



**OIOS**

Office of Internal Oversight Services

## **INTERNAL AUDIT DIVISION**

# **AUDIT REPORT**

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## **UNHCR Operations in Khartoum and East Sudan**

**Significant weaknesses in internal control and relationships with implementing partners limited effective programme delivery**

**23 September 2008**

**Assignment No. AR2007/115/01**

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United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

OFFICE OF INTERNAL OVERSIGHT SERVICES • BUREAU DES SERVICES DE CONTRÔLE INTERNE  
INTERNAL AUDIT DIVISION • DIVISION DE L'AUDIT INTERNE

TO Mr. António Guterres, High Commissioner  
A United Nations High Commissioner for Refugees

DATE 23 September 2008

REFERENCE IAD: 08- 01773

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

*William Petersen*

SUBJECT: **Assignment No. AR2007/115/01 - Audit of UNHCR Operations in Khartoum and East Sudan**  
OBJET:

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 recommendation 1, 4, 5, 6, 8, 9, 14, 15, 16, 17, 18, 19 and 22 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 high risk (i.e., recommendations 7, 8, 10, 11 and 12) in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Mr. L. Craig Johnstone, Deputy High Commissioner, UNHCR  
Ms. Judy Cheng-Hopkins, Assistant High Commissioner, UNHCR  
Ms. Karen Farkas, Controller and Director, DFAM, UNHCR  
Ms. Maha Odeima, Audit Coordinator, UNHCR  
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors  
Ms. Maria Gomez Troncoso, Officer-in-Charge, Joint Inspection Unit Secretariat  
Ms. Christina Post, Oversight Support Unit, Department of Management  
Mr. Byung-Kun Min, Programme Officer, OIOS  
Mr. Anders Hjerstrand, Chief, Geneva Audit Service, OIOS

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## INTERNAL AUDIT DIVISION

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### 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

### Audit of UNHCR Operations in Khartoum and East Sudan

OIOS conducted an audit of UNHCR Operations in Khartoum and East Sudan. The overall objective of the audit was to assess the adequacy and effectiveness of controls in programme management, supply management, safety and security management, and administration and finance. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

The Operation's overall system of internal control was assessed as below average. The weaknesses identified in the areas reviewed require prompt corrective action by management to significantly improve the application of key controls.

In 2007, UNHCR had to pay termination benefits to its largest implementing partner, the Commissioner of Refugees (COR), a government entity. In releasing the termination benefits, the Office of the Representation of Khartoum (ROK) reached an agreement with COR in two key areas: a reduction in staff of up to 50 per cent and the disengagement of COR from direct delivery of assistance to refugees. However, COR did not cooperate in the implementation of the agreement. As the staffing levels of COR were not reduced and sub-projects were not revised until August 2007 to reflect the agreed conditions, there was a risk that anticipated savings from salary costs and improvements in care and maintenance work of refugees would not be realised.

COR did not provide adequate assistance to refugees living in camps. In some camps, the water supply was stopped for 15 months and the refugees had to rely on untreated river water. Refugee status determination work in East Sudan was also affected in 2007 by the lack of support from COR and shortage of UNHCR staff in the Sub-Office, Es Showak.

The number of staff in the Protection Section in ROK increased significantly from 2005 while the Sub-Office at Es Showak was not adequately staffed for this work. Distribution of tasks and performance monitoring needed strengthening to minimize the risk of poor utilization of staff.

Programme implementation had slowed down at the time of audit and there was no work plan to accelerate it. There was also scope for more effective monitoring of the programme. Final Sub Project Monitoring Reports (SPMRs) for 2006 and quarterly SPMRs for 2007 were not verified. Key programme staff responsible for programme support for East, South and Darfur offices did not visit these offices.

The Local Contracts Committee (LCC) deferred decisions and minutes/records were neither clear nor explicit. The established thresholds for referral of procurement actions to the LCC were not observed consistently.

Asset management needed significant improvement. Asset records were not updated and costly new assets such as laptops had been lying in a warehouse

since 2005 without being recorded. The Local Asset Management Board had not met for nearly one and a half years. The warehouse at Khartoum was disorganized and full of old assets and vehicles, preventing the accommodation of goods in the pipeline. Fuel management had however improved since the last audit.

Staff vacancies were not filled in a timely manner due to the low priority given to staffing matters. Some posts remained vacant for several months.

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## I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of UNHCR Operations in Khartoum and East Sudan. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.
2. The main objectives of the Operation are to provide assistance to Eritrean refugees residing in camps in eastern Sudan and rehabilitate refugee hosting areas. Additionally, the Operation aimed to establish a national asylum system in Sudan to provide protection to refugees and asylum seekers and give them legal status in accordance with international standards.
3. In 2006 and 2007, a budget of \$28.7 million was allocated against which expenditure of \$19 million was reported (excluding staffing costs administered by Headquarters). In Khartoum and East Sudan, the Representation was working in three locations with 17 implementing partners in 2007. At the time of the audit, the number of staff working for the UNHCR Operations in Khartoum and East Sudan was 159 (139 staff on regular posts and 20 United Nations Volunteers (UNVs)). There were 33 vacant posts.
4. Comments made by UNHCR are shown in *italics*.

## II. AUDIT OBJECTIVES

5. The main objectives of the audit were to assess:
  - (a) Effectiveness and efficiency of arrangements for programme management including monitoring of the implementing partners;
  - (b) Reliability and integrity of financial and operational reporting as well as information available in Management Systems Renewal Project (MSRP);
  - (c) Safeguarding of UNHCR resources against loss, misuse and damage due to waste, abuse, mismanagement, errors, fraud and irregularities;
  - (d) Compliance with UNHCR regulations and rules, Letters of Instruction and Sub-Project Agreements; and
  - (e) Adequacy of the safety and security management practices and arrangements.

## III. AUDIT SCOPE AND METHODOLOGY

6. The audit reviewed 2006 and 2007 programme activities under projects 06&07/AB/SUD/CM/200, 06&07/AB/SUD/CM/201, 06&07/AB/SUD/LS/401
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and 06&07/AB/SUD/LS/452 with expenditure of \$10.6 million. Records of the following implementing partners (IPs): Commissioner of Refugees (COR), Forest National Corporation (FNC) and Human Appeal International (HAI) were reviewed, as well as activities directly implemented by the Office of the UNHCR Representation of Khartoum (ROK) and the Sub-Office, Es Showak. The audit also reviewed the administration of the ROK and the Sub-Office Es Showak for the years 2006 and 2007, and assets with an acquisition cost of \$39.2 million and current value of \$15.6 million.

7. The audit methodology consisted of: (a) review of policies and procedures, administrative guidelines and analysis of data available from MSRP and other sources; (b) interviews with responsible personnel; (c) physical verification and assessment of the effectiveness of controls; and (d) observations and verification of processes, as appropriate.

## **IV. AUDIT FINDINGS AND RECOMMENDATIONS**

### **A. Programme management**

8. ROK is responsible for implementing projects in Khartoum, monitoring the programme implementation in the Eastern states and Blue Nile State and for the overall programme implementation in Darfur and in South Sudan regions through its Sub-Offices. UNHCR's area of operations is highlighted in the map below.

9. ROK operates a complex programme to achieve the strategic and country objectives. OIOS review of programme management covered the work of protection, programmes, finance, administration, and supply sections in ROK.

#### Protection activities

10. OIOS reviewed protection activities of ROK and Es Showak for refugee status determination (RSD), resettlement, community services, registration and reporting. In Sudan, ROK monitors the protection of refugees and directly implements certain activities related to RSD. During 2006 and 2007, ROK initiated the development of a comprehensive solution strategy for the protracted refugee situation in Sudan.

11. The 2007 quarterly Sub Project Monitoring Reports (SPMRs) showed that the level of legal assistance and protection activities (Sector O) implemented through the projects in the East was low, in particular, for the largest project 07/AB/SUD/CM/200 dealing with the assistance to refugees in 12 active camps in the East. According to senior managers, this situation was mainly due to the restructuring activities at COR, a government entity which is ROK's largest implementing partner. Progress in almost all the projects as of August 2007 was also very low however, no clear action plan was established to expedite matters.





12. Utilization of human resources and performance monitoring were weak in the Protection Section in ROK due to:

- The number of staff in the Protection Section had increased from 18 to 29 since 2005 mainly due to additions in the Internally Displaced Persons (IDP) Unit, Registration Unit, RSD Unit, Community Services Unit and interpreters, but there was not a commensurate increase in the case load.
- The staff distribution between ROK and Sub-Office Es Showak was not in accordance with their respective resettlement caseloads. Although the resettlement caseload is much higher in the East (700 for East Sudan and 300 for Khartoum), ROK had three to four staff in 2006-07, while the Sub-Office Es Showak, responsible for the East, had only one staff member.

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- Output targets and work plans were not established for all units and it was not easy to assess how much work could be done with the available resources. This reduced flexibility in redeployment. For example, when staff for community services were not available in Sub-Office Es Showak in 2007, redeployment of staff from ROK was not considered.
  - The distribution of protection staff tasks was not determined at the time of the audit and in some areas there was no systematic performance reporting. For example, the utilization of staff was not monitored when counselling activities slowed down in 2007 for several months due to terrorist threats and the staff remained under utilized. In the absence of systematic performance reporting from the RSD Unit, the underemployed RSD staff were not redeployed to do other work.
  - Supervision at the section level was stretched due to increased staffing, emergency situations and additional responsibilities for the Section Chief (compilation of the Annual Statistical Report, restructuring negotiations with COR, Darfur liaison work etc.). This affected monitoring of performance and increased the risk of low productivity.

#### **Recommendations 1 and 2**

##### **The UNHCR Representation of Khartoum should:**

**(1) Develop an action plan to improve the implementation rate of protection activities in East Sudan and closely monitor their implementation; and**

**(2) Better utilize the human resources of the Protection Unit by establishing expected staff output, reviewing staff deployment between Khartoum and the Sub-Office in Es Showak, improving performance reporting and monitoring of key protection activities, and maximizing supervisory resources for protection functions.**

13. *The UNHCR Representation of Khartoum accepted recommendation 1. While acknowledging that there were some weaknesses in protection monitoring in some camps due to lack of staff, ROK indicated that it is undertaking regular support missions to the East to ensure better monitoring of the situation. ROK informed OIOS that by December 2007 implementation of protection activities in East Sudan was recorded at 100 per cent. Based on the action taken by UNHCR, recommendation 1 has been closed.*

14. *The UNHCR Representation of Khartoum accepted recommendation 2 and stated that the responsibilities of the units within the Protection Section have been reorganized and action plans for each unit have been developed. ROK however pointed out that the Protection Section has country-wide advisory and guidance responsibilities for refugees and IDPs, and that the section's work was increased by the lack of RSD activities by COR. Recommendation 2 remains*

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open pending receipt of the documented expected staff output and measures for performance monitoring in the key protection activities.

### Refugee Status Determination (RSD)

15. The risk of underutilization of staff in RSD work in ROK persisted due to the absence of output targets and complicated internal procedures. After initial counselling and review, a Case Decision Committee decides whether the refugee can be registered and follows the full RSD procedure through a time consuming process. The Regional Support Hub in Nairobi made several recommendations in a mission report in September 2006 to improve RSD work in ROK and the East. However, there were no documents found during the audit to substantiate the status of implementation of these recommendations.

16. The main load of protection work is in East Sudan where the Sub-Office Es Showak monitors the RSD work done by COR. This function was not being adequately supported from the ROK office. As an example, the present RSD officer in ROK visited Es Showak only once during 2006 and 2007. RSD work in the East came to a standstill in 2007 as COR was not fulfilling its RSD responsibilities, as reported by UNHCR. Correspondence between the Es Showak office and ROK refers to the stoppage of RSD work for the greater part of 2006 and 2007 due to the lack of cooperation by COR.

17. Standard Operating Procedures (SOPs) for protection and resettlement sections, introduced in mid 2006 were yet to be finalized, although these SOPs were under implementation. The SOPs would streamline working procedures and provide a safeguard against fraud.

### **Recommendation 3**

**(3) The UNHCR Representation of Khartoum should simplify internal procedures to improve efficiency in Refugee Status Determination (RSD) work, finalize the Standard Operating Procedures as a priority to reduce the risk of fraud, systematically monitor implementation of the recommendations of the Regional Support Hub in Nairobi for improving efficiency in RSD work and enhance field travel by RSD staff to improve support and oversight of RSD operations in the East.**

18. *The UNHCR Representation of Khartoum accepted recommendation 3 and stated that a number of the recommendations of the Regional Support Hub in Nairobi are being implemented including the SOPs and simplification of the RSD procedures. ROK is also closely monitoring RSD procedures and six ROK protection/community services/resettlement missions to the East were conducted between January and June 2008. Besides, additional staff are being recruited in the East for regular camp monitoring and protection follow-up. Recommendation 3 remains open pending the finalization of revised SOPs and implementation of simplified procedures for RSD.*

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## Resettlement

19. Resettlement and registration work in Sub-Office Es Showak slowed down in 2007 as all the three community service posts were vacant. Community service staff are mainly involved in field work to locate candidates for resettlement. Achievement of the resettlement target was also low in 2006 (371 persons in East Sudan and 67 persons in Khartoum) compared to 700 and 300, respectively, as initially planned. However, ROK had no plan to temporarily relocate community service staff from ROK to Es Showak to boost community service activities.

### **Recommendation 4**

**(4) The UNHCR Representation of Khartoum should ensure redeployment of adequate community services staff for Sub-Office Es Showak to speed up registration and resettlement work.**

20. *The UNHCR Representation of Khartoum accepted recommendation 4 and stated that the lack of identification of resettlement cases was due to a variety of factors including denial of access to camps. Community services capacity in Es Showak has now been enhanced with three secondees from Save the Children, an Associate Community Services UNV and two Senior Community Services Clerks (GL-5s) who work under the overall supervision of the P-4 Community Services Officer in ROK. A candidate from International Catholic Migration Commission will be posted in Es Showak to work on resettlement cases and the need for additional resettlement staff has been taken up with the Regional Support Hub in Nairobi and Headquarters. Based on the action taken by UNHCR, recommendation 4 has been closed.*

## Reporting

21. The Annual Protection Report for 2006, due at the end of February 2007, was in draft form as at the end of August. The Annual Statistical Report was also finalized late. Due to delayed reporting, updated demographic and protection data and lessons learnt from the protection activities were not available when the 2008-09 Country Operations Plan was finalized. For the future, the ROK should plan for the timely preparation of the Annual Protection Report and the Annual Statistical Report to strengthen the planning process.

## Coordination

22. Coordination between the Protection Unit and the Programme Unit for the verification and monitoring of narrative sections of SPMRs needed improvement in ROK and in Sub-Office Es Showak. Community service staff in ROK undertook the verification of programme performance for 07/AB/SUD/CM/201 but they did not share the findings with the Programme Unit. In the Sub-Office Es Showak, the field assistants went on field visits for verification but did not prepare written reports for follow-up by the Programme Unit.

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## Recommendation 5

**(5) The UNHCR Representation of Khartoum should ensure better coordination between the Protection Unit and the Programme Unit in the verification of project performance and its reporting, for timely and proper follow-up.**

23. *The UNHCR Representation of Khartoum accepted recommendation 5 and stated that cooperation and coordination within and between the Protection and Programme Sections has improved with the arrival of new staff in the Protection and Community Services and Programme Sections. Staff from both sections meet regularly on sub-agreements, inputs for reports, preparation of the Country Operation Plan and other reporting requirements and for verification of project performance and regularly participate in meetings with implementing partners. Based on the action taken by UNHCR, recommendation 5 has been closed.*

## **B. Implementing partners**

### Project formulation and programme reporting

24. OIOS noticed an improvement in the formulation of Sub-Project Agreements in 2007 compared to 2006, in terms of articulating objectives, outputs and impact indicators in pursuance of Result Based Management (RBM). The Annual Programme Interim Report for 2007, due in July 2007 was sent to Headquarters on time and included a review of submissions from all the regions. This report linked the sector objectives with the global strategic objectives and actual progress/achievements against annual targets in line with the requirements of the RBM. ROK shared its review findings with Headquarters and this has improved transparency.

### Low project expenditure

25. In 2007, project expenditure in Khartoum and the East was very low. In the East, the largest project (07/AB/SUD/CM/200) showed expenditure of 57 per cent of the budget up to August but when the disbursement of termination benefits of \$1 million to COR is excluded, the actual expenditure was only 27 per cent. In the project 07/AB/SUD/LS/452, expenditure was only 21 per cent of the budget as of August 2007. In Khartoum project expenditure ranged from three to 36 per cent. In the East, projects like 07/AB/SUD/CM/200 and 07/AB/SUD/LS/452, which have been continuing for years, have not made much progress. OIOS assessed that ROK did not effectively manage the risks of low project implementation and low achievement of project objectives in 2007. There was no clear work plan in ROK to kick-start the implementation process and getting COR to agree to project outputs.

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## Recommendation 6

**(6) The UNHCR Representation of Khartoum should quickly frame an action plan and set milestones to reverse the slowdown in project implementation in Khartoum and East Sudan, and closely monitor progress.**

26. *The UNHCR Representation of Khartoum accepted recommendation 6 and stated that routine monitoring of implementation has improved considerably with the appointment of a Project Control Officer in late 2007 and the arrival of new programme staff in the ROK Programme Unit in early 2008. The average implementation rate of all three projects at the end of 2007 stood at approximately 90 per cent despite budget increases during the mid year review. Based on the action taken by UNHCR, recommendation 6 has been closed.*

### Project monitoring

27. Following the departure of the Project Control Officer at the end of May 2007, project financial control work was disrupted. Verification and review of SPMRs were not systematically undertaken. At the end of August 2007, out of 22 Sub-Project Agreements for 8 projects implemented in the East and Blue Nile States for 2006, final SPMRs for 18 sub-projects were not verified and approved. Project files were not updated with the financial and narrative SPMRs for 2006 and the project control staff were not working in a coordinated way with other programme staff to monitor progress. At OIOS request, records in the project files were updated and the status of the verification of SPMRs was compiled towards the very end of the audit.

28. For the 2007 sub-projects, quarterly SPMRs in ROK and Sub-Office Es Showak were not all verified or approved. For example for COR (sub-project 07/AB/SUD/CM/200(a)), the SPMRs for the first and second quarters had not been verified or approved, yet the third instalment for this project had been released. No SPMRs had been received in 2007 from United Nations Human Settlements Programme and International Union for the Conservation of Nature for project 07/AB/SUD/LS/452. Programme monitoring in Sub-Office Es Showak was also weak as the final SPMRs for large sub-projects like COR 06/AB/SUD/CM/200 were not verified.

29. The IPs did not submit the lists of non-expendable property (NEP) and staff members with the final SPMRs for any of these sub-projects. Therefore, the salary expenditures reported in the SPMRs could not be verified properly.

## Recommendation 7

**(7) The UNHCR Representation of Khartoum should ensure that final Sub-Project Monitoring Reports are reviewed systematically and expeditiously and that lists of non-expendable property and staff members are obtained from the implementing partners.**

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30. *The UNHCR Representation of Khartoum accepted recommendation 7 and stated that the capacity of the "project control" has been increased this year with the creation of a project control assistant to ensure systematic review/verification of IP reports, including SPMRs, NEP and staff lists. Recommendation 7 remains open pending receipt of information on the review of the final SPMRs of 2007 and a list of NEPs and staff members with the final SPMRs.*

#### External audit report

31. For 2006, the external auditors were not appointed until August 2007 even though audit reports should be finalized within six months of the liquidation period (i.e. 30 September 2007). For 2007 sub-projects, the audit reports should be finalized within three months of liquidation. Action should be initiated in time for appointing the auditors for 2007 sub-projects.

32. For 2005 reports, the project control staff did not share the auditors' recommendations with their colleagues in the Programme Unit in ROK and Sub-Office Es Showak. In the case of COR sub-project 05/AB/SUD/CM/200(a) the auditors' recommendation for standardization of accounting records in different locations was not included in the Sub-Project Agreement for 2007.

#### **Recommendation 8**

**(8) The UNHCR Representation of Khartoum should ensure that the external auditors' recommendations are shared with colleagues in the Programme and Protection Units and with the Sub-Offices, and that proper follow-up of these recommendations is made.**

33. *The UNHCR Representation of Khartoum accepted recommendation 8 and stated that audit reports are regularly and consistently shared with all relevant units and sub-offices. ROK has appointed an audit focal point, i.e. the Finance Officer, who follows up on the implementation of audit recommendations as part of his normal functions. The ROK Audit Focal Point also works in close collaboration with the Project Control Officer of the ROK Programme Unit. Based on the action taken by UNHCR, recommendation 8 has been closed.*

#### Field visits

34. The designated programme officers in ROK responsible for overseeing programme implementation in South Sudan and Darfur regions did not visit these offices in 2006 or up to August 2007. Their visits to the Sub-Office Es Showak were not regular. They were not familiar with the seasonal nature of projects implemented by the Forest National Corporation (FNC) and FNC staff were employed year-round, though this was not required.

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## Recommendation 9

**(9) The UNHCR Representation of Khartoum should ensure that programme staff regularly visit the sub and field offices in East Sudan and other regions to have first hand knowledge of field conditions and to provide effective support to these offices.**

35. *The UNHCR Representation of Khartoum accepted recommendation 9 and stated that mission plans/schedules have been established for programme staff for 2008. Already, three ROK programme missions have been fielded to Es Showak and Kassala and Blue Nile State. More missions are planned for Darfur and South Sudan in the coming months. These missions are also undertaken in collaboration with protection staff.* Based on the action taken by UNHCR, recommendation 9 has been closed.

### Commissioner of Refugees (COR)

36. In September 2003, UNHCR agreed to pay retrenchment benefits to COR project personnel. ROK made payments of \$5.5 million for termination benefits to COR for 700 employees in April 2007 and COR disbursed the amount in the last week of May 2007. However, they did not produce details of the disbursements or attestations from the employees, discharging UNHCR from any future obligations. OIOS verification of records for payment of termination benefits in COR headquarters revealed discrepancies in the names of beneficiaries and amounts disbursed, when compared with the list of names and amounts furnished earlier to ROK. Payment documents should be checked for full details and location of payments as quickly and in as many cases as possible to assess if disbursements were made as agreed.

37. In releasing the termination benefits, ROK obtained COR's agreement in two key areas – a phased reduction of up to 50 per cent of staff and disengagement of COR from direct delivery of assistance to refugees. The restructuring plan mainly consisted of reducing staff and handing over the activities of essential sectors (such as water, sanitation and education) to government departments and other IPs. These steps were intended to improve assistance to refugees by releasing resources for substantive activities. OIOS noted that:

- The restructuring and reduction of staff, due to be finalized by May 2007, had not been implemented as of August 2007. COR did not adequately cooperate in the implementation of the agreement and engaged ROK in prolonged negotiations. For instance, COR disagreed on the reduction of nearly 127 staff (mostly supervisory) in Khartoum and Port Sudan.
- COR was not performing the minimum life sustaining activities for the refugees in camps. OIOS noted that the water supply had been stopped for 15 months in the Girba camp and refugees had to rely on untreated and muddy river water. COR blamed UNHCR for not releasing the funds for the repair of pumps. OIOS noted that the funds had been released by UNHCR.



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- COR did not cooperate with UNHCR protection staff in the verification of achievements reported for 2006 and the first six months of 2007. Although COR reported the achievement of outputs under the Legal Assistance/Protection Sector, COR admitted that they did not implement the activities as per the performance indicators and they did not perform RSD of new asylum seekers in Khartoum. Thus 92 COR staff paid by UNHCR in 2006 and 2007 were not gainfully employed.

38. The third instalment amounting to \$317,000 for the sub-project 07/AB/SUD/CM/200(a) was released to COR while waiting for the amendments to the Sub-Project Agreements to reflect the restructuring plan. The staff who were terminated were to be paid allowances instead of salary to avoid any future liabilities of paying termination benefits.

39. During our examination of records of COR in Es Showak relating to project 06/AB/SUD/CM/200(a) (expenditure of \$1.2 million), OIOS noted that while the maintenance of records was satisfactory, the disbursement records of COR field offices under their Es Showak office were not produced for verification since these were retained in field offices. Only a statement of disbursements was sent from the field offices to Es Showak office for compilation. This arrangement weakens control over the integrity of the accounts and delays the verification of records by UNHCR staff. All payment records should be centralized in the Es Showak office for verification by UNHCR staff while checking the SPMRs.

#### **Recommendations 10 and 11**

##### **The UNHCR Representation of Khartoum should:**

**(10) Ensure that UNHCR is discharged from any future obligations for termination payments by separating implementing partner staff; and**

**(11) Ensure the restructuring of COR and a reduction of their staff within a specified timeframe to release funds for improved care and maintenance of refugees.**

40. *The UNHCR Representation of Khartoum accepted recommendation 10 and stated that ROK is ensuring that sub-agreements have a budget line on a yearly basis to respond to the issue of termination benefits.* The response indicates the strategy of UNHCR for future sub agreements but it does not address the issue that COR was to produce attestations from the employees discharging UNHCR from any future obligations for termination payments. Recommendation 10 remains open pending receipt of information showing that attestations from the employees of COR discharging UNHCR from any future obligations for termination payments have been received.

41. *The UNHCR Representation of Khartoum accepted recommendation 11 and stated that COR staff has been reduced from 766 to 429. UNHCR also informed OIOS that negotiations with COR have been problematic and progress*

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*very slow but ROK intensified efforts through regular meetings (including at the executive level) and the formation of ad hoc committees to reach an agreement on a time-bound implementation of the restructuring and reduction of COR staff. Recommendation 11 remains open pending the receipt of information on the finalization of restructuring and the reduction of staff by up to 50 per cent.*

#### Forest National Corporation (FNC)

42. OIOS examined the records of FNC relating to the sub-project 06/AB/SUD/LS/452(a) in their office in Fau in Gederaf State and also visited a plantation site. FNC did not submit a list of staff with the final SPMR of 2006 as required but this matter was not taken up with them by UNHCR. The Sub-Project Agreement for 2007 budgeted termination benefit payments to the FNC staff. OIOS ascertained that FNC employs 90 staff and a substantial liability may have to be borne by UNHCR in line with termination payments to COR staff.

43. All FNC staff are employed for a full year while afforestation work is of a seasonal nature. The justification for engaging all staff for a full year needs review. Although this matter was brought to the attention of Management during the audit, no proper explanation was provided.

#### **Recommendation 12**

**(12) The UNHCR Representation of Khartoum should assess the scope and liability for termination benefit payments to the employees of Forest National Corporation (FNC). The staff size of FNC and period of employment should be reviewed keeping in mind the seasonal nature of FNC's work.**

44. *The UNHCR Representation of Khartoum accepted recommendation 12 and stated that sub office Es Showak clarified that FNC also undertakes irrigation as well as water/sanitation activities. As such FNC employees' engagement throughout the year is unavoidable. Recommendation 12 remains open pending receipt of evidence that the issue of the scope and liability of payment of termination benefits to the FNC employees have been addressed.*

### **C. Supply management**

#### Procurement

45. The Representation carried out local procurement in 2006 and the first six months of 2007 in the amount of \$1.4 million, consisting mainly of purchases of pre-fabricated buildings, transportation services and generators. OIOS noticed cases where prescribed controls were not complied with, established thresholds were ignored, submissions to the Local Committee on Contracts (LCC) were not systematic, and payments of additional claims were made without adequate supporting documents, as mentioned below:

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- For the construction of the pre-fabricated house in February 2007 for Field Office Kurmuk (\$59,000), the supplier contracted to do the work did not meet the standards required by UNHCR according to the LCC. The reasons for the selection of this supplier, which had not been approved by the LCC, were not documented.
  - In 2006, a contract of \$66,000 was signed with a supplier for the construction of the Field Office Kurmuk compound, without a tendering process or an LCC decision. It was explained that the rainy season was approaching and construction needed to start immediately. Also, officials from the Government preferred a local contractor and only one contractor was available in Kurmuk.
  - For transporting non-food items (NFIs) to Darfur, a frame agreement was approved by the LCC, and the Headquarters Committee on Contracts (HCC) agreed to increase the period and amount for this agreement up to a total of \$300,000 until the end of January 2007. However, ROK spent over \$400,000 with this supplier, disregarding the approved threshold.
  - In 2006, ROK did not submit to the LCC the contract for airfreight of eight Toyota Land Cruisers to Juba for \$28,000 and the purchase of two generators for \$30,000. Although at least three quotes were received for both transactions, the most economical offer was not selected and the reason for this was not explained.
  - For the clearance of plastic sheeting, a supplier charged \$10,000 for two weeks of 'waiting time' in addition to demurrage charges without any evidence for such payment. The UNHCR Supply Officer explained that these charges might be for the waiting time of the truck for unloading at the warehouse, when the warehouse was overstocked. OIOS assessed that the supporting documents did not justify this significant charge.

### **Recommendation 13**

**(13) The UNHCR Representation of Khartoum should ensure that all payment requests comply with UNHCR procurement procedures. Any deviation from the decisions by the Local and Headquarters Committees on Contracts should be documented and resubmitted to the Local Committee on Contracts for ratification.**

46. *The UNHCR Representation of Khartoum accepted recommendation 13 and stated that action and steps will be taken to ensure that all such cases are resubmitted to the LCC for their ratification. Recommendation 13 remains open pending the submission of the post facto approval by the LCC and HCC.*

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### Local Committee on Contracts (LCC) proceedings

47. Up to August 2007, six LCC meetings were held. In the case of LCC proceedings for 2006, some minutes of meetings were unavailable. In some cases the LCC did not follow up on previous decisions.

48. The LCC repeatedly deferred the decision on purchase proposals for the transportation of goods from Khartoum to Darfur. Although the tender was closed in January, the LCC finally made a decision only on 31 July 2007.

49. Minutes/records of the LCC were not clear and explicit enough to show a summary of the decisions taken and reasons for the decisions with details of the vendor selected and cost involved. In some cases the LCC did not indicate clearly which supplier's bid was accepted (when more than one bid was discussed) and the total or unit price of the accepted bid.

#### **Recommendation 14**

**(14) The UNHCR Representation of Khartoum should ensure that the Local Committee on Contracts makes prompt decisions on purchase requests and clearly records reasons for its decision in the selection of vendor, and the unit cost and total cost in each case.**

50. *The UNHCR Representation of Khartoum accepted recommendation 14 and stated that actions and steps will be taken to ensure that the LCC deliberations are well recorded and prompt decisions are taken and acted upon. ROK has also requested a support mission from the Senior Supply Officer in Juba to aid the Supply Unit and LCC.* Based on the action taken by UNHCR, recommendation 14 has been closed.

### Asset Management

51. OIOS assessed that risks of assets loss, underutilization of assets and inefficient asset management remained high in ROK despite OIOS' 2005 audit report noting similar deficiencies. The asset data in both the AssetTrak and MSRP records were neither reliable nor accurate. Pre 2004-assets were not included in MSRP as two AssetTrak versions were kept at ROK while only one was transferred to MSRP. There were also 538 assets still recorded as in transit (acquisition value \$1.9 million) although most of them were received by Khartoum.

52. The new Associate Supply Officer, during a verification exercise in the Khartoum warehouse, found that new laptops (7), desktops (36), printers (25), scanners (2) and other IT/Telecom equipment were not all recorded in AssetTrak or MSRP. Some of the items were bought in 2005, never bar coded and were stocked in the warehouse for 2 years without use. Also, right of use agreements with IPs were incomplete. The Associate Supply Officer indicated that full scale asset verification will be carried out soon to update the records.

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53. In 2006, the Local Asset Management Board (LAMB) only met once in March and thereafter did not meet for one and half years although, according to the rules the LAMB shall meet at least on a quarterly basis. The LAMB for 2007 was established only in July, and the first meeting was held in August, when 21 cases were dealt with, some of them submitted by sub-offices over a year before. With over 3,000 asset items in the current records with an acquisition value of over \$20 million, the frequency of LAMB meetings is clearly inadequate.

54. OIOS was pleased to note that controls over assets in Sub-Office Es Showak had greatly improved since the last audit in 2005. All assets had been verified both at UNHCR and at implementing partners. Sub-Office Es Showak kept records up to date by verifying assets quarterly and identifying old assets for write-off.

#### **Recommendation 15**

**(15) The UNHCR Representation of Khartoum should ensure that the difference between AssetTrak and Management Systems Renewal Project records are reconciled, asset records are updated and full scale asset verification is carried out without delay. The Representation should also ensure that the Local Asset Management Board meets regularly to deal with all cases promptly and that Right of Use Agreements are systematically updated.**

55. *The UNHCR Representation of Khartoum accepted recommendation 15 and stated that the Supply Unit did the annual asset physical verification at UNHCR ROK between 29 September and 11 October 2007, and of the assets with the implementing partners in Khartoum between 07 and 14 February 2008. Based on this exercise the asset records in the MSRP were updated and unserviceable assets were submitted to the LAMB for review and disposal decisions. The LAMB for all Sudan operations was re-established on 02 July 2007 at ROK and the first LAMB session was held on 13 August 2007. The clearance of the discrepancy between the two systems is underway and the validation process of all Right of Use Agreement is being updated with the program units. Based on the action taken by UNHCR, recommendation 15 has been closed.*

#### Warehouse management

56. The warehouse in Khartoum was overstocked and almost inaccessible: we found old written off cars, IT equipment, eight new cars to be shipped to various regions and several other new and obsolete assets. The NFIs stored in the warehouse were not stacked on pallets and thus were prone to deterioration. The stacking was disorganized and made it impossible to easily count the number of items. While a basic warehouse listing was kept, this was incomplete and not always accurate. No stock cards were kept in the warehouse and the date of the last physical verification of the contents was unknown. OIOS assessed that without immediate action by the Representation, supply management and planning for Sudan as a whole, will seriously suffer. There was also a risk of loss

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of inventory and assets, and that the warehouse may not be able to accommodate the inflow of goods in the pipeline.

#### **Recommendation 16**

**(16) The UNHCR Representation of Khartoum should take urgent action to improve warehouse management to protect the assets and improve warehouse utilization.**

57. *The UNHCR Representation of Khartoum accepted recommendation 16 and stated that standard warehouse documents have been in use since late 2007, warehouse inventory is regularly updated and the stock bin cards are used to continuously update and reflect stock status. All obsolete non-expendable assets were cleared through the LAMB thereby creating sufficient space in the warehouse. The management of the ROK warehouse including inventory has greatly improved. Based on the action taken by UNHCR, recommendation 16 has been closed.*

#### Fuel management

58. OIOS noted that controls over fuel receipt, issuance and payment had improved since the last audit, both in Khartoum as in Es Showak. However, for both locations, no fuel consumption reports for vehicles and generators were prepared. Thus an important control to assess average fuel consumption, identify irregularities and assess the condition of vehicles was not in place. OIOS understood that Sub-Office Es Showak prepared the first fuel consumption report after we pointed this out.

59. For Field Offices in Damazin, Kurmuk, Malakal and Bor, a memorandum of understanding was signed with the United Nations Mission in Sudan (UNMIS) to provide fuel based on monthly requirements. The fuel payment for the first quarter of 2007 amounted to \$48,995. While the Supply Unit in ROK prepared the payment request for the next month's advance payment, it did not check the actual receipt of fuel for the previous month with the offices in the field, to confirm that fuel already paid for was received in full. Both the Finance Unit and the Supply Unit denied their responsibility for this task. Immediate action is necessary to improve working arrangements and accountability.

#### **Recommendation 17**

**(17) The UNHCR Representation of Khartoum should ensure that fuel consumption reports for vehicles and generators are prepared and reviewed every month by a designated staff member to improve controls over fuel consumption. Monthly payment requests should take into account any outstanding balance from the previous month's advance payment.**

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60. *The UNHCR Representation of Khartoum accepted recommendation 17 and stated that Sub-Office Es Showak currently is maintaining records of fuel consumption and analyzing fuel use. The Supply Unit at Khartoum has established complete and standardized fuel control system and the format of monthly fuel consumption effectively addresses the issues of control and accountability in receipt and disbursement of fuel. The Supply Unit will also review and consolidate monthly fuel reports from field and based on the report they will ensure that only the payment of the actual fuel supplied is processed and any unspent advance payment to UNMIS is reimbursed to the organization. Based on the action taken by UNHCR, recommendation 17 has been closed.*

#### **D. Safety and security**

61. Khartoum is currently in security phase two. The office does not comply with the minimum operational safety standards (MOSS). The present building has outlived its life and was built with toxic and flammable materials. An electronic fire alarm system had not functioned for some time and fire points were not displayed prominently. Recently Headquarters sanctioned funds for upgrading the security arrangements in the Khartoum office. OIOS understands that action is underway for the contracting process to acquire the necessary equipment.

##### **Recommendation 18**

**(18) The UNHCR Representation of Khartoum should closely monitor the procurement and installation of safety equipment. Fire points should be prominently displayed.**

62. *The UNHCR Representation of Khartoum accepted recommendation 18 and stated that since October 2007, the Senior Field Safety Advisor and ROK administration regularly conduct checks (in association with a qualified supplier) of all smoke detection alarms and fire safety equipment within the Office. Furthermore, considerable investment has been made to further upgrade security through the use of 24-hour closed circuit video cameras installed at strategic points in and around the ROK premises. Based on the action taken by UNHCR, recommendation 18 has been closed.*

#### **E. Administration and finance**

##### Filling of vacancies

63. OIOS noted that in August 2007 many posts were vacant in ROK (12 General Services) and in other offices. However, despite the heavy caseload, the Appointments, Promotions and Posting Committee (APPC) did not meet regularly. For example, it met only once in 2007, at the end of May. In the December 2006 meeting, it dealt with 56 cases, of which in some cases, the vacancy notices were closed in March 2005. The absence of a human resources officer and the low priority given by management to staffing matters could be the cause of this backlog.

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### **Recommendation 19**

**(19) The UNHCR Representation of Khartoum should take the necessary measures to fill vacancies as a matter of priority.**

64. *The UNHCR Representation of Khartoum has accepted recommendation 19 and informed OIOS that with effect from 2008, ROK has taken steps to hold APPC meetings regularly, provided there are cases for deliberation. As of to date, ROK has held four APPC meetings – 24 January, 26 February, 30 March 2008 and 29 May 2008. Based on the action taken by UNHCR, recommendation 19 has been closed.*

#### Outstanding Receivables

65. The outstanding operational advances in Khartoum with other UNHCR offices in the country had been cleared. The receivables for value added tax were followed up with the Government of Sudan and for part of the total outstanding amount, refunds had been received. The remaining outstanding balance at the time of the audit was \$36,000.

66. Control over the adjustment of operational advances in Sub-Office Es Showak was weak and some 7,850,000 Sudanese pounds (\$34,000) advanced in 2005 and 2006 remained outstanding for long periods. In 2007, advances were adjusted after a gap of three to five months. Funds given to field assistants for operational purposes were treated as final expenditure instead of operational advances, although proof of disbursement of funds was not produced.

### **Recommendation 20**

**(20) The UNHCR Representation of Khartoum should ensure prompt liquidation of operational advances in the Sub-Office Es Showak.**

67. *The UNHCR Representation of Khartoum accepted recommendation 20 and explained that the office is located far from all camps, and the bank is 70 kilometres from the office further complicating the prompt follow-up on reports on operational advances. However, ROK is boosting the necessary effective measures to keep the level of operational advances at a reasonable level. ROK is considering steps to minimize direct implementation of projects and thus reduce operational advances. Recommendation 20 remains open pending the receipt of information on the adjustment of outstanding advances made since August 2007 (when the audit was conducted).*

#### Medical Evacuation (MEDEVAC)

68. Controls over MEDEVAC needed improvement in ROK. In two of the four cases reviewed, 100 per cent DSA payments were authorized even though hotel bills were not submitted. In the absence of hotel bills, DSA payment in these cases should be reduced by 50 per cent and recoveries would amount to



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\$1,008 and \$4,344. MEDEVAC claims were also settled late. In two cases, as of August 2007, claims submitted by the staff member in September 2006 and January 2007 were still waiting to be processed. The Human Resources Unit was supposed to follow up on certain supporting documents that were not submitted, but due to staff changes this was not done.

#### **Recommendation 21**

**(21) The UNHCR Representation of Khartoum should ensure that hotel bills are always obtained when allowing 100 per cent daily subsistence allowance payments for medical evacuations travel cases and recover overpayments made to staff members amounting to \$5,352.**

69. *The UNHCR Representation of Khartoum accepted recommendation 21 and stated that ROK is addressing this issue directly with concerned staff members and will ensure that overpayments will be recovered from their salaries by no later than July 2008. Recommendation 21 remains open pending the receipt of information showing details of recoveries of overpayments amounting to \$5,352*

#### Communication Costs

70. Communication costs for SIM cards (156) and Thuraya phones (162) issued to international and selected national staff had sharply increased as pointed out in 2005 audit report. From January 2006 to June 2007 the Representation paid \$791,000 for mobile and Thuraya charges. Expenditure on mobile phones in Sub-Office Es Showak was \$70,000 during January 2005 to June 2006 and phones were issued without any established criteria to staff members. Upon receipt of a mobile phone/Thuraya bill, staff members are asked to identify their private calls for recovery purposes. Controls to assure that all private calls are tracked could however not be relied upon and recovery of charges for private use of the mobiles was not always done in a timely manner.

#### **Recommendation 22**

**(22) The UNHCR Representation of Khartoum should review the distribution policy of mobile phones and ensure that systematic procedures are in place to recover charges for private use to control communication costs.**

71. *The UNHCR Representation of Khartoum accepted recommendation 22 and stated that ROK reviewed and reissued its policy on usage of mobile phones and Thurayas throughout the Sudan operation and withdrew nearly 40 per cent of the mobile and Thuraya phones. ROK also established a two tier ceiling of authorized amount for official calls and strengthened recovery of private calls since February 2008. Based on the action taken by UNHCR, recommendation 22 has been closed.*

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## **V. ACKNOWLEDGEMENT**

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

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## STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	Recommendation	Risk category	Risk rating	C/O <sup>1</sup>	Actions needed to close recommendation	Implementation date <sup>2</sup>
1	The UNHCR Representation of Khartoum should develop an action plan to improve the implementation rate of protection activities in East Sudan and closely monitor their implementation.	Operational	Medium	C	Action completed	Implemented
2	The UNHCR Representation of Khartoum should better utilize the manpower of the Protection Unit by establishing expected staff output, reviewing staff deployment between Khartoum and the Sub-Office Es Showak, improving performance reporting and monitoring of key protection activities and maximizing supervisory resources for protection functions.	Operational	Medium	O	Expected output in key protection activities and performance reporting on these outputs should be furnished.	31 Dec 2008
3	The UNHCR Representation of Khartoum should simplify internal procedures to improve efficiency in Refugee Status Determination (RSD) work, finalize the Standard Operating Procedures as a priority to reduce the risk of fraud, systematically monitor implementation of the recommendations of the Regional Support Hub for improving efficiency in RSD work and enhance field travel by RSD staff to improve support and oversight of RSD operations in the East.	Operational	Medium	O	Copy of finalized SOPs and orders on simplified procedure for RSD should be furnished.	31 Dec 2008
4	The UNHCR Representation of Khartoum should ensure redeployment of adequate community services staff for Sub-Office Es Showak to speed up registration and resettlement work.	Operational	Medium	C	Action completed	Implemented

Recom. no.	Recommendation	Risk category	Risk rating	C/O <sup>1</sup>	Actions needed to close recommendation	Implementation date <sup>2</sup>
5	The UNHCR Representation of Khartoum should ensure better coordination between the Protection Unit and the Programme Unit in the verification of project performance and its reporting for timely and proper follow-up.	Operational	Medium	C	Action completed	Implemented
6	The UNHCR Representation of Khartoum should quickly frame an action plan and set milestones to reverse the slowdown in project implementation in Khartoum and East Sudan, and closely monitor progress.	Operational	Medium	C	Action completed	Implemented
7	The UNHCR Representation of Khartoum should ensure that final Sub-Project Monitoring Reports are reviewed systematically and expeditiously and that lists of non expendable property and staff members are obtained from the implementing partners.	Financial	High	O	Information should be furnished on completion of review of the final SPMRs of 2007 and receipt of list of NEPs and staff.	Not provided
8	The UNHCR Representation of Khartoum should ensure that the external auditors' recommendations are shared with colleagues in the Programme and Protection Units and with the Sub-Offices, and that proper follow-up of these recommendations is made.	Operational	High	C	Action completed	Implemented
9	The UNHCR Representation of Khartoum should ensure that programme staff regularly visit the sub and field offices in East Sudan and other regions to have first hand knowledge of field conditions and to provide effective support to these offices.	Operational	Medium	C	Action completed	Implemented
10	The UNHCR Representation of Khartoum should ensure that UNHCR is discharged from any future obligations for termination payments by separating implementing partner staff.	Financial	High	O	Information should be furnished on receipt of attestations from the employees of COR discharging UNHCR from any future obligations for termination payments.	31 Dec 2008

Recom. no.	Recommendation	Risk category	Risk rating	C/O <sup>1</sup>	Actions needed to close recommendation	Implementation date <sup>2</sup>
11	The UNHCR Representation of Khartoum should ensure the restructuring of COR and a reduction of their staff within a specified timeframe to release funds for improved care and maintenance of refugees.	Financial	High	O	Information should be furnished on finalization of restructuring and reduction by 50 % of COR staff.	
12	The UNHCR Representation of Khartoum should assess the scope and liability for termination benefit payments to the employees of Forest National Corporation (FNC). The staff size of FNC and period of employment should be reviewed keeping in mind the seasonal nature of FNC's work.	Financial	High	O	Information should be furnished that shows that the issue of scope and liability of payment of termination benefits to the FNC employees has been addressed	31 Dec 2008
13	The UNHCR Representation of Khartoum should ensure that all payment requests comply with UNHCR procurement procedures. Any deviation from the decisions by the Local Headquarters Committees on Contracts should be documented and resubmitted to the Local Committee on Contracts for ratification.	Financial	Medium	O	Information should be furnished that shows that the LCC has given its post facto approval.	31 Dec 2008
14	The UNHCR Representation of Khartoum should ensure that the Local Committee on Contracts makes prompt decisions on purchase requests and clearly records reasons for its decision in the selection of vendor and the unit cost and total cost in each case.	Financial	Medium	C	Action completed	Implemented

Recom. no.	Recommendation	Risk category	Risk rating	C/O	Actions needed to close recommendation	Implementation date <sup>2</sup>
15	The UNHCR Representation of Khartoum should ensure that the difference between AssetTrak and Management Systems Renewal Project records are reconciled, asset records are updated and full scale asset verification is carried out without delay. The Representation should also ensure that the Local Asset Management Board meets regularly to deal with all cases promptly and that Right of Use Agreements are systematically updated.	Financial	Medium	C	Action completed	Implemented
16	The UNHCR Representation of Khartoum should take urgent action to improve warehouse management to protect the assets and improve warehouse utilization.	Operational	Medium	C	Action completed	Implemented
17	The UNHCR Representation of Khartoum should ensure that fuel consumption reports for vehicles and generators are prepared and reviewed every month by a designated staff member to improve controls over fuel consumption. Monthly payment requests should take into account any outstanding balance from the previous month's advance.	Financial	Medium	C	Action completed	Implemented
18	The UNHCR Representation of Khartoum should closely monitor the procurement and installation of safety equipment. Fire points should be prominently displayed.	Compliance	Medium	C	Action completed	Implemented
19	The UNHCR Representation of Khartoum should take the necessary measures to fill vacancies as a matter of priority.	Human Resources	Medium	C	Action completed	Implemented
20	The UNHCR Representation of Khartoum should ensure prompt liquidation of operational advances in the Sub-Office Es Showak.	Financial	Medium	O	Adjustment of outstanding operational advances made since August 2007 (when audit was conducted) should be furnished.	31 Dec 2008

Recom. no.	Recommendation	Risk category	Risk rating	C/O <sup>1</sup>	Actions needed to close recommendation	Implementation date <sup>2</sup>
21	The UNHCR Representation of Khartoum should ensure that hotel bills are always obtained when allowing 100 per cent daily subsistence allowance payments for medical evacuations travel cases and recover overpayments made to staff members amounting to \$5,352.	Human Resources	Medium	O	Details of recovery of overpayments of \$5352 to staff should be furnished.	31 Dec 2008
22	The UNHCR Representation of Khartoum should review the distribution policy of mobile phones and ensure that systematic procedures are in place to recover charges for private use to control communication costs.	Financial	Medium	C	Action completed	Implemented

1. C = closed, O = open

2. Date provided by UNHCR in response to recommendations.