not be properly managed and archived because of the lack of an established records management and archiving system. E(ii) Inaccurate registration may route documents to the wrong destinations; incompetent operation leading to lost documents which may result in missed deadlines, bad projection of UN with member nations and funding agencies, among others.	Operational	Possible	Medium	Moderate Risk
8						

8		Focus Area:	Conference and Documents Management		Remote	High	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
ii	<b>Mailing operations</b>  E(i)Wrong franking, misrouted pouches, lost mail, late delivery, unauthorized shipments may interfere with operations and lead to higher costs.  E(ii)Misrouted/lost pouches/lost mail/late delivery: sending important materials to the wrong destinations, losing pouches in transit may impede program delivery and lead to missed deadlines.  E(iii)Unauthorized shipments or illegal materials may be included in the diplomatic pouches and be billed to the United Nations	No audits focused in this area have been done in the past.	Operational	Possible	Possible	Medium	<b>Moderate Risk</b>

8		Focus Area:	Conference and Documents Management			Moderate Risk		
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk		
III	<p><b>Conference management services</b></p> <p>E(i) Conference documents may not be produced in a cost effective and timely manner.</p> <p>E(ii) Projects may not be published on time by local publication boards.</p>	<p>Deadline are agreed in advance with meeting related documents required to be submitted 10 weeks in advance. Application softwares are used to speed up activities.</p> <p>Parallel processing and shifting work and overtime by translators, editors, text-processing and referencing staff allows more rational coverage of meetings and timely delivery of documents.</p> <p>Publications are forecast by consulting officers using the iDCPMS system. The forecast list is circulated and used to plan production workloads. Forecast includes project material and regularly published products. The CMS/PRES/EPU meets with clients from all organizations to define published products and production requirements at the "manuscript" stage for published projects not included in the forecast list. Other projects not forecasted or defined by CMS/PRES/EPU are outsourced if there is no capacity in-house.</p>	Operational	Remote	High	Moderate Risk		

		<b>Focus Area:</b> Interview/Review Summary (Description of risk)	<b>Conference and Documents Management</b>		Risk Category	Likeli-hood	Impact	Overall Risk	<b>Moderate Risk</b>
<b>No</b>	<b>8</b>		OIOS Assessment	Remote					
		A(i)A planned restructuring of the documentation processing in CMS may disrupt the efficiency of the services rendered.	A medium term planned restructuring lasting five to 10 years is being introduced in response to two developments: progressive introduction of IT tools and increased use of external/contractual arrangements. The aim of the restructuring is to create high-class core capacities in language services (particularly in English) in strategic partnership with the IT to assure quality, timeliness and increased productivity. Two alternative structures are envisaged and the OIOS' management-consultants' advice has been sought as to the risks and potential benefits are.	Strategy	Remote	High			<b>Moderate Risk</b>

8		Focus Area:	Conference and Documents Management		Remote	High	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
	<p>F(i) Quality language staff may not be hired on time such that the continuity of services will suffer.</p> <p>F(ii) The number of qualified candidates who passed the language examinations for language posts may not be sufficient to ensure that rostered candidates are enough.</p> <p>F(iii) Announcements for vacancies and for selection of candidates may not be done in an efficient and timely manner by the HRMS.</p> <p>F(iv) Suitable language professionals may not have been identified for inclusion on rosters for contractual work. Suitable contractuels who can be expected to deliver work within deadlines may not be obtained on time.</p> <p>F(v) Suitable staff and freelance salary scales may not be attractive enough to attract the most qualified candidates and to ensure high quality work.</p> <p>F(vi) The lack in training of existing staff and disparities in ranks and posts of translators/interpreters and even section heads may seriously affect staff morale leading to inefficiency and low quality conference outputs.</p> <p>G(i) Application softwares in use may unexpectedly malfunction. These include electronic referencing, editing software, editorial outreach programme, computer-aided translation tools</p>	Human Resources	Remote	High			

## Risk Assessment of: UNOV

No	Focus Area:	Property and Facilities Management	Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
No	Focus Area:	Property and Facilities Management	Possible	Medium	Moderate Risk	
I	<b>Property management</b>	E(i)Non-expendable property may not be properly accounted for in terms of quantity and physical condition because of management's continuous refusal to conduct a physical inventory of their assets.  E(ii)Physical and recording functions related to property are not segregated such that questionable transactions cannot be counterchecked.	The OIOS audit (AE2006/321/01) found controls over non-expendable property at the Headquarters as adequate. The BOA and the OIOS both reported on the failure of management to conduct physical inventories (at least on a test check basis) of existing items to check on their whereabouts, physical condition and utilization. Management contends that there is no value-added to conducting physical checks since staff are held accountable and liable for losses.  The OIOS audit found that property management functions were handled interchangeably by only two persons. The audit recommended for the designation of an appropriate number of property custodians for specific types of items.	Operational Possible	Medium Possible	<b>Moderate Risk</b>

## Risk Assessment of : UNOV

10	Focus Area:	Safety and Security	Remote	High	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	<p><b>Vulnerability of the VIC</b></p> <p>E(i) A vehicle borne improvised explosive devise (VBIED) may go off at a vehicular gate or within the VIC because of non-installation of crash barriers and bollards.</p> <p>E(ii) Terrorists or thieves may gain access over the perimeter fence without being observed during working hours and may take over part of the VIC.</p> <p>E(iii) A VBIED may get into the VIC and may go off at targeted area(s) within the premises.</p> <p>E(iv) Anti-UN demonstrators in large numbers or terrorist may get past the SSS Officers at any of the gates giving them access to the buildings.</p> <p>E(v) Heavy vehicles which use the stretch of the road outside of the VIC may carry VBIED which may cause considerable structural damage to the buildings facing the road.</p> <p>E(vi) With staff and delivery vehicles arriving at the same time, a VBIED may be inside delivery vehicles which may go off causing fatalities and injuries.</p> <p>E(vii) Given the overall threat against the UN, the executive heads may be attractive targets of assassination attempts.</p>	<p>H-MOSS is an ongoing project managed jointly by the VBOs under the Security Advisory Group (SAG) and the Consultative Committee on Common Services (CCCS). Its implementation is taking time because of the need to coordinate with all the VIC based organizations.</p> <p>It is considered urgent to fast-track the reinforcement of gates and installation of delta barriers and bollards and introduce new security enhancement measures to improve the current CCTV and perimeter fence alarm systems.</p> <p>SSS Officers continue to carry out vehicle screening and searches as per UNSSS SOPs. Counter surveillance Teams in civilian clothes are deployed around the VIC as and when necessary as part of proactive measures at mitigating the risk. All UNSSS personnel have undergone security awareness training.</p> <p>The VIC is able to remotely close/lock access to the 153 -3 levels access points and the 30 plus other OE level from the Plaza and P-1. Current lockdown mechanism and procedures are in place but wear and tear means that systems have to be replaced.</p>	Operational	Remote	High	<b>Moderate Risk</b>

10	<b>Focus Area:</b> Interview/Review Summary (Description of risk)	<b>Safety and Security</b>	Remote	High	<b>Moderate Risk</b>
No	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
E(ix)The VIC is a huge complex and fire is always a possibility.  E(x)A catastrophic event would impact on all VBO operations in the VIC. A worst case security scenario whether natural or planned may have a disastrous impact on the VIC and its occupants.  E(xi)The Commissary which is accessible to outsiders may prove an easy access to terrorists or thieves and has been recommended to be relocated .  E(xii) Lost or stolen UNID cards may be used to gain illegal entry into the VIC.	To prevent big trucks and lorries from using the stretch of the strasse as VBIED against the VIC the UN has requested that this stretch be closed. The HC has stated that they will only agree to building height restrictions.  All delivery trucks are now directed to enter through Gate 5 only; being the gate furthest away from any of the VIC buildings and towers. All VBOs need to agree to delivery times outside of the staff rush hours. The Austrian government has agreed in principle to providing a future location for the Commissary.  Personal Security Assessments are conducted bi-annually for the Executive heads in close coordination with DSS and the Host Country.  SSS Fire Officers are highly trained and know every nook and cranny of the building.  Evacuation exercises have been conducted and is being planned for later in the year to make staff aware of the evacuation plans in place.  SSS Officers check and make sure that UNID cards match the person(s) wearing the cards. A new system is currently being piloted by ITS in conjunction with the global access control system.	Operational	Remote	High	<b>Moderate Risk</b>

10	<b>Focus Area:</b> Safety and Security	Remote	High	Moderate Risk					
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Remote	High	Moderate Risk
ii	<b>Security administration</b>  E(i) Security officers may not be fit to ensure the security and safety of the VIC as they may be drug dependents.  E(ii) Security equipment required may not be procured on a timely basis because the Building Management Services which needs to evaluate building related projects is under UNIDO and not under UNOV.	The previous OIOS audit on Security recommended the periodic drug testing of security officers. This recommendation has been accepted but the testing is still on the drawing board because the GSS wanted the SSS to take part in the selection of the drug testing contractor. This request was turned-down for ethical reasons.  The SSS noted that nearly all H-MOSS works require interaction and involvement of the BMS. BMS can slow down or drag its feet when it does not agree with certain projects. For instance the new VIC video monitoring equipment has not been purchased because of delays by the BMS in evaluating the need to procure such equipment.	Operational	Remote	High		Remote	High	Moderate Risk

<b>10</b>	<b>Focus Area:</b> <b>Safety and Security</b>	<b>Interview/Review Summary (Description of risk)</b>	<b>OIOS Assessment</b>	<b>Risk Category</b>	<b>Likeli-hood</b>	<b>Impact</b>	<b>Overall Risk</b>	<b>Moderate Risk</b>
<b>No</b>	<b>Pandemic planning</b>	F(i) Staff members may face risk to their lives and health in case UNOV fails to take measures to protect them from avian flu pandemic.	OIOS audit showed that UNOV's contingency plans provide reasonable assurance that the UNOV has taken appropriate measures in accordance with the Guidelines issued on 17 March 2006. Deviations from the Guidelines if necessary were adequately explained. Oversight of the planning and preparedness process was adequate.	Human Resources	Remote	High	<b>Moderate Risk</b>	<b>Moderate Risk</b>
			The medical plan identifies vulnerable groups that might require particular services, attention or additional assistance during a pandemic. Training of VIC based staff to provide support to other employees during a crisis was planned to be conducted by UNHQ in July 2006.					
	A(i)UNOV may not ensure continuity of operations during an avian flu pandemic in case it fails to adequately plan for it	The draft CMP provided for continuity of operations for VIC based organizations and included contingencies for different scenarios, and procurement and storage of supplies.	Strategy	Remote	High	<b>Moderate Risk</b>	<b>Moderate Risk</b>	<b>Moderate Risk</b>

## **Focus Areas**

Focus areas are the key standard processes that are typically found in United Nations operations. These are categories established by the risk assessment framework to facilitate understanding and communicating common processes or functions within the Organization (common language). They are based on a categorization of objectives, using a hierarchy that begins with high-level objectives and then cascades down to objectives relevant to organizational units, functions, or business processes. The IAD risk assessment framework has identified eleven focus areas as follows:

- 1** Strategic Management and Governance
- 2** Financial Management
- 3** Human Resources Management
- 4** Procurement and Contract Administration
- 5** Logistics Management
- 6** Information Technology Management
- 7** Programme and Project Management
- 8** Conference and Documents Management
- 9** Property and Facilities Management
- 10** Safety and Security
- 11** Other areas (for areas not included in 1 to 10)

Each focus area may be broken down into sub-focus areas. Examples of sub-focus areas are listed below.

No.	<b>Focus Areas</b>	<b>Examples of Sub Focus areas relating to principal focus</b>
1	Strategic Management and Governance	Strategic planning and monitoring, Mandate and mission, Organizational structure and functions, Start up planning, Liquidation planning, Risk management, Policies and procedures, Governing/Legislative bodies, High level committees, Top level offices.
2	Financial Management	Accounting and financial reporting, Results-based Budgeting, Cash management, Treasury, Contributions, Fund raising, Payroll
3	Human Resources Management	Recruitment, Training, Conduct and discipline, Entitlements and allowances, Performance appraisal system and Medical Services, Use of short term staff (consultants, gratis personnel etc
4	Procurement and Contract Administration	Procurement planning, Procurement process, Local contracts committee, Administration of major contracts such as for fuel, rations, airfield services, medical supplies etc.
5	Logistics Management	Travel services, Transport operations, Air operations, Movement control, Fleet Management and Maintenance
6	Information Technology Management	Management of ICT infrastructure, software development, Communications services, ICT operations, Business continuity and disaster recovery, IT Security
7	Programme and Project Management	Management of programmes such as Rule of Law, Human Rights, Child Protection, Public Information, Disarmament , Demobilization and Reintegration, Mine action, Protection of Civilians, Military and Civilian Police operations, and Logistics; Management of projects such as technical cooperation and quick impact projects
8	Conference and Documents Management	Records management, Publications, Editorial services, Conference management, Translation and interpretation services, Web sites
9	Property and Facilities Management	Management of office premises and facilities, Contingent-owned equipment, Expendable and non-expendable property, Building Services, Inventory management, Local Property Service Board
10	Safety and Security	Security of UN staff and installations, Contingency planning, Evacuation procedures and drills, Occupational safety
11	Other areas	This is for illustration purposes only and is not a comprehensive audit and is included for any other focus areas not specified in 1-10. This may include general office administration, executive offices and common services etc.

## **Risk Categories**

Risk categories are common concerns or events, grouped together by the type of risk that will result.  
The seven (7) risks used in OIOS Risk Assessment methodology is as follows:

- A.** Strategy
- B.** Governance
- C.** Compliance
- D.** Financial
- E.** Operational
- F.** Human Resources
- G.** Information Resources

No.	Risk Category	Description
<b>A</b>	Strategy	Impact on mandate, operations or reputation arising from inadequate strategic planning, adverse business decisions, improper implementation of decisions, a lack of responsiveness to changes to the external environment, or exposure to economic or other considerations that affect the Organization's mandates and objectives.
<b>B</b>	Governance	Impact on mandate, operations or reputation as a result of failure to establish appropriate processes and structures to inform, direct, manage and monitor the activities of the Organization toward the achievement of its objectives. Includes attributes such as leadership, tone at the top, and promotion of an ethical culture in the Organization.
<b>C</b>	Compliance	Impact on mandate, operations or reputation from violations or non-conformance with, or inability to comply with laws, rules, regulations, prescribed practices, policies and procedures, or ethical standards.
<b>D</b>	Financial	Impact on mandate, operations or reputation resulting from: failure to obtain sufficient funding, funds being inappropriately used, financial performance being not managed according to expectations, or financial results being inappropriately reported or disclosed.
<b>E</b>	Operational	Impact on mandate, operations or reputation resulting from inadequate, inefficient or failed internal processes that do not allow operations to be carried out economically, efficiently or effectively.
<b>F</b>	Human Resources	Impact on mandate, operations or reputation resulting from a failure to develop and implement appropriate human resources policies, procedures and practices to meet the Organization's needs.
<b>G</b>	Information Resources	Impact on mandate, operations or reputation resulting from failure to establish appropriate information and communication systems and infrastructure so as to efficiently and effectively.

## Risk Assessment Ratings

The OIOS Risk Assessment Framework evaluates the likelihood of the risk occurring and the impact it will have if it occurs.

Based on the assessment of the two factors an overall risk rating is derived indicating whether the risk of a focus area is High, Moderate or Low. The ratings used is show below:

Risk Likelihood	
Likely	Conditions within our environment indicate that an event is expected to occur in most circumstances
Possible	Conditions within our environment indicate that an event will probably occur in many circumstances
Remote	Conditions within our environment indicate that an event may occur at some time

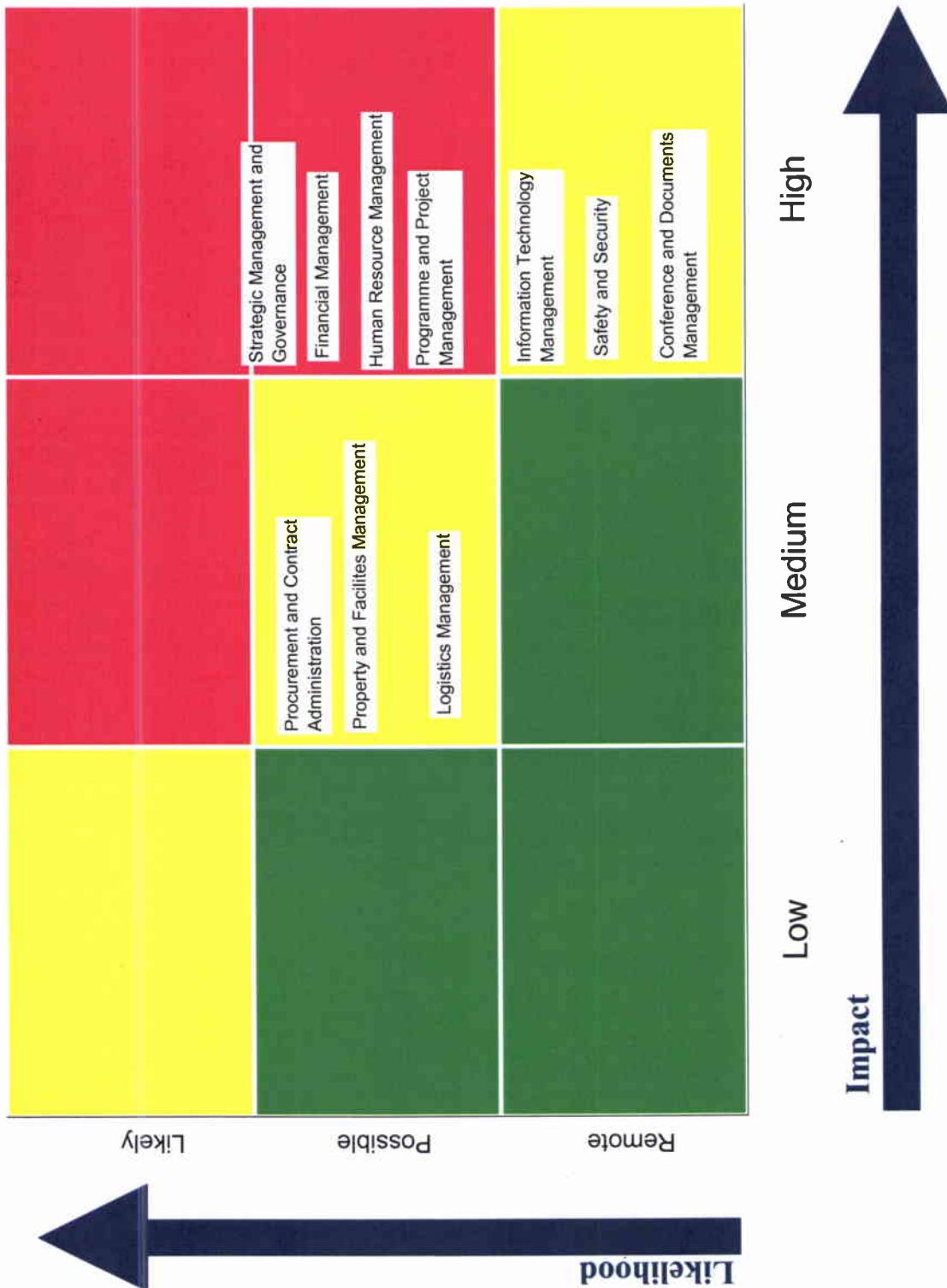
  

Risk Impact	
High	Serious impact on operation, reputation, or funding status
Medium	Significant impact on operations, reputation, or funding status
Low	Less significant impact on operations, reputation, or funding status

Overall Risk Combinations Impact and Likelihood	
Higher Risk	The identified issue represents the following likelihood and impact combinations: <ul style="list-style-type: none"><li>• Likely and high</li><li>• Likely and medium</li><li>• Possible and high</li></ul>
Moderate Risk	The identified issue represents the following likelihood and impact combinations <ul style="list-style-type: none"><li>• Likely and low</li><li>• Possible and medium</li><li>• Remote and high</li></ul>
Lower Risk	The identified issue represents the following likelihood and impact combinations <ul style="list-style-type: none"><li>• Possible and low</li><li>• Remote and low</li><li>• Remote and medium</li></ul>

## RISK SUMMARY PROFILE (Focus Area)



## RISK SUMMARY PROFILE (Sub Focus Area)

