



## INTERNAL AUDIT DIVISION

### REPORT 2015/046

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Audit of the management of super camp facilities in the African Union-United Nations Hybrid Operation in Darfur

Overall results relating to the effective management of super camp facilities were initially assessed as unsatisfactory. Implementation of two critical and one important recommendations remains in progress

FINAL OVERALL RATING: UNSATISFACTORY

27 May 2015

Assignment No. AP2014/634/12

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# AUDIT REPORT

## Audit of the management of super camp facilities in the African Union-United Nations Hybrid Operation in Darfur

### I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the management of super camp facilities in the African Union-United Nations Hybrid Operation in Darfur (UNAMID).
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. The UNAMID Facility Management Unit (FMU) was responsible for managing and maintaining all super camp facilities in UNAMID including office and residential buildings and support facilities such as medical and recreational facilities. There was a super camp in each of the five sectors of UNAMID with office buildings, residential accommodations and support facilities. FMU was headed by a staff at the P-4 level who reported to the Chief of Operations and Service at the D-1 level. The FMU had 47 international staff and 198 national staff in five sectors. The 2012/13 and 2013/14 budgets of the Unit were \$8.7 million and \$8.8 million respectively.
4. Comments provided by UNAMID are incorporated in italics.

### II. OBJECTIVE AND SCOPE

5. The audit was conducted to assess the adequacy and effectiveness of UNAMID governance, risk management and control processes in providing reasonable assurance regarding the **effective management of super camp facilities in UNAMID**.
6. The audit was included in the 2014 risk-based work plan of OIOS because of the operational and financial risks related to the management of facilities in UNAMID.
7. The key control tested for the audit was regulatory framework. For the purpose of this audit, OIOS defined this key control as the one that provides reasonable assurance that policies and procedures: (a) exist to guide the management of UNAMID super camp facilities; (b) are implemented consistently; and (c) ensure the reliability and integrity of financial and operational information.
8. The key control was assessed for the control objectives shown in Table 1.
9. OIOS conducted this audit from September to November 2014. The audit covered the period from 1 July 2012 to 30 June 2014.
10. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

### III. AUDIT RESULTS

11. The UNAMID governance, risk management and control processes examined were initially assessed as **unsatisfactory**<sup>1</sup> in providing reasonable assurance regarding the **effective management of super camp facilities in UNAMID**. OIOS made three recommendations to address the issues identified. UNAMID was providing services such as street cleaning, garbage collection and fumigation for its offices and residential units. UNAMID had also put in place a transparent system for allocating residential accommodations. However, UNAMID needed to: (a) allocate appropriate resources and implement maintenance schedules for all building and support facilities within the super camps; (b) establish and implement adequate procedures for ensuring that rental income was received in a timely manner; and (c) recover rental arrears of \$1.2 million and refund \$25,069 to staff who paid excess rental amounts.

12. The initial overall rating was based on the assessment of key controls presented in Table 1. The final overall rating is **unsatisfactory** as implementation of two critical and one important recommendations remains in progress.

**Table 1: Assessment of key control**

Business objective	Key control	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
<b>Effective management of super camp facilities in UNAMID</b>	Regulatory framework	Unsatisfactory	Unsatisfactory	Unsatisfactory	Unsatisfactory
<b>FINAL OVERALL RATING: UNSATISFACTORY</b>					

### Regulatory framework

The Mission adequately maintained and cleaned the compounds of the super camps

13. FMU was required to maintain all office and residential buildings and support facilities such as medical and recreational facilities located in super camps. FMU was required to perform works such as street cleaning, garbage collection, fumigation, grass cutting, gardening, planting, and cultivating and trimming of vegetation.

14. Inspections of offices and residential buildings in the super camps in all five sectors indicated that FMU adequately maintained roads and grounds, and provided all the required services such as street cleaning, garbage collection and fumigation. OIOS concluded that FMU had implemented adequate controls to ensure the compounds of super camps were maintained and clean.

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<sup>1</sup> A rating of “**unsatisfactory**” means that one or more critical and/or pervasive important deficiencies exist in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

Preventive maintenance of common areas and shared ablution units needed improvement

15. The United Nations health and sanitary standards and UNAMID accommodation guide required FMU to properly maintain and clean common areas such as kitchens and shared toilets. The United Nations Engineering Support Manual required FMU to establish a schedule of preventive maintenance and related standard operating procedures for all facilities.

16. Inspections of 63 of the 150 shared ablution units in five sectors indicated that the units in Sectors Central and East had been properly maintained and cleaned. However, in Sector South, the conditions of 7 of the 28 ablution units inspected were unacceptable. For example, at the main entrance gate of Sector South camp, the only two ablutions used by 10 contingent soldiers and 20 national staff had no power and water and were extremely dirty. At the engineering compound, the only two available ablutions units used by 50 staff needed to be repaired and had not been properly cleaned. In sectors West, South and North, liquid soap dispensers for washing hands were not available and; where there were dispensers, there was no soap available although these items were available in FMU stores.

17. Additionally, FMU had not properly maintained and cleaned common kitchens and shared toilets. Inspections of 80 of the 570 vacant accommodation units (which were habitable) and 4 of the 12 common kitchens indicated that: 30 units, mostly in Sectors Central, West and South had dilapidated bathrooms and plumbing, and 10 had cracked walls due to leaking roofs, broken windows and faulty electrical wall switches. Also, 40 vacant units required immediate repairs and had shortages of basic amenities such as cookers, microwaves, fridges, and televisions. Of these 40 units, 15 had not been cleaned after the previous occupants checked-out. In Sector Central, all but one washing machine for common use were broken. Four common kitchens were in dilapidated conditions that included broken cookers.

18. The above resulted as the Mission had reduced the number of cleaners as part of its streamlining process. As a result, cleaning services were only provided twice or three times a week instead of daily. Also, FMU had not established a schedule of preventive maintenance and related standard operating procedures for all facilities. As a result, FMU had been reactive and not proactive in performing preventive maintenance as it solely responded to requests for services by occupants. Additionally, FMU was not adequately supervising and monitoring the work of its staff to ensure consistency in maintenance work.

19. Inadequate maintenance and cleaning of common kitchens, shared toilets and ablution units posed health and security risks to staff, as well as poor staff morale resulting from poor living conditions.

**(1) UNAMID should allocate appropriate resources and implement preventive and corrective maintenance schedules for all building and support facilities within the super camps to ensure the maintenance needs of camps are addressed promptly and effectively.**

*UNAMID accepted recommendation 1 and stated that it had undertaken preventive and routine maintenance. UNAMID had also started renovating hard wall accommodations and requested additional funds in the 2015/16 budget submission for renovations works in all UNAMID premises. Recommendation 1 remains open pending receipt of evidence that UNAMID is implementing preventive and corrective maintenance of all facilities including common areas and ablution units.*

The Mission maintained an adequate system for allocating accommodation units

20. The UNAMID policy for allocation of accommodations required the establishment of a residential accommodation and office space allocation committee in each sector. The policy also contained the application and eligibility criteria.

21. Visits to all sectors indicated that residential accommodation and office space allocation committees had been established and met every two weeks. All applications were published on the Mission's intranet to ensure transparency in allocating residential accommodation units. As at 30 October 2014, there were 236 applicants for prefabs and 21 for hard wall accommodation. A review of allocations for October 2014 indicated that the system of allocation was equitable, fair and transparent. The committees conducted spot checks to ensure that guidelines and policies for the allocation of residential accommodations had been adhered to. OIOS concluded that UNAMID had implemented an effective system for allocating accommodations.

Coordination and monitoring mechanism for collection of accommodation charges needed improvement

22. The Secretariat's Administrative Instruction on rental subsidies and deductions, which was issued on 23 January 2001, required all permanent occupants of UNAMID-provided accommodation units to annually sign and submit to the United Nations Headquarters, through the UNAMID Human Resources Section, a rental subsidy form to ensure prompt recovery of rental charges through payroll deduction. Accommodation charges for United Nations volunteers, uniformed personnel and national staff, were to be recovered from their monthly allowances by the Regional Service Centre in Entebbe. UNAMID was also required to establish written agreements with United Nations entities, contractors and other third parties and also promptly invoice them for provided accommodations.

23. A review of the recovery of rental charges indicated that the Regional Service Centre in Entebbe had promptly and accurately recovered rental charges from all 228 military, 873 police officers, 280 United Nations volunteers and 211 national staff residing in UNAMID-provided accommodations. However, 169 of the 878 international staff that resided in UNAMID-provided accommodation had not submitted their rental subsidy forms. As a result, UNAMID had not recovered or recorded a receivable for \$818,000 due from these staff. Also, a review of recoveries from 42 of the 129 international civilian staff who had checked-out of the Mission during the audit period indicated that 10 had settled their rent arrears. However: (a) 22 had not paid their rent arrears totaling \$14,976; and (b) 10 had overpaid their rent by \$25,069. UNAMID also had not recovered: approximately \$206,000 from contractors including two of the Supply Section 36 units they rented from 1 July 2012 to 30 June 2014; and \$139,605 in respect of 23 international staff of United Nations agencies, funds and programmes, and 2 United Nations Secretariat departments.

24. The above resulted as UNAMID had not established and implemented adequate procedures for rental recoveries. As a result, UNAMID had not recovered \$1.2 million in rent arrears as at end of October 2014 from its staff and third parties.

**(2) UNAMID should establish and implement adequate procedures for ensuring that rental income is received in a timely manner from relevant staff; contractors; and United Nations agencies, funds and programmes.**

*UNAMID accepted recommendation 2 and stated that it had issued a broadcast to all UNAMID staff to renew their application for rental/subsidiary/deductions from payroll. Recommendation 2 remains open pending receipt of evidence that UNAMID has implemented procedures that ensure prompt payment of rental charges for Mission-provided accommodation from staff, contractors and United Nations agencies, funds and programmes.*

**(3) UNAMID should recover rental arrears including \$1.2 million from staff, contractors and United Nations agencies, funds and programmes; and refund \$25,069 recovered from international staff in excess of their arrears.**

*UNAMID accepted recommendation 3 and stated that it had completed reviewing all cases that require payroll deduction and recovered \$47,175 of the \$1.2 million from its staff members. UNAMID also stated that it: had begun contacting United Nations agencies to recover their rental arrears; and was recovering rental charges from international contractors from their contractual payments. Recommendation 3 remains open pending confirmation that rental arrears amounting to \$1.2 million have been recovered and action taken to refund those staff recoveries made by UNAMID in excess of arrears.*

#### **IV. ACKNOWLEDGEMENT**

25. OIOS wishes to express its appreciation to the Management and staff of UNAMID for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja  
Assistant Secretary-General for Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of super camp facilities management in the African Union-United Nations Hybrid Operation in Darfur

Recom. no.	Recommendation	Critical <sup>2</sup> / Important <sup>3</sup>	C/ O <sup>4</sup>	Actions needed to close recommendation	Implementation date <sup>5</sup>
1	UNAMID should allocate appropriate resources and implement preventive and corrective maintenance schedules for all building and support facilities within the super camps to ensure the maintenance needs of camps are addressed promptly and effectively.	Important	O	Receipt of evidence that UNAMID is implementing preventive and corrective maintenance of all facilities including common areas and ablution units.	30 July 2015
2	UNAMID should establish and implement adequate procedures for ensuring that rental income is received in a timely manner from relevant staff; contractors; and United Nations agencies, funds and programmes.	Critical	O	Receipt of evidence that UNAMID has implemented procedures that ensure prompt payment of rental charges for Mission-provided accommodation from staff, contractors and United Nations agencies, funds and programmes.	30 June 2015
3	UNAMID should recover rental arrears including \$1.2 million from staff, contractors and United Nations agencies, funds and programmes; and refund \$25,069 recovered from international staff in excess of their arrears.	Critical	O	Confirmation that rental arrears have been fully recovered.	30 June 2015

<sup>2</sup> Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

<sup>3</sup> Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

<sup>4</sup> C = closed, O = open

<sup>5</sup> Date provided by UNAMID in response to recommendations.

# **APPENDIX I**

## **Management Response**

AFRICAN UNION

الاتحاد الأفريقي



UNAMID



UNITED NATIONS

الأمم المتحدة

**African Union – United Nations Hybrid Operation in Darfur**

13 May 2015

**To:** Ms. Eleanor T. Burns, Director  
Internal Audit Division, OIOS

**From:** Abiodun Oluremi Bashua  
Acting Joint Special Representative, a.i.

**Subject:** Draft report on an audit of super camp facilities management in the African Union-United Nations Hybrid Operation in Darfur (Assignment No. AP2014/634/12)

1. With reference to your memorandum of 23 April 2015, on the captioned-subject matter, please find attached UNAMID's response (Appendix I) to the draft report for your consideration.
2. I further confirm on the factual accuracy of the report.

Thank you.

cc: Mr. Rakesh Malik, Director, Mission Support Division, UNAMID  
Mr. Anthony Nweke, Deputy Director, Mission Support Division, UNAMID  
Ms. Vevine Stamp, Chief, Operations & Services, UNAMID  
Mr. Bolton Tarleh Nyema, Chief Peacekeeping Audit Service, Internal Audit Division, OIOS  
Mr. Prances Sooja, Chief Resident Auditor, Internal Audit Division, OIOS  
Mr. Velayutham Gopal, Audit Focal Point, UNAMID  
Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS

## Management Response

## Audit of super camp facilities management in the African Union-United Nations Hybrid Operation in Darfur

Rec. no.	Recommendation	Critical/ <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNAMID should allocate an appropriate amount of resources and implement preventive and corrective maintenance schedules for all building and support facilities within the super camps to ensure the maintenance needs of the camps are addressed promptly and effectively.	Important	Yes	Chief Engineer	30 July 2015	Facility Management Unit (FMU) is already undertaking the preventive and routine maintenance ensuring the cleanliness of the facilities, performing minor repairs. The renovation of hard wall accommodation has started in February 2015 that includes painting, electrical and plumbing maintenance. The Engineering and Environmental Protection Section (EEPS) in its budget submission 2015/2016 has requested allocation of USD823,675.00 for renovations works in all UNAMID premises as outlined in the work plan of the Section.
2	UNAMID should establish and implement adequate procedures for ensuring that rental income is received in a timely manner from relevant staff; contractors; and United Nations agencies, funds and programmes.	Critical	Yes	Chief Budget / Finance, Chief Human Resources Officer	30 June 2015	UNAMID human resources has implemented a regular announcement thru broadcast to all UNAMID staff to renew their applications for rental subsidy / deduction thru payroll. Finance and Facility Management Unit also coordinated the recovery of all outstanding rental fees from non-UNAMID staff, contractors and UNDSS staff. As of today, only three

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

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

## Management Response

## Audit of super camp facilities management in the African Union-United Nations Hybrid Operation in Darfur

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						(3) remained outstanding and payments are due before 30 June 2015.
3	UNAMID should recover rental arrears including \$1.2 million from staff, contractors and United Nations agencies, funds and programmes; and refund \$25,069 recovered from international staff in excess of their arrears.	Critical	Yes	Chief Budget / Finance, Chief Human Resources Officer & Chief Facility Management Unit	30 June 2015	Human resources section reviewed all the cases of staff under payroll deduction of rental charges. To-date, the Mission has recovered a total of \$47,175 from 20 international staff members included in the list of estimated outstanding amount of \$818,597 (which is part of the \$1.2M). The Mission will continue to follow up and verify the outstanding recoveries using the payroll listing from UNHQ/NY. Rental charges / subsidy forms were completed by staff and data was corrected in the IMIS. For the UN agencies staff with rental arrears, the Facility Management Unit has contacted them and ensured that they paid to the cashier's office their monthly rental charges. All UNAMID International contractors are paying their rental charges through contractual arrangements. Monthly debit advice is sent to them by Finance Section. Whereas one contractor is paying in cash of their rents directly to the cashier's office.