



TO: Mr. Gurpur Kumar, Deputy Director
A: Internal Audit Division, Office of Internal Oversight Services

DATE: 11 March 2013

THROUGH: Neeta Tolani, Director *N Tolani*
S/C DE: Office of the Under-Secretary-General for Management
FROM: Mario Baez, Chief, Policy and Oversight Coordination Service
DE: Office of the Under-Secretary-General for Management

SUBJECT: **Assignment No. AT2012/519/01 - Audit of the Umoja software system (SAP)**
OBJET: **implementation**

1. In response to the memorandum dated 19 February 2013 on the above subject, we are pleased to provide the comments of Umoja to the recommendations on the draft report
2. Thank you for providing our office with the opportunity to comment on the draft report.

AUDIT RECOMMENDATIONS

Audit of the Umoja software system (SAP) implementation

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The Umoja Office should update its risk management strategy with: (i) definition of the responsibilities (risk owner and risk actionee) assigned for the mitigation of each risk; (ii) mechanisms for obtaining feedback from stakeholders (Secretariat entities) about their risks; and (iii) mechanisms for assigning to the business owners the mitigation of risks that originate in their respective areas of responsibility.	Important	Yes	Head, PMO	Implemented	The Umoja risk management tool has been modified to categorize risks and issues raised by other than internal Umoja staff e.g., Process Owner Readiness Managers and IPSAS key personnel. Umoja can record stakeholder risks and the risks can be assigned to stakeholders via their Business Readiness Manager (BRM). The BRMs have been trained to understand how to create and review risks and issues.
2	The Umoja Office should intensify efforts for the timely recruitment of the SMEs required for the next deployment phase of the project.	Important	Yes	Special Assistant to the ASG/Umoja	31 December 2013	Following a review conducted by the office during the last quarter of 2012, a revised resource and staff planning for 2013 was designed in order to reinforce capacity and filling the gaps in critical areas for the Foundation Realization phases between now and 31 December 2013, specifically: (a) the simultaneous convergence of Pilot and Cluster 1 roll outs for July/October 2013 and January 2014, which includes readiness at the pilot site (UNIFIL).

¹ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

² Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Rec. no.	Recommendation	Critical/ ¹ Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4	The Umoja Office should schedule periodic and timely quality reviews at the completion of the main project milestones and phases, to confirm that: (a) business value was achieved; (b) client expectations were met; and (c) quality deliverables were produced.	Important	Yes	Head, PMO	31 July 2013	<p>Defining client's (i.e., United Nations) expectations, Umoja develops for each main project milestone, deliverable or category of deliverables, as agreed in the relevant Statement of Work (SOW), a "Detailed System Integration Document" (DSID). This document identifies (a) detailed specifications, (b) description how to achieve deliverable, and (c) the acceptance criteria. The DSID defines the client expectations.</p> <p>The Foundation and Extension I milestones review is being executed in line with the contractual provisions with their respective System Integrator. The process to enable dedicated Quality Review is scheduled to be in place by 31 July 2013.</p>
5	The Umoja Office should formalize the integration strategy and develop the corresponding functional and technical specification design documents for integrating SAP with the existing applications across the Secretariat	Important	Yes	Team Lead, Technology Solutions	31 December 2016	The functional and technical specifications are in Umoja Rapport and Alfresco. The progress can be monitored against the Functional Specification Document (FSD) and Technical Specification Document (TSD) for interface specifications in these repositories.
6	The Umoja Office should finalize the documentation in support of data quality with the completion of (i) data conversion technical specification template; (ii) data conversion plan; (iii) data conversion test script template; (iv) Umoja development standards; (v) Umoja client landscape strategy; and (vi) Umoja data standards.	Important	Yes	Team Lead, Technology Solutions Team Lead, Umoja Realization	28 February 2014	The Data Quality Strategy will be signed off as planned prior to end of February 2014. The Umoja Foundation (UF) Realization Team has compiled numerous data collection templates for cleansing plans and templates which have clear instructions on how to collect clean data. The documents are available in Alfresco. The Umoja Extension 1 (UE1) team has started working with OHRM on data cleansing efforts. The progress can be monitored against the FSDs and TSDs in Rapport and Alfresco.

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						<p>(b) the parallel implementation of IPSAS. (c) build capacity at the entities, in addition to readiness in the various process owners/offices.</p> <p>Staffing priorities target the areas of Finance and Logistics in Foundation, which cover the cross-cutting and interrelated areas of financial accounting, financial transactional solutions, assets, inventory and logistics execution as well as the Master Data/Data group functions, as well as Change Management.</p> <p>Total Umoja staff as of 1 March 2012 against ERP-funded positions directly working in the solution is 122 (80 on posts and 42 as SMEs), with 8 JOs and 11 additional TJOs in various stages of the selection/recruitment process.</p> <p>13 Umoja-funded positions have been granted to process owners and stakeholders for Umoja-related requirements, such as Readiness (OPPBA, OHRM, OCSS), Procurement (2 positions) and OICT (1).</p> <p>A plan to complete the filling of readiness positions in OPPBA and the Hub leads is in progress.</p> <p>Concurrently, a similar exercise is being conducted to augment the SME requirements for the Umoja Extension I phase.</p>
3	The Umoja Office should distinguish in its delivery reports the rate of completion for the items with and without sign-off, to ensure a clear presentation of the results delivered.	Important	Yes	Head, PMO	30 April 2013.	With the arrival of the Build Vendor (Indra) for Umoja Extension I in January 2013, the ERP Project has been required to harmonize the status reporting mechanism between the various vendors in order to provide "apple to apple" comparison of progress. The process of action is delayed and will be completed by 30 April 2013.

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
7	The Umoja Office should finalize the documentation in support of data conversion with the formalization and completion of: (i) data owners; (ii) key dates for integrated conversion tests; and (iii) Umoja integrated conversion test plan.	Important	Yes	Team Lead, Technology Solutions	Implemented	Integrated Conversion Tests are executed as a part of Umoja Foundation and Extension I regular build and test activities. In particular, the collection, enrichment and conversion tests of UN-specific data are accomplished through mock uploads to support the various Product Integration Test (PIT) cycles. Test plans are generated concurrently with the process. There is no separate integration testing for data conversions - it would be redundant. Data owners are identified during the process of data collecting and enrichment.
8	The Umoja Office should develop a data backup strategy with adequate information related to the Umoja environment, including the backup requirements, frequency, testing, offsite storage, retention of media, security of facility and data, and roles and responsibilities.	Important	Yes	Team Lead, Technology Solutions	31 March 2013	The Data Backup procedures are in draft; they have been slightly delayed because of DFS' objections to the original plan on how the network traffic for back up data would be routed. The backup procedures will be completed by the end of March 2013.