



INTERNAL AUDIT DIVISION

REPORT 2017/079

Audit of facilities management in the United Nations Mission in the Republic of South Sudan

The Mission needed to implement effective monitoring measures over engineering work requests, discontinue unauthorized alterations of staff accommodations, reduce the amount of vermin in the compound and ensure timely recovery of rental charges

9 August 2017
Assignment No. AP2016/633/05

Audit of facilities management in the United Nations Mission in the Republic of South Sudan

EXECUTIVE SUMMARY

The objective of the audit was to assess the adequacy and effectiveness of the governance, risk management and control processes over facilities management in the United Nations Mission in the Republic of South Sudan (UNMISS). The audit covered the period from January 2014 to December 2016 and included a review of: implementation of repair and maintenance of facilities; pest control; monitoring of facilities-related expendable items; recovery of rental charges; and inspection and monitoring.

The Mission has prioritized infrastructure improvement projects and was taking steps to improve camps. However, it needed to carry out timely repair and maintenance of properties, discontinue unauthorized alterations of staff accommodations, control vermin and ensure timely recovery of rental charges.

OIOS made five recommendations. To address issues identified in the audit, UNMISS needed to:

- Establish performance indicators for processing engineering work requests and implement monitoring mechanisms to ensure timely completion of repair and maintenance tasks by the Engineering Section;
- Prevent unauthorized alteration of staff accommodations and unauthorized use of engineering materials;
- Take action to prevent stray animals and vermin from entering and residing in its premises;
- Establish internal controls over expendable items issued to the Facilities Management Unit; and
- Establish and implement procedures to ensure timely recovery of rental charges.

UNMISS accepted the recommendations and has initiated action on some of them.

CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY	1
III. OVERALL CONCLUSION	1
IV. AUDIT RESULTS	2-6
A. Implementation of repair and maintenance activities	2-3
B. Pest control	4
C. Monitoring of facilities-related expendable items	4-5
D. Recovery of rental charges	5
E. Inspection and monitoring	6
V. ACKNOWLEDGEMENT	6
ANNEX I Status of audit recommendations	
APPENDIX I Management response	

Audit of facilities management in the United Nations Mission in the Republic of South Sudan

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of facilities management in the United Nations Mission in the Republic of South Sudan (UNMISS).
2. The Facilities Management Unit (FMU), within the General Services Section (GSS), is responsible for providing camp services including: managing staff accommodations and offices; undertaking minor works such as fixing of doors, windows and ablutions; providing office accessories and furniture in accommodations and office buildings; and managing facilities-related contracts and military transit camps. The Engineering Section is responsible for carrying out repairs on the basis of engineering work requests raised by the FMU.
3. The FMU is headed by a staff at the P-4 level who reports to the Chief, GSS at the P- 5 level. The Unit has 51 posts comprising 3 international, 43 national and 5 United Nations volunteers.
4. Comments provided by UNMISS are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

5. The objective of the audit was to assess the adequacy and effectiveness of the governance, risk management and control processes over facilities management in UNMISS.
6. This audit was included in the 2016 risk-based work plan of OIOS due to health and safety risks as well as risks associated with staff morale related to provision of insecure and substandard facilities in UNMISS.
7. OIOS conducted this audit from April 2016 to March 2017 with an interruption from July to December 2016 due to the security crisis in Juba in July 2016. The audit covered the period from January 2014 to December 2016. Based on an activity-level risk assessment, the audit covered higher and medium risks areas relating to: (a) implementation of repairs and maintenance of facilities; (b) pest control; (c) monitoring of facilities-related expendable items; (d) recovery of rental charges; and (e) inspection and monitoring.
8. The audit methodology included: (a) interviews of key personnel; (b) review of relevant documentation; (c) analytical review of data; (d) judgmental sample testing of engineering work requisitions, weekly minutes of meetings, occupancy reports and staff check-in/check-out forms; and (d) field visits and inspection of 25 offices and 180 accommodations located in Juba, Malakal, Bentiu and Bor.

III. OVERALL CONCLUSION

9. The Mission was taking steps to improve its camp facilities by prioritizing infrastructure improvement projects. UNMISS was also taking action to address engineering work requests; however, the effectiveness of the process could not be monitored due to lack of performance matrices and access to the database in field offices to log requests. UNMISS also needed to: discontinue unauthorized alterations of staff accommodations; prevent stray animals from entering premises and reduce the amount of vermin in the compound; strengthen controls over issuance of furniture and equipment; and ensure timely recovery of rental charges.

IV. AUDIT RESULTS

A. Implementation of repair and maintenance activities

Need for timely completion of repair and maintenance tasks

10. The UNMISS standard operating procedures on facilities management requires the FMU to: (a) timely provide high quality maintenance support for faults in accommodations and offices; (b) raise and monitor engineering work requests in the GSS database for relevant action by the Engineering Section; and (c) conduct minor works related to buildings, ablutions and various other facilities.

11. The Mission had resolved 11,713 of 14,049 (83 per cent) engineering work requests for Juba recorded in the GSS database for 2016. However, the FMU could not effectively monitor work requests and ensure their timely completion as it was not recording the dates on which requests were logged in the database and completed. As a result, 2,336 engineering work requests (17 per cent) relating to defective air conditioners, non-functional ablution units, and other electrical and cleaning issues in Juba had been pending for periods ranging from 1 to 12 months.

12. The above delays were partly due to the absence of key performance indicators and targets for processing engineering work requests. There was also ineffective coordination between the FMU and the Engineering Section to monitor the status of work requests. The FMU and the Engineering Section previously had weekly meetings to review the status of work requests but due to other commitments this practice had been discontinued.

13. In the nine field offices, FMU was not tracking and monitoring requests for works that were made by email, phone or manual request forms. GSS advised that it had not rolled out the database to field offices because the programmer who developed the application had left the Mission.

14. Delays in carrying out repairs such as those related to non-functional ablution units, defective air conditioners, stagnant water in the walkways in Malakal and Bentiu camps, and replacement of cracked floor tiles in 5 of the 20 accommodation units inspected, increased health and safety risks to staff and the risk of further deterioration of facilities and financial loss.

(1) UNMISS should establish performance indicators and targets for processing engineering work requests and implement a monitoring mechanism, including for field offices that are manually tracking the processing of requests, to ensure timely completion of repair and maintenance tasks by the Engineering Section.

UNMISS accepted recommendation 1 and stated that it had established performance indicators and targets for processing engineering work requests. An electronic work order request system was being developed to track all work order processes in Juba and the nine field offices. This system would enable FMU to measure and improve service delivery. Recommendation 1 remains open pending receipt of a copy of approved key performance indicators for processing engineering work requests and evidence that the Mission is tracking and monitoring all work order requests in Juba and the nine field offices using electronic work order request system.

There was a need for prior approval of alterations made by staff to their accommodations

15. The UNMISS administrative instruction on UNMISS-provided accommodations requires GSS to approve all alterations to accommodations, remove unauthorized alterations and initiate actions to recover from concerned staff the cost of any damage to accommodations. The Mission allowed staff to alter their accommodations to improve their welfare.

16. Inspection of 25 offices and 180 accommodations located in Juba, Malakal, Bentiu and Bor showed 24 unauthorized alterations made by staff to accommodations allocated to them in Juba. This included: installation of an ablution unit in the middle of a pathway used by others; construction of structures over containers in four instances; transformation of gardens into kitchens and tukul in 12 instances; and alteration to the fencing of an accommodation. The works were carried out by individual contractors of the Engineering Section who were separately compensated by the respective occupants. Some works were carried out during office hours and, in some cases, using the Mission's engineering materials.

17. The above occurred because GSS: was not enforcing the requirement for staff to obtain approval prior to making alterations to their accommodations; and was not regularly inspecting staff accommodations and dismantling unauthorized structures. Additionally, the Engineering Section did not take action to prevent individual contractors from making unauthorized alterations and use of the Mission's materials.

18. Unauthorized alterations increase the risk of substandard structures posing safety risks to staff and other Mission personnel, as well as financial loss through the use of the Mission's materials.

(2) UNMISS should take action to prevent: (a) unauthorized alteration of staff accommodations; (b) individual contractors from making unauthorized alterations; and (c) the use of engineering materials for unauthorized and personal works.

UNMISS accepted recommendation 2 and stated that the Mission had drafted standard operating procedures on "Unauthorized Alteration of Staff Structures" which were under review before the Director of Mission Support's approval. Also the Mission had in 2011 issued guidelines regarding alterations to individual staff quarters which required staff to obtain advance technical clearance from the Engineering Section, and written approval of the Chief General Services Section or Field Administrative Office. The Mission had rebroadcast the guidelines to remind all staff of the requirement to adhere to the above-referenced guidelines. The Engineering Section had also issued a directive to all field engineers prohibiting the use of UNMISS engineering materials, including written-off assets, for any unauthorized work. Recommendation 2 remains open pending receipt of a copy of approved standard operating procedures on "Unauthorized Alteration of Staff Structures" and evidence that the Mission was implementing its requirements to prevent unauthorized alteration of staff accommodations.

The Mission was taking steps to improve camps

19. The Mission is required to provide adequate camp facilities to enhance the health, safety and staff morale.

20. OIOS noted that the Mission in December 2016 outsourced the camp services for field offices to an United Nations Agency, a measure that the Mission expected to result in a consistent service standard across the Mission and a reduction in the number of individual contractors required to provide maintenance services in the Mission. In addition, the Mission had prioritized improvement of facilities such as replacing prefabricated units that had exceeded their useful life, permitting staff to construct private ablutions in existing prefabricated units in Juba and providing hard-walled accommodation units and recreation facilities such as gyms. In Juba, there were several projects that were implemented in its Topping camp including improved garbage collection points and walkways in the accommodation and office areas. OIOS concluded that measures were being taken to ensure health, safety and welfare of staff residing in camps.

B. Pest control

Need to improve pest control and measures to prevent stray animals from entering compounds

21. The GSS animal and pest control plan requires the Section to take action to prevent stray animals and vermin from entering the Mission's premises.

22. Physical inspection of the Malakal and Bentiu camps indicated the presence of a large number of rodents and stray dogs, which GSS estimated at 400 and 100, respectively in staff accommodation areas, offices and civilian protection camps. Openings in perimeter fences and camp gates allowed easy access for stray dogs and rodents into the camps. UNMISS advised that it had taken action to control the population of stray pets and rodents. However, the measures taken were ineffective, posing health and safety risks to staff.

(3) UNMISS should take additional action to prevent animals and vermin from entering and residing in its premises.

UNMISS accepted recommendation 3 and stated that the Mission had drafted standard operating procedures on the "Prevention of Animals and Vermin in UN Premises" which was pending final review and approval by the Director of Mission Support. In addition, on 19 July 2017, UNMISS issued a broadcast to all staff requesting their compliance with the relevant provisions stipulated in Administrative Instruction No. 005/2011, Camp rules, paragraph 8.3, which puts a ban on keeping pets. Recommendation 3 remains open pending receipt of a copy of approved procedures on the "Prevention of Animals and Vermin in UN Premises" and evidence that measures were being implemented to prevent animals and pests from entering and residing in the Mission's premises.

C. Monitoring of facilities-related expendable items

There were inadequate controls over expendable items issued to FMU

23. The administrative instruction on management of property (ST/AI/2015/4) requires the Mission to monitor and control non-capitalized property until it is issued for use or consumption. The information circular on recording and tracking procedures for non-capitalized property (ST/IC/2016/9) requires the Mission to maintain adequate records on the control, custody, care, use, maintenance, issuance and accounting of non-capitalized property and to monitor the property throughout its life cycle.

24. In October 2014, UNMISS initiated negotiations to lease an unfurnished building (known as the Ali House) adjacent to the Tomping compound in Juba for the exclusive use of UNMISS staff members. Under the proposed arrangements, UNMISS would provide the necessary furniture and appliances. Between October 2014 and January 2015, FMU was provided with various furniture and appliances such as refrigerators, sofa, electric oven, cookware, tables, microwaves, television, beds and mattresses valued at \$119,775 to furnish the Ali House. In a letter from the Chief Procurement Officer dated February 2015, the Mission communicated its decision to the landlord to not continue with the arrangement and offered to pay \$25,000 to compensate the owner for the five-month period during which the Mission's furniture was stored at the premises.

25. FMU retrieved the furniture and appliances from the Ali House and issued them to various staff accommodations in the United Nations House. However, the whereabouts of these assets were unknown as the records provided by FMU of their retrieval and subsequent issuance were inadequate to provide a full trail of the movement of the assets.

26. The above occurred because FMU had not implemented adequate controls over assets received from the Warehouse Section. As a result, there was an unmitigated risk of loss of assets.

(4) UNMISS should establish controls over expendable items issued to the Facilities Management Unit.

UNMISS accepted recommendation 4 and stated that it had drafted standard operating procedures on the “Internal Controls over Expendable Items Under GSS/FMU” which was pending final review and approval. Recommendation 4 remains open pending receipt of a copy of approved procedures on “Internal Controls over Expendable Items Under GSS/FMU” and evidence that UNMISS has implemented the required procedures.

D. Recovery of rental charges

There was a need for timely recovery of rental charges

27. The UNMISS standard operating procedures on facilities management require FMU to prepare monthly occupancy reports and submit them to the Chief Finance Officer for required rental recovery.

28. UNMISS was providing permanent accommodations to staff and those of the United Nations Mine Action Service, the United Nations Interim Support for Abyei, United Nations agencies, funds and programmes, and other third parties. UNMISS was also providing transit accommodations to its staff, contractors and uniformed personnel. A review of rental recovery records from a sample of: (a) 100 non-UNMISS staff (50 permanent and 50 transit occupants) from United Nations agencies, funds and programmes and visiting United Nations staff; and (b) 130 UNMISS staff residing permanently in the accommodation, indicated that the Mission did not recover rent from:

- Thirty-six non-UNMISS permanent residents including five that had since left the Mission;
- Twelve current occupants comprising seven uniformed personnel, three international staff, one very important person and one United Nations volunteer;
- Three non-permanent occupants that had since left the Mission; and
- Ten permanent residents in a timely manner as there were delays ranging from three to nine months.

29. The above occurred because FMU and the Finance Section had not implemented effective procedures for coordinating the timely recovery of rental charges. As a result, there was a risk of financial loss.

(5) UNMISS should establish and implement effective procedures to ensure timely recovery of rental charges.

UNMISS accepted recommendation 5 and stated that the Mission had drafted standard operating procedures on the “The timely recovery of rental charges” which was pending final review and approval. Recommendation 5 remains open pending receipt of a copy of the approved standard operating procedures and evidence that UNMISS was timely recovering rental charges.

E. Inspection and monitoring

There was a need for regular inspections and document inspection activities

30. The UNMISS contracts with two vendors for cleaning, janitorial, gardening and fumigation services require FMU to conduct inspection of facilities on a daily and weekly basis and carry out routine and unannounced inspections, site visits and surveys to assess vendors' performance and rectify deficiencies identified in monthly performance reports of contractors.

31. A review of GSS/FMU inspection reports for two contractors covering the Juba offices and accommodation (Topping camp and United Nations House) for the audit period showed:

- Only 244 of 450 required routine inspection reports were available to support monthly vendor performance reports. This was partly because, prior to March 2015, inspections were not conducted by GSS/FMU because FMU had not yet implemented the requirement. For the period from April 2015 to December 2016, only 56 of the required 300 inspection reports were available;
- FMU did not conduct routine inspections in the nine field offices. Instead, certificates for satisfactory services signed by camp administrators were provided to OIOS which were considered inadequate as these were not supported by actual inspection reports; and
- Inspection reports prepared for United Nations House and Topping compounds in Juba did not include relevant details on the location and condition of the facilities inspected, and date and time of inspection.

32. The above occurred because FMU had not implemented effective procedures for ensuring inspections were done and documented as required. OIOS, in a report issued on the management of general services contracts in UNMISS, had identified similar issues related to vendor performance evaluations and recommended that the Mission ensure contractors' performance is assessed, measured and reported against agreed key performance indicators. OIOS will continue to monitor the implementation of this recommendation to address the issues identified.

V. ACKNOWLEDGEMENT

33. OIOS wishes to express its appreciation to the management and staff of UNMISS for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of facilities management in the United Nations Mission in the Republic of South Sudan

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	UNMISS should establish performance indicators and targets for processing engineering work requests and implement a monitoring mechanism, including for field offices that are manually tracking the processing of requests, to ensure timely completion of repair and maintenance tasks by the Engineering Section.	Important	O	Receipt of a copy of approved key performance indicators for processing engineering work requests and evidence that the Mission is tracking and monitoring all work order requests in Juba and the nine field offices using electronic work order request system.	30 September 2017
2	UNMISS should take effective actions to prevent: (a) unauthorized alteration of staff accommodations; (b) individual contractors from making unauthorized alterations; and (c) the use of engineering materials for unauthorized and personal works.	Important	O	Receipt of a copy of approved standard operating procedures on "Unauthorised Alteration of Staff Structures" and evidence that the Mission was implementing its requirements to prevent unauthorized alteration of staff accommodations.	30 September 2017
3	UNMISS should take additional action to prevent animals and vermin from entering and residing in its premises.	Important	O	Receipt of a copy of approved procedures on the "Prevention of Animals and Vermin in UN Premises" and evidence that it was being implemented to prevent animals and pests from entering and residing in the Mission's premises.	30 September 2017
4	UNMISS should establish controls over expendable items issued to the Facilities Management Unit.	Important	O	Receipt of a copy of approved procedures on "Internal Controls over Expendable Items Under GSS/FMU" and evidence that UNMISS has implemented the required procedures.	30 September 2017
5	UNMISS should establish and implement effective procedures to ensure timely recovery of rental charges.	Important	O	Receipt of a copy of approved standard operating procedures and evidence that UNMISS was timely recovering rental charges.	30 September 2017

¹ Critical recommendations address critical and/or pervasive deficiencies 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.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

³ C = closed, O = open

⁴ Date provided by UNMISS in response to recommendations.

APPENDIX I

Management Response



Office of the Director of Mission Support

To: Mr. Bolton Tarleh Nyema,
Chief, Peacekeeping Audit Service
Internal Audit Division, OIOS

Date: 7 August 2017

From: Stephani L. Scheer
Director of Mission Support
United Nations Mission in South Sudan

A handwritten signature in blue ink, appearing to read "Steph L. Scheer", written over the printed name of the sender.

Subject: **Draft Report on an Audit of Facilities Management in UNMISS (Assignment No. AP2016/633/05)**

1. Reference is made to your memorandum dated 13 July 2017 concerning the draft report on an audit of facilities management in UNMISS.
2. Please find attached UNMISS' response in Appendix I.
3. UNMISS would like to take this opportunity to express its appreciation for the work of the auditors and for the valuable recommendations made by the auditors as a result of this audit.

Thank you and best regards.

cc: Mr. Qazi Ullah, Chief of Service Delivery, UNMISS
Mr. Emmanuel Bartels-Kodwo, Chief, General Services Section UNMISS
Mr. Fredrick Ssali, Chief, Facilities Management Unit, UNMISS
Mr. Timothy Crowley, Deputy Director of Mission Support, UNMISS
Mr. Chalwe Lumbwe, Chief Resident Auditor, Resident Audit Office, UNMISS
Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS

Management Response

Audit of facilities management in the United Nations Mission in the Republic of South Sudan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNMISS should establish performance indicators and targets for processing engineering work requests and implement a monitoring mechanism, including for field offices that are manually tracking the processing of requests, to ensure timely completion by the Engineering Section of repair and maintenance tasks.	Important	Yes	GSS/ENG	30 September 2017	<p>(a) Performance indicators and targets have been established. A copy of the draft KPIs has been completed and is pending ODMS final review and approval.</p> <p>(b) In respect of taking effective follow-up and monitoring actions to ensure timely completion of repair and maintenance tasks by the Engineering Section, the iNeed EWR (Electronic Work Order Request) for tracking all work order processes in Juba and the nine Field Offices is under development by GITTS. The self-service portal uses e-Forms for service requests, provides transparency, enhances accountability, allows clients to track their requests, and gives the Facilities Management Unit</p>

¹ Critical recommendations address critical and/or pervasive deficiencies 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.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or 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 facilities management in the United Nations Mission in the Republic of South Sudan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						(FMU) the ability to measure and improve service delivery. The i-Need system is self-accounting, and monitors and measures performance until the requested service has been rendered. It is planned that it be commissioned by the end of October 2017. Meanwhile, the above-referenced KPIs will be used to process requests and monitor service delivery.
2	UNMISS should take effective actions to prevent: (a) unauthorized alteration of staff accommodations; (b) individual contractors from making unauthorized alterations; and (c) the use of engineering materials for unauthorized and personal works.	Important	Yes	GSS./ENG	30 September 2017	<p>(a) A copy of the draft Standard Operating Procedures on “Unauthorised Alteration of Staff Structures” is attached. It is undergoing review by the Legal Section, following which it will be submitted to the DMS for final review and approval.</p> <p>(b) Guidelines that govern actions as they relate to alterations to individual staff quarters are laid down in Administrative Instruction No. 005/2011, paragraph 2.5. The guidelines require advance technical clearance issued</p>

Management Response

Audit of facilities management in the United Nations Mission in the Republic of South Sudan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>by the Engineering Section, and Chief GSS or FAO written approval.</p> <p>(c) The guidelines apply to the construction of private ablution units as well, which also requires filing a request. Unless approved, no construction work can be performed.</p> <p>A rebroadcast has been issued to remind all staff of the requirement to adhere to the above-referenced guidelines.</p> <p>(d) Concerning recommendation 3 (c), the Engineering Section has issued a directive to all filed engineers prohibiting the use of UNMISS/Engineering materials, including written-off assets, for any unauthorized work.</p>
3	UNMISS should take additional action to prevent animals and vermin from entering and residing in its premises.	Important	Yes	GSS	30 September 2017	(a) A copy of the draft Standard Operating Procedures (SOP) on the "Prevention of Animals and Vermin in UN Premises" is attached, and is

Management Response

Audit of facilities management in the United Nations Mission in the Republic of South Sudan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						pending ODMS final review and approval. (b) On 19 July 2017, UNMISS issued a broadcast to all staff requesting compliance with the relevant provisions stipulated in Administrative Instruction No. 005/2011, paragraph 8.3, which puts a ban on keeping pets.
4	UNMISS should establish internal controls over expendable items issued to the Facilities Management Unit.	Important	Yes	GSS/SUPPLY SECTION	30 September 2017	(a) A copy of the draft Standard Operating Procedures on "Internal Controls over Expendable Items under GSS/FMU" is attached, and is pending DMS final review and approval.
5	UNMISS should establish and implement effective procedures to ensure timely recovery of rental charges.	Important	Yes	GSS/HR and FINANCE/RSCE	30 September 2017	(a) The attached draft copy of the Standard Operating Procedures on the timely recovery of rental charges is being discussed with HR and Budget and Finance, following which it will be presented to DMS for final review and approval.