



OIOS
Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

AUDIT REPORT

Management of non-expendable property in UNMIS

30 May 2008

Assignment No. AP2007/632/07

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION - DIVISION DE L'AUDIT INTERNE

OFFICE OF INTERNAL OVERSIGHT SERVICES - BUREAU DES SERVICES DE CONTRÔLE INTERNE

TO: Mr. Ashraf Jehangir Qazi
A Special Representative of the Secretary-General
United Nations Mission in the Sudan

DATE 30 May 2008

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



REFERENCE IAD: 08-01362

SUBJECT: **Assignment No. AP2007/632/07 – Audit of the management of non-expendable property in UNMIS**
OBJET: **UNMIS**

1. I am pleased to present the report on the above-mentioned audit.
2. Based on your comments, we are pleased to inform you that we will close recommendations 2, 8, 9 and 10 in the OIOS recommendations database as indicated in Annex 1. In order for us to close the remaining recommendations, we request that you provide us with the additional information as discussed in the text of the report and also summarized in Annex 1.
3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as critical (i.e., recommendations 1, 3, 5 and 7), in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Mr. Kiplin Perkins, Director of Mission Support, UNMIS
Mr. James Boynton, Chief of Mission Integrated Support, UNMIS
Mr. George Garner, Chief, Property Management Section, UNMIS
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Ms. Maria Gomez Troncoso, Officer-in-Charge, Joint Inspection Unit Secretariat
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Philip Cooper, Director, Department of Field Support
Mr. Byung-Kun Min, Programme Officer, 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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EXECUTIVE SUMMARY

Management of non-expendable property in UNMIS

OIOS conducted an audit of the management of non-expendable property in UNMIS from December 2007 to February 2008. The overall objective of the audit was to determine whether non-expendable property acquired by UNMIS was properly accounted for, adequately controlled, efficiently utilized, well maintained and properly disposed of. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

As at 5 February 2008, the Mission had 70,495 items of non-expendable property valued at \$273 million, of which \$165 million were used for operations, \$106 million were in reserve stock and \$2 million were pending write-off.

OIOS found that UNMIS lacked proper warehousing facilities and adequate staff to effectively manage its non-expendable property, particularly in the following areas:

- As at March 2008, the Property Management Section (PMS) had a 39 per cent vacancy rate caused by the delayed release of staff selected to be transferred to PMS. This situation resulted in PMS not being able to fully discharge its functions.
- UNMIS had not performed a complete physical verification of non-expendable property since the establishment of the Mission, mainly due to lack of staff.
- There was an excessive amount of assets in stock. For example, OIOS' analysis of 50 high-value asset categories showed that there were \$74 million worth of assets in stock, compared with \$72 million worth of the same asset categories that were actually issued as "in use". The Mission also identified 200 non-expendable assets valued at \$8.96 million that were no longer required.
- The construction of proper warehouses facilities were delayed, resulting in almost 70 per cent of stocks being stored in inappropriate storage locations such as containers.

OIOS made ten recommendations to address the issues identified during the audit that would further strengthen existing controls and contribute toward the better management of non-expendable property. The Mission had already taken steps to address many of the concerns raised by OIOS in this report.

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I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the management of non-expendable property in the United Nations Mission in the Sudan (UNMIS) from December 2007 to February 2008. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

2. Non-expendable property consists of items of property or equipment with an acquisition value of \$1,500 or more and a serviceable life of five years or more. UNMIS, as of 5 February, 2008, had a total of 70,495 non-expendable assets valued at \$273 million located in over six sectors in the Sudan. Table 1 shows the distribution of non-expendable property by section.

Table 1: Distribution of UNMIS non-expendable property

Section	Number of assets	% to total by number of assets	Value	% to total by value
Supply	12,366	18%	\$32,861,549	12%
Engineering	22,832	32%	87,198,594	32%
CITS	32,325	46%	57,390,377	21%
Transport	2,972	4%	95,756,679	35%
Total	70,495	100%	\$273,207,199	100%

3. UNMIS, in its start up phase, assigned the responsibility for property management to the respective self-accounting units (SAUs) namely Supply, Engineering, Transport and Communication and Information Technology Sections. However, it was felt that the respective sections could not give proper attention to property management because of their operational responsibilities. UNMIS, therefore, in line with DPKO best practices, reorganized the property management function and established the Property Management Section (PMS) in September 2007.

4. PMS is responsible for handling, warehousing, distribution, reporting and maintenance of records of expendable and non-expendable property. PMS consists of five units, namely, the Contingent Owned Equipment (COE) Unit, Property Management Unit, Warehousing Unit, Property Disposal Unit (PDU) and Support Unit, and is accountable to the Chief of Mission Integrated Support (CMIS). PMS is headquartered at UNMIS Logistics Base in El-Obeid, where the Mission had set up its central warehouses.

5. The ownership of the non-expendable property, however, remains with the respective sections, which are responsible for the forecasting, budgeting, maintenance and disposal of property. The commodity managers in the Warehousing Unit of PMS provide needed information to the sections to manage their assets. PMS also works in close coordination with other Mission units like Movement Control (MovCon), Receipt and Inspection (R&I), and Local Property Survey Board (LPSB).

6. Comments made by UNMIS are shown in *italics*.

II. AUDIT OBJECTIVES

7. The main objective of the audit was to determine whether non-expendable property acquired by UNMIS was properly accounted for, adequately controlled, efficiently utilized, well maintained and properly disposed of.

III. AUDIT SCOPE AND METHODOLOGY

8. The audit covered the non-expendable property acquired by UNMIS since the inception of the Mission in March 2005 to March 2008 and included reviews of inventory records, internal controls, warehousing procedures, staffing and analyses of Galileo-generated reports. OIOS also interviewed the key personnel involved in the management, planning and budgeting of non-expendable property. Physical verification of non-expendables was performed on a test basis in the central warehouse at the El Obeid Logistics Base, and regional warehouses at Khartoum, Juba and Maridi.

9. Since OIOS was performing a separate audit of the security of UNMIS premises, property and personnel (AP2007/632/13) at the time this audit was being conducted, the assessment of the effectiveness of security measures to preventing any loss, theft or damage to non-expendable property was not covered in this audit.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Organizational structure

Shortage of staff

10. The Mission established PMS on September 2007 to manage both expendable and non-expendable property. UNMIS Administrative Instruction 16/2007 (dated 15 August 2007) laid out PMS' terms of reference. According to the administrative instruction, existing staff members from the various sections involved in property management were to be transferred to PMS by November 2007. Furthermore, 28 United Nations Volunteers (UNVs) were to be recruited for the new Section under the 2008/09 budget proposal. However, the sections involved delayed the release of the staff that had been identified to be transferred to PMS.

11. As a result, PMS was unable to fully discharge its functions. For example, Property Management Unit (PMU), which was responsible for performing physical verification of assets in use, was functioning with only 2 general service and 10 national staff against the authorized posts of 3 professionals, 6 general service posts and 12 national posts. Likewise, there was no staff member assigned to handle and manage engineering assets in the sectors

and in team sites. Overall, the Section was facing a 39 per cent vacancy rate, as shown in Table 2.

Table 2: Staffing position in PMS

Category	Authorized posts	On board		Vacant	
		No.	%	No.	%
Professional	11	3	27%	8	73%
Field service	36	23	64%	13	36%
National	131	87	66%	44	34%
UNVs	28	12	43%	16	57%
Total	206	125	61%	81	39%

Recommendation 1

(1) The UNMIS Mission Support should ensure that the concerned sections release the staff members that have been selected to transfer to the Property Management Section, in accordance with UNMIS Administrative Instruction 16/2007 of 15 August 2007 establishing the Property Management Section.

12. *The UNMIS Mission Support accepted recommendation 1 and stated that all sections with the exception of Engineering and to a lesser degree Transport, have transferred stores and warehousing staff per the Administrative Instruction establishing PMS. Recommendation 1 remains open pending the filling of the vacant positions.*

Non-establishment of the Property Disposal Unit

13. The Property Management Manual requires that the Mission dispose of written-off assets soon after the write-off process is complete. However, UNMIS had not disposed of written-off assets since its inception. The 31 December 2007 Galileo inventory report showed that 1,608 non-expendable items valued at \$1.98 million were awaiting disposal action.

14. PMS explained that written-off assets could not be disposed of because the Mission had not established the Property Disposal Unit (PDU). There was a plan to place PDU under PMS, but it could not be set up because of the shortage of staff. The delay in hiring of staff not only hindered the establishment of PDU but also delayed the disposal of assets. The Mission informed OIOS that the Chief, Property Disposal Unit would arrive by the middle of March 2008 and that, meanwhile, the Supply Section had assigned two experienced international staff to store and safeguard items previously written-off.

Recommendation 2

(2) The UNMIS Mission Support should ensure that the Property Disposal Unit is established by the Property Management Section by recruiting experienced and qualified

staff who can expedite the disposal of written-off assets valued at almost \$2 million.

15. *The UNMIS Mission Support accepted recommendation 2 and stated that the Property Disposal Unit is now established and functioning. It has an international staff at the P-3 level, and the recruitment of one other international and two national staff are underway.* Based on the action taken by the Mission recommendation 2 has been closed.

B. Control over non-expendable property in use

Non-completion of physical verification

16. Paragraph 5.30 of the Property Management Manual requires that the Mission physically verify non-expendable property at regular intervals, at least once a year. UNMIS Administrative Instruction 02/2006 (dated 9 May 2006) on the control of UN-owned equipment required physical verification of a minimum 10 per cent of all issued property each month, aiming at 100 per cent physical verification a year. Cumulatively, over three years, the Mission physically verified 64 per cent of non-expendable property issued for use, equivalent to about 21 per cent per year.

17. The PMU, the unit under PMS that is responsible for conducting physical verification, attributed the non-achievement of the 100 per cent physical verification target to the shortage of staff, difficulty in arranging flights in a timely manner to inspect properties located in different team sites and sectors, lack of logistics facilities, lack of assistance from other units within the Mission and the priority given to clear the backlog of unposted vouchers. PMU informed OIOS that they had started the new cycle of physical verification of non-expendable property from 1 January 2008, and they would complete the 100 per cent physical verification by the end of the calendar year.

Locating non-expendable property reported as missing

18. Problems were encountered in conducting effective physical verifications due to the lack of supporting documents and management records, which were not systematically maintained during the start-up phase of the Mission. Some information considered as missing was subsequently located and the records updated. The PMU staff stated that they had already embarked on a drive to locate assets relating to all sections, and had located 17 assets with an acquisition cost of more than \$100,000 each that were earlier reported as missing. PMU is now focusing on locating 464 missing assets, each of which have a value from \$10,000 to \$100,000. OIOS was able to observe the Mission's progress in this regard. At the start of the audit in December 2007, 304 non-expendable items belonging to Communications and Information Technology Section valued at \$1.23 million could not be located. By February 2008, PMS managed to locate 161 items valued at \$0.9 million.

Recommendation 3

(3) The UNMIS Mission Support should ensure that the Property Management Unit conducts 100 percent physical verification of non-expendable property on an annual basis and reconciles the results of the physical verification with records in the Galileo inventory system.

19. *The UNMIS Mission Support accepted recommendation 3 and stated that subsequent to the Mission's receipt of this report, some staff were moved to PMU and a comprehensive verification programme commenced with 23 per cent of the Mission's assets verified. At this rate, 70 per cent of the assets should be verified by the end of the year. With the ongoing recruitment, additional staff are expected to come onboard. Recommendation 3 remains open pending the filling of all vacant positions in PMU and OIOS' verification of the progress of the physical verification.*

Preventive maintenance of assets

20. The administrative instruction on the establishment of PMS stipulates that the repair and maintenance of non-expendable property would be the responsibility of the respective sections; however, they could not provide OIOS the maintenance schedules and programmes for preventive maintenance of major non-expendable property.

21. For vehicles, the Transport Section was doing regular servicing and routine check ups at Khartoum and sectors after the completion of required mileage, in accordance with the manufacturers' schedules. A central workshop at El-Obeid was planned, which was still at a preliminary stage. Presently, major repair works on vehicles involved in accidents are being outsourced. OIOS also observed delays with the Security Section's equipment where three baggage X-ray machines located in Juba, Wau and Malakal had not been repaired and therefore not operational.

22. The Mission informed OIOS that it was trying to execute locally a contract for the repair of the baggage X-ray machines, as it was not included in the UNHQ systems contract. The Supply Section had outsourced the maintenance of some Security Section's assets like weighing scales, photocopiers and shredders. The Engineering Section has both generator and building maintenance workshops, and CITS has workshops in Khartoum and El-Obeid. The respective sections have been performing repair as well as routine preventive maintenance.

Recommendation 4

(4) The UNMIS Mission Support should ensure that the contract for the repair of baggage X-ray machines is immediately established to enable the efficient security checks of baggage checked in the Mission's aircraft at Juba, Wau and Malakal.

23. *The UNMIS Mission Support accepted recommendation 4 and stated that a purchase order had been issued on 20 April 2008 and the contractor was to send by airfreight the spare parts needed to repair the X-ray machines. The contractor shall travel to Sudan to conduct the repairs as soon as the spare parts arrive. Consequently, two X-ray machines have been repaired in Juba. Recommendation 4 remains open pending the completion of repairs of the X-ray machines at Wau and Malakal.*

C. Control of non-expendable property kept in warehouses

OIOS' physical verification of non-expendable property

24. OIOS conducted a test check of the central El-Obeid warehouse to assess the authenticity of the records and confirm the accuracy of the unit stock. OIOS was generally able to trace the physical assets pertaining to the sample non-expendable property records selected, except for 34 CITS assets (out of a sample of 117 items) worth \$97,000. The commodity manager in-charge explained that these assets were in the warehouse, but were not properly stored in one place, but in several containers and that it would take time to locate them. The Mission informed OIOS after the audit field work that the CITS commodity manager had located the items. OIOS will verify the existence of these assets during its next visit to the logistics base. Table 3 shows the details of physical verification conducted by OIOS.

Table 3: Results of OIOS' physical verification

Section	Number of items selected for verification	Number of items located	Number of items not located
Engineering	75	75	--
Supply	90	90	-
Transport	40	40	-
CITS	117	83	34

Conditions at warehouses in El Obeid Logistics Base

25. The DPKO manual on warehousing describes requirements for the prudent and organized management of warehouses with adequate facilities such as warehouses with controlled temperature and proper storage space and facilities to protect and safeguard UN property. The UNMIS Engineering Section is yet to construct the three main Rubb-halls (50m x 50m) and four small Rubb-halls (36m x 15m) for different commodity managers at the El-Obeid Logistics Base. PMS informed OIOS that the target completion date of the storage project was 30 November 2006. The Engineering Section informed that they had initiated the process and would finalize it soon.

26. PMS staff further told OIOS that the plan for erecting the Rubb-halls instead of a permanent structure was not suitable for the climatic conditions in the Sudan. The continuous strong winds make the concrete floors dusty, which

make the assets rusty. The Rubb-halls also leaked in the rainy season. Furthermore, containerized warehousing was creating bottlenecks in efficient asset management because it was not possible to arrange assets in shelves or bins. Therefore, commodity managers had placed assets in the containers without proper arrangement for easy retrieval. The walls of the warehouse and containers were not marked with bar codes shown in Galileo to identify the assets. Therefore, an inventory item shown in Galileo as stored in the warehouse may require searching all the boxes and containers.

27. In the absence of proper storage facilities, the commodity managers were storing about 70 per cent of the non-expendable property in sea containers. Although some items such as computers and air conditioners were temperature-sensitive, the temperature inside the containers was not controlled. Improper warehousing facilities would lead to the untimely deterioration of these items.

Conditions of warehouses in Khartoum and at sectors

28. The conditions of the sub-warehouses at the sectors, as well as the Mission HQ in Khartoum needed improvement. There were no Rubb-halls, and containers were being used to store assets. These containers had no temperature control and shelves.

29. CITS stated that the warehouses at Khartoum and at the sectors were not sufficient for keeping essential equipment to meet emergency needs. In case of an emergency, the equipment would have to be acquired from El-Obeid, which would take at least 6 to 8 hours of transportation and testing of alternate equipment, before putting them into use. This meant halting Mission operations pending the arrival of the equipment. The Mission informed OIOS that CITS would keep certain critical equipment including servers, routers and switches in stock in its workshop at Khartoum.

Recommendations 5 and 6

The UNMIS Mission Support should:

(5) Expedite the construction of warehouse facilities at the El Obeid Logistics Base to ensure the proper storage and safeguarding of assets; and

(6) Ensure that proper warehouses facilities are made available at Mission Headquarters in Khartoum and sectors for the storage of critical Communications and Information Technology Section equipment to be used during emergencies.

30. *The UNMIS Mission Support accepted recommendation 5 and stated that a number of warehouses have been constructed in El Obeid. The Mission has yet to complete construction of three large type B hangars. Recommendation 5 remains open pending confirmation by the Mission of the completion of all warehouse facilities.*

31. *The UNMIS Mission Support accepted recommendation 6 and stated that the Director of Mission Support has approved a memorandum outlining the establishment of various warehouse facilities in Khartoum. Recommendation 6 remains open pending the completion of storage facilities planned for Khartoum.*

High percentage of non-expendable items kept as reserve stock

32. DPKO's guidelines on field missions warehousing and distribution operations require that the missions maintain the right amount and types of non-expendable property in their inventory. Furthermore, generally accepted management principles stipulate that assets in stock should consist of only those items which are needed to meet current and future needs, as well as a prudent reserve for contingency needs.

33. OIOS took a snap shot of the inventory positions on 5 February 2008 and informed the Mission about the high percentage of non-expendables kept in reserve stock valued at \$106 million, as compared to \$165 million in use. The Mission indicated that Galileo was being updated and requested another snap shot after a month. Accordingly, on 2 March 2008 a similar analysis was done and the position remained the same, see Annexes 2 and 3 for details.

34. Further analysis was done to determine high value non-expendable items kept in reserve stocks that exceeded the 40 per cent ratio of assets in stock compared to assets in use. OIOS identified 50 items worth \$72 million issued for use and an equivalent number valued at \$74 million kept in reserve stock (see Annex 4 for details). OIOS was informed that a decision has been made to send some of the excess items to the new mission in Darfur (UNAMID) and that the items identified to be in reserve may have already been sent without Galileo being updated until payment was made for the assets transferred. OIOS will verify this assertion upon submission of relevant details by the Mission.

35. The Mission does not have an internal policy to determine the size of its reserve stock for each type of non-expendable property taking into account the cost of retaining assets, the potential long-term demand for these assets, the potential repurchase costs, the identification of assets essential to the operation of the Mission, the expected life of the asset and the number of assets in use.

Recommendation 7

(7) The UNMIS Mission Support should issue policy guidelines on the optimum number of reserve stock of major non- expendable property to be maintained.

36. *The UNMIS Mission Support accepted recommendation 7 and stated that the SAUs, in coordination with PMS, will be required to provide detailed input for the determination of the optimum number of reserve non-expendable stocks to be maintained based upon historical data and experience. Recommendation 7 remains open pending the receipt of a copy of the policy guidelines on the*

determination and maintenance of the right size of reserve stock to be maintained.

D. Inventory planning and acquisition

Assets no longer required by the Mission

37. During the start-up phase, the Mission acquired a variety of non-expendable property, approved under the Director, Logistics Support Division's material sourcing plan. Assets were shipped from the Strategic Deployment Stocks (SDS) from the United Nations Logistics Base, transfers from other missions and also through UNHQ procurement. Subsequently, when the military contingents brought in their equipment under self-sustainment agreements, some of the UN-owned equipment became redundant.

38. OIOS solicited feedback from various sections on the list of non-expendables no longer required for their operations. The respective sections have identified 200 items valued at \$8.96 million, as shown in Table 4.

Table 4: Non-expendable property no longer needed by the Mission

Assets	Qty	Purchase cost (in \$'000)	Initial source	Remarks
Fuel Trucks	57	5,551	From other missions	No longer used because of turn-key fuel contract put in place
Photocopiers	40	92	From SDS	Became surplus as Mission is now obtaining photocopiers, on lease
Generator	50	3,312	Procured by UNHQ under global systems contract	Inspection report by Engineering Section declared these as not functioning well under Sudan's climatic conditions
Accommodation & kitchen flat pack tents	53	6	From Sierra Leone mission	Items were faulty
Total	200	8,961		

Recommendation 8

(8) The UNMIS Mission Support should ensure that assets no longer required for the Mission's operations are identified periodically and that appropriate action is taken to transfer these assets to the UN reserve or other missions.

39. *The UNMIS Mission Support accepted recommendation 8 and stated that identifying surplus assets is an ongoing exercise and for assets that have been*

identified as surplus, action has been taken to transfer them to other missions. Based on the action taken by the Mission, recommendation 8 has been closed.

E. Reporting mechanism

Misclassified assets

40. The Property Management Manual requires that details of UN property recorded in Galileo be correct and updated periodically in order to generate accurate management reports. However, OIOS' analysis of Galileo records as of 5 February 2008 showed that 164 non-expendable items valued at \$2.43 million were categorized under the wrong sections (see Table 5 for details). The errors were caused by incorrect data entry.

Table 5: Examples of misclassified assets

Assets	Total		Section as shown in Galileo	Correct Section, per audit
	Quantity	Value (\$)		
Fuel equipment	62	766,890	Engineering	Supply
Printer	1	11,074	Engineering	CITS
Crane	1	17,442	Engineering	Transport
Printer	4	20,205	Supply	
Satellite equipment	55	6,380	Supply	CITS
Bus	9	1,193,200	Supply	Transport
House hold appliances	7	4,464	Transport	Supply
Air conditioners	22	17,600	CITS	Engineering
Van	3	398,400	CITS	Transport
Total	164	2,435,655		

Recommendation 9

(9) The UNMIS Mission Support should ensure that the Receiving and Inspection Unit enters the correct data in Galileo and that Galileo records are subsequently reviewed by the Property Management Section to provide assurance on the completeness and accuracy of data.

41. *The UNMIS Mission Support accepted recommendation 9 and stated that the Receiving & Inspection (R&I) staff have been reminded of the need to be rigorous in entering data into Galileo. At the same time the Property Management Section has set up a Codification Cell made up of staff members from each SAU to identify errors in Galileo.* Based on the action taken by the Mission, recommendation 9 has been closed.

Inadequate management reporting

42. In accordance with the Director of Mission Support's administrative instructions, PMS was assigned to monitor and report on UN-owned assets. Particularly, PMS was to conduct the first level physical and electronic

management audits of property management functions and subsequently report to the respective section chiefs.

43. Currently, PMS is only generating a year-end inventory report for submission to UNHQ. In OIOS' opinion, these reports are not sufficient for decision making by the Mission management regarding the planning and budgeting for non-expendable property. PMS attributed the deficiency in the reporting and monitoring of non-expendable property to the shortage of staff in the Mission.

Recommendation 10

(10) The UNMIS Mission Support should generate the relevant analytical reports to inform management of the utilization of assets and to facilitate decision-making concerning non-expendable property.

44. *The UNMIS Mission Support accepted recommendation 10 and stated that there are various reports that can be generated in Galileo through the system's Business Objects reporting tool. SAUs have access to Galileo and therefore can generate any inventory report required and Property Management Section will assist if required.* Subsequent to the audit fieldwork, OIOS verified that the Mission has been generating other Galileo inventory reports, e.g., assets kept in unit stock over 12 months. Based on the action taken by the Mission, recommendation 10 has been closed.

V. ACKNOWLEDGEMENT

45. We wish to express our appreciation to the Management and staff of UNMIS for the assistance and cooperation extended to the auditors during this assignment.

STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	C/O ¹	Actions needed to close recommendation	Implementation date ²
1	O	UNMIS' confirmation that the vacant positions have been filled.	1 August 2008
2	C	Action completed	Implemented
3	O	OIOS' verification of the progress of the physical verification	Ongoing
4	O	UNMIS' confirmation of the completion of repairs of the baggage X-ray machines at Wau and Malakal	Ongoing
5	O	UNMIS' confirmation of the completion of all warehouse facilities	Ongoing
6	O	UNMIS' confirmation of the completion of storage facilities planned for Khartoum	Ongoing
7	O	Submission to OIOS of a copy of the policy guidelines on the determination and maintenance of the right size of reserve stock to be maintained	August 2008
8	C	Action completed	Implemented
9	C	Action completed	Implemented
10	C	Action completed	Implemented

¹ C = closed, O = open

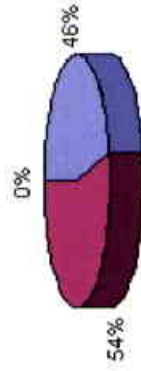
² Date provided by UNMIS in response to recommendations

ANNEX 2

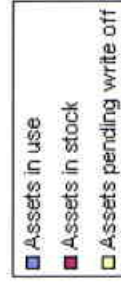
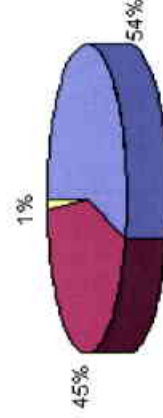
Comparison of non-expendable assets in use, in stock and pending write-off
as at 5 Feb 2008

Responsible Unit	In Use		In stock		Pending write off	
	No.	Value (\$)	No.	Value (\$)	No.	Value (\$)
Supply	5722	19,211,327	6633	13,487,983	11	162,238
Engineering	12389	43,300,899	10218	43,501,321	225	396,374
CITS	21848	33,157,743	9106	22,993,690	1371	1,238,944
Transport	2243	69,628,283	717	25,933,077	12	195,319
Total	42202	165,298,252	26674	105,916,071	1619	1,992,875

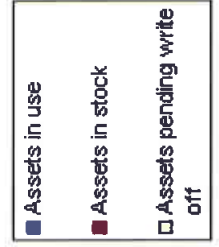
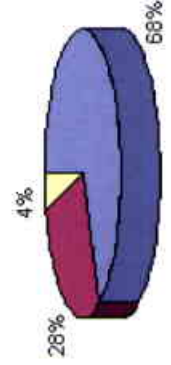
Comparison of Supply assets in use and in stock
as on Feb.5, 08



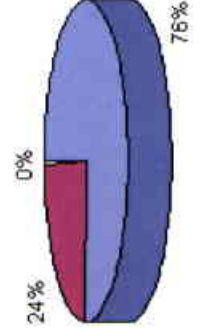
Comparison of Engineering assets in use & store
as on Feb.5, 2008



Comparison of CITS assets in use and in stock
as on Feb. 5, 08



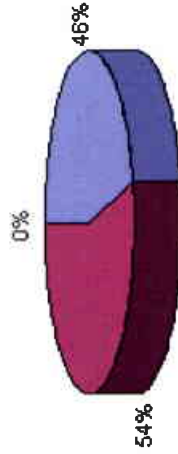
Comparison of Transport assets in use & in stock
as on Feb.5, 08



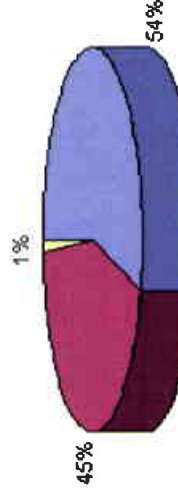
Comparison of non expendable assets in use, in stock and pending write-off as at 2 March 2008

Responsible Unit	In Use		In stock		Pending write off	
	No.	Value (\$)	No.	Value (\$)	No.	Value (\$)
Supply	5659	19,060,088	6633	13,504,469	11	162,238
Engineering	12409	43,306,067	10193	43,494,903	225	396,374
CITS	21841	33,063,560	8973	22,979,232	1371	1,238,944
Transport	2242	69,517,164	718	26,044,197	12	195,319
Total	42151	164,946,878	26517	106,022,801	1619	1,992,875

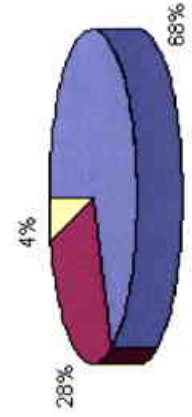
Comparison of Supply assets in use Vs. in stock as on 2 March 08



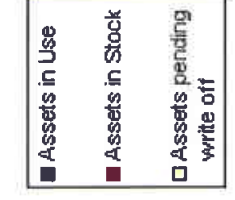
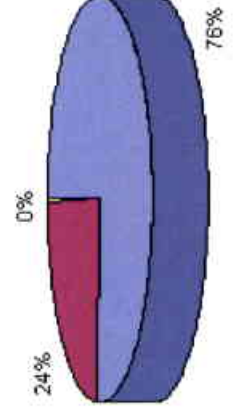
Comparison of Engineering assets in use and in stock as on 2 March 08



Comparison of CITS assets in use and in stock as on 2 March 08



Comparison of Transport assets in use and in stock as on 2 March 08



UNMIS
Non-expendable assets with high percentage of unit stock
as at 5 February 2008

Sr. No.	Section	Non expendable asset	In use				In stock			
			Quantity	Value	% in use		Quantity	Value	% in stock	
					Qty	Value			QTY	Value
1	Engineering	Air conditioners	6,879	2,202,027	59%	60%	4805	1,481,889	41%	40%
2	Engineering	Bridge equipment	5	133,227	26%	26%	14	379,716	74%	74%
3	Engineering	Construction equipment	10	32,165	15%	4%	55	733,555	85%	96%
4	Engineering	Electrical equipment	208	626,069	37%	46%	347	722,265	63%	54%
5	Engineering	Generator set	332	4,737,992	48%	41%	354	6,796,772	52%	59%
6	Engineering	Household appliances	13	40,705	20%	19%	53	171,014	80%	81%
7	Engineering	Kitchen equipment	108	273,305	21%	22%	411	981,586	79%	78%
8	Engineering	Kitchen equipment-cooking	7	38,346	15%	15%	39	213,642	85%	85%
9	Engineering	Prefabricated building	4,035	31,391,862	68%	58%	1903	23,013,592	32%	42%
10	Engineering	Pumping equipment	83	153,238	26%	19%	236	652,588	74%	81%
11	Engineering	Refrigeration equipment	55	600,528	21%	26%	211	1,683,764	79%	74%
12	Engineering	Sewage equipment	52	298,263	59%	61%	36	190,868	41%	39%
13	Engineering	Tentage	203	233,785	39%	28%	314	615,091	61%	72%
14	Engineering	Water equipment	96	985,347	19%	30%	413	2,334,533	81%	70%
	Engineering	Sub total	12,086	41,746,859	57%	51%	9191	39,970,875	43%	49%
15	Supply	Environmental equipment	19	66,911	41%	36%	27	121,181	59%	64%
16	Supply	Kitchen equipment	270	50,385	56%	25%	214	152,525	44%	75%
17	Supply	Miscellaneous equipment	53	1,064,854	38%	58%	87	768,125	62%	42%
18	Supply	Observatory equipment	341	486,990	42%	58%	477	359,197	58%	42%
19	Supply	Office equipment	481	618,562	34%	38%	920	990,505	66%	62%
20	Supply	Photographic equipment	385	133,135	57%	54%	287	113,818	43%	46%
21	Supply	Refrigeration equipment	1,038	206,226	72%	48%	413	225,443	28%	52%
22	Supply	Sea containers	1,359	3,343,487	39%	39%	2085	5,178,333	61%	61%
23	Supply	Security equipment	341	1,251,373	70%	53%	147	1,092,383	30%	47%
24	Supply	Video & audio equipment	581	351,602	33%	56%	1156	280,527	67%	44%
25	Supply	X-Ray equipment	23	724,933	58%	55%	17	585,161	43%	45%
	Supply	Sub Total	4,891	8,298,458	46%	46%	5830	9,867,198	54%	54%

26	CITS	Network	436	2,588,781	60%	67%	296	1,272,069	40%	33%
27	CITS	Peripherals	306	897,691	58%	58%	225	661,574	42%	42%
28	CITS	Broadcast equipment	270	1,290,274	55%	47%	222	1,460,912	45%	53%
29	CITS	Data transmission equipment	62	152,717	26%	24%	174	489,259	74%	76%
30	CITS	HF equipment	1,301	3,297,383	60%	60%	858	2,233,218	40%	40%
31	CITS	Antenna masts	28	146,854	37%	31%	48	331,141	63%	69%
32	CITS	Communication installation equipment	46	146,580	48%	57%	50	108,880	52%	43%
33	CITS	Link equipment	220	1,672,999	38%	39%	356	2,594,358	62%	61%
34	CITS	Uninterrupted power supply	87	218,248	51%	57%	82	166,544	49%	43%
35	CITS	Power supply for telecom. equipment	28	52,053	38%	30%	45	122,653	62%	70%
36	CITS	Satellite equipment	1,223	5,778,298	47%	58%	1365	4,231,822	53%	42%
37	CITS	Test & workshop equipment	81	556,603	46%	47%	97	626,225	54%	53%
	CITS	Sub- Total:	4,088	16,798,481	52%	54%	3818	14,298,655	48%	46%
38	Transport	Aircraft tow motors	3	709,811	43%	36%	4	1,272,464	57%	64%
39	Transport	Airfield fuel truck- heavy	0	0	0%	0%	3	657,321	100%	100%
40	Transport	Airfield fuel truck- medium	0	0	0%	0%	10	1,528,080	100%	100%
41	Transport	Airfield ground power unit	7	293,246	58%	55%	5	237,560	42%	45%
42	Transport	Airfield mobile stairs	3	70,100	30%	35%	7	129,223	70%	65%
43	Transport	Engineering vehicles	57	344,401	58%	14%	42	2,203,269	42%	86%
44	Transport	Tractors	23	549,011	49%	49%	24	572,881	51%	51%
45	Transport	Cranes	1	313,854	33%	34%	2	619,222	67%	66%
46	Transport	Forklift-light	39	1,467,761	51%	55%	37	1,193,268	49%	45%
47	Transport	Tools workshop	33	61,282	52%	45%	31	75,895	48%	55%
48	Transport	Trailer- cargo	7	307,695	33%	47%	14	348,242	67%	53%
49	Transport	Trailer-fuel	0	0	0%	0%	13	389,064	100%	100%
50	Transport	Vehicle attachments	126	1,028,788	41%	52%	179	960,271	59%	48%
	Transport	Sub-total	299	5,145,949	45%	34%	371	10,186,760	55%	66%
		Grand Total	21,364	71,989,747	53%	49%	19210	74,323,488	47%	51%