



INTERNAL AUDIT DIVISION

REPORT 2015/156

Audit of the operations in Liberia for
the Office of the United Nations High
Commissioner for Refugees

Overall results relating to effective
management of the operations in Liberia
were initially assessed as partially
satisfactory. Implementation of five
important recommendation remains in
progress.

FINAL OVERALL RATING: PARTIALLY
SATISFACTORY

2 December 2015
Assignment No. AR2015/111/01

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AUDIT REPORT

Audit of the operations in Liberia for the Office of the United Nations High Commissioner for Refugees

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the operations in Liberia for the Office of the United Nations High Commissioner for Refugees (UNHCR).
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 UNHCR Representation in Liberia (hereinafter referred to as ‘the Representation’) was established in 1991. As of June 2015, it assisted 40,382 people of concern. The main populations of concern were: Ivorian refugees (95 per cent of the caseload) who had fled primarily as a result of the 2010 post-electoral crisis in Cote d’Ivoire; urban refugees of mixed nationalities such as Sierra Leoneans, Guineans and Sudanese; as well as former Sierra Leonean refugees who had opted for local integration in Liberia. In 2014, Liberia suffered a major socio-economic setback, with the outbreak of the Ebola virus that claimed the lives of over 4,800 people.
4. The Representation had a Branch Office in Monrovia, a Sub Office in Zwedru and two Field Offices in Saclepea and Harper. It was headed by a Representative at the D-1 level. At the time of the audit, it had 121 posts and 16 affiliate staff. The Representation had total expenditure of \$11.3 million in 2014. For 2015, it had an authorized budget of \$17.5 million and total expenditure of \$8.1 million for the six-month period up to 30 June 2015. It worked with 12 partners in 2014 and 8 in 2015. These partners implemented approximately 72 per cent of the programme-related expenditure in 2014.
5. Comments provided by UNHCR are incorporated in *italics*.

II. OBJECTIVE AND SCOPE

6. The audit was conducted to assess the adequacy and effectiveness of UNHCR governance, risk management and control processes in providing reasonable assurance regarding the **effective management of UNHCR operations in Liberia**.
7. The audit was included in the OIOS 2015 risk-based internal audit work plan for UNHCR due to risks related to the complexity of protection and programme activities in Liberia in the pursuit of voluntary repatriation of refugees from Cote d’Ivoire and the outbreak of the Ebola virus.
8. The key controls tested for the audit were: (a) strategic planning; (b) project management; and (c) regulatory framework. For the purpose of this audit, OIOS defined these key controls as follows:
 - (a) **Strategic planning** - controls that provide reasonable assurance that strategic planning for the Representation’s programme and protection activities is implemented in alignment with the UNHCR global strategic priorities.

(b) **Project management** - controls that provide reasonable assurance that there is proper planning and implementation as well as accurate and complete monitoring and reporting of the Representation's project activities.

(c) **Regulatory framework** - controls that provide reasonable assurance that policies and procedures: (i) exist to guide the management of UNHCR operations in Liberia; (ii) are implemented consistently; and (iii) ensure the reliability and integrity of financial and operational information.

9. The key controls were assessed for the control objectives shown in Table 1.

10. OIOS conducted the audit from May to August 2015. The audit covered the period from 1 January 2014 to 30 June 2015. OIOS visited, in addition to the Branch Office in Monrovia, the Sub Office in Zwedru and the Field Office in Saclepa, as well as the Prime Timber Production (PTP) refugee camp in Zwedru.

11. 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 and analytical reviews, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

III. AUDIT RESULTS

12. The UNHCR governance, risk management and control processes examined were initially assessed as **partially satisfactory**¹ in providing reasonable assurance regarding the **effective management of UNHCR operations in Liberia**. OIOS made five recommendations to address issues identified in the audit.

13. The Representation had satisfactory controls in place over strategic planning. In addition, it had put measures in place to minimize the spread of the Ebola virus among refugees and to implement water, sanitation and hygiene activities. The Representation was also managing its warehouses and distributing non-food items to beneficiaries in line with requirements. However, there was a need for the Representation to: i) enforce compliance with the Policy and Procedures on Procurement by Partners with UNHCR Funds; ii) undertake adequate vendor registration procedures; iii) strengthen controls over procurement activities; iv) track assets held by partners and write off or donate old assets; and v) strengthen controls over safety of fuel tanks.

14. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **partially satisfactory** as implementation of five important recommendations remains in progress.

¹ A rating of "**partially satisfactory**" means that important (but not critical or pervasive) deficiencies exist 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.

Table 1
Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of UNHCR operations in Liberia	(a) Strategic planning	Satisfactory	Satisfactory	Satisfactory	Satisfactory
	(b) Project management	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
	(c) Regulatory framework	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Strategic planning

Controls over strategic planning were satisfactory

15. UNHCR guidelines require the Representation to design a needs-based Country Operations Plan through an Age, Gender and Diversity participatory approach. The Representation prepared its country operations plans for 2014 and 2015 following a needs assessment that it conducted using the Age, Gender and Diversity participatory approach. As required, these plans included a protection and operational strategy for each planning population group, as well as impact and output indicators with baseline levels and target performance levels. In July 2015, in response to funding constraints and changed operational circumstances in Liberia, the Representation submitted the results of the review of its strategic priorities and its reassessed staffing requirements to the Bureau for Africa. As a result, \$866,271 was allocated to the Representation to fulfil its reprioritized needs. OIOS concluded that the Representation had adequate controls in place over strategic planning.

B. Project management

The Representation put measures in place to minimize the spread of the Ebola virus among refugees

16. To manage the crisis associated with the Ebola virus, the Representation had to implement awareness-building measures and put in place treatment units to curtail the spread of the disease among its people of concern and staff. In this regard, the Representation followed the protocol issued by the United Nations Ebola Emergency Response Team and established appropriate response measures such as placing chlorine water tanks in each shelter in the PTP camp and monitoring the temperature of people entering the camp and UNHCR offices. Only two potential cases of people of concern infected with Ebola were referred to the Ebola Treatment Unit, which was managed by United States government agencies, for evaluation. OIOS observed that the PTP camp was clean and that the Representation had implemented measures to create awareness and put in place treatment units to minimize the spread of the virus.

Adequate procedures were implemented for the management of water, sanitation and hygiene activities

17. The UNHCR Manual requires the Representation to plan and design appropriate monitoring and reporting procedures over projects that involve the provision of water, sanitation and hygiene (WASH) services to persons of concern.

18. The Representation spent \$528,149 in 2014 and \$615,942 in the 6-month period up to June 2015 on WASH related activities. It worked with three partners in implementing WASH projects. It complied with UNHCR guidelines in selecting these partners through a competitive process. It also conducted regular performance monitoring of WASH projects. Based on information available regarding the number of water holes, latrines and liters of water per person, the Representation was meeting its established performance targets for WASH activities. In addition, OIOS observed during a visit to the PTP camp that each shelter had a bucket with chlorine water, as required, and latrines had been built as planned in the Project Partnership Agreements. OIOS concluded that the Representation had implemented adequate procedures for the management of its water, sanitation and hygiene activities.

There was a need to implement the requirements for designation of procurement authority to partners and to monitor procurement activities undertaken by partners

19. The UNHCR Policy and Procedures on Procurement by Partners with UNHCR Funds, which became effective on 1 November 2014, require the Representation to assess the proven advantage of each partner to undertake procurement on its behalf. The Representation should ensure that the partner also obtains a Pre-qualification for Procurement status from the Procurement Management and Contracting Service at UNHCR headquarters before entrusting the partner to procure goods and services under a Project Partnership Agreement. The Representation is further required to monitor procurement activities entrusted to partners to verify their general compliance with UNHCR procurement rules and procedures.

20. The Representation entrusted procurement totaling \$547,000 to all eight of its partners for 2015 but without assessing the partners' ability to conduct effective procurement on UNHCR's behalf. In addition, only two of these partners were pre-qualified. OIOS also observed weaknesses in the Representation's monitoring of procurement activities undertaken by partners. For example:

- None of the partners had prepared the required annual procurement plans.
- Two partners that were not pre-qualified procured various types of goods from the same vendors for a total cumulative value of over \$20,000 each during a period of one month, instead of conducting a separate competitive bidding process for each purchase.
- For purchases of over \$20,000, one partner systematically obtained only three quotations instead of the minimum requirement of eight.

21. As a consequence, the Representation was exposed to the risk of not consistently obtaining value for money for the procurement entrusted to partners. The main reason for the weaknesses observed was inadequate management enforcement of compliance with UNHCR rules on procurement undertaken by partners using UNHCR funds.

(1) The UNHCR Representation in Liberia should implement local procedures to ensure that: (i) each designation of procurement to a partner is supported by a Pre-qualification for Procurement status; (ii) each partner's capacity to undertake procurement effectively and to provide value for money to UNHCR is thoroughly assessed; and (iii) compliance of each partner with UNHCR procurement rules and procedures is regularly monitored.

UNHCR accepted recommendation 1 and stated that the Representation: (i) would closely coordinate and support the selected 2016 partners to prepare and make submissions for a Pre-Qualification for Procurement status; (ii) had already started the process of partner selection for 2016 and would conduct the assessment of partner procurement capacity as soon as the selection process would be complete; and (iii) while conducting financial monitoring, would continue to consistently review the procurement undertaken by partners to ensure full compliance with the policy. Recommendation 1 remains open pending receipt of evidence that: (i) each designation of procurement to a partner for 2016 is supported by a Pre-qualification for Procurement status; (ii) each partner's capacity to undertake procurement effectively has been assessed; and (iii) regular monitoring is undertaken to ensure that each partner complies with the agreed procurement rules and procedures.

C. Regulatory framework

There was a need to undertake adequate vendor registration procedures

22. The UNHCR Policy on the Vendor Registration Process requires the Representation to establish a Vendor Review Committee (VRC) to facilitate and oversee the implementation of the vendor registration process. The Representation needs to inform each vendor of the status of its application to become a registered vendor and undertake regular evaluations of the vendors' performance. Each vendor should have just one identification number in the Representation's vendor database. For each vendor, the Representation should maintain a separate file.

23. The Representation established a VRC on 30 May 2015. The Committee did not hold any meetings during the period covered by the audit. The Representation had recorded 1,125 vendors in the vendor database maintained in the Managing for Systems, Resources and People (MSRP) system, the UNHCR enterprise resource planning system. OIOS observed the following weaknesses in the Representation's vendor registration process:

- The Representation had not prepared vendor files containing registration forms and other relevant documents, such as the business license, taxpayer registration certificate, value added tax registration certificate, and the acceptance of the United Nations laws on child work and environmental related issues.
- The Representation only reviewed 138 (12 per cent) of the vendors of which 60 were identified as active and 78 were inactive. Deactivation of vendors had not been initiated at the time of the audit.
- The vendor database contained 41 vendors with duplicate and triplicate numbers.
- The Representation could not provide any supporting documents regarding the implementation of vendor vetting procedures prior to engaging the services of vendors.
- The Representation had not conducted any vendor performance evaluations after delivery of goods and services.

24. As a consequence, the Representation was exposed to the risk of working with vendors that were not genuine or could not provide goods and services of sufficient quality. The above deficiencies happened because the VRC did not undertake its responsibilities in facilitating and overseeing the implementation of the vendor registration process in accordance with UNHCR requirements.

(2) The UNHCR Representation in Liberia should complete vendor registration procedures, which should include the Vendor Review Committee reviewing and confirming that all vendors have complete vendor files and that the vendor database only contains active vendors that have been vetted and evaluated.

UNHCR accepted recommendation 2 and stated that (i) the VRC received information requested from all vendors in order to proceed with the updating of vendor files and the vendor database; (ii) the Supply Section was sending out the Request for Quotations and Request for Proposals together with the Vendor Registration Form, respectively; (iii) the vendor database would be updated; and (iv) the VRC was now meeting regularly in line with its terms of reference. Recommendation 2 remains open pending receipt of evidence confirming that all active vendors have complete vendor files and that the vendor database only contains active vendors.

Controls over procurement activities required strengthening

25. The Representation is required to put in place adequate arrangements to monitor compliance with UNHCR procurement rules and procedures when undertaking direct procurement for its programme and administrative needs. This includes developing an annual procurement plan and implementing competitive and transparent procurement processes. In particular: a Local Committee on Contracts (LCC) should be established to review and provide advice on all contracts with a financial value between \$20,000 and \$150,000; invitations to bid should be used for orders above \$5,000 and advertised for a minimum period of 4 to 8 weeks; and office leases should be approved by the LCC and cleared by the UNHCR Legal Affairs Service.

26. The Representation prepared procurement plans for 2014 and 2015. However, the plan for 2015 was finalized only in May 2015 and not in advance of the project year as required by UNHCR rules. The LCC was in place and held eight meetings in 2014. From 1 January 2014 to 30 June 2015, the Representation issued 230 purchase orders to acquire goods and services valued at \$3.1 million. OIOS reviewed 27 purchase orders totaling \$753,381 and observed the following weaknesses related to 12 of the purchase orders worth \$461,015:

- There was no LCC approval for the extension of security services from 1 January to 31 March 2015 amounting to \$44,550. The previous contract expired on 31 December 2014.
- There were six cases of retroactive approval by the LCC after the purchase orders had been issued for goods and services worth \$131,420.
- The lease agreement for the Branch Office in Monrovia had a value of \$102,000 and was not submitted to Legal Affairs Service for clearance.
- Four Invitations To Bid worth \$183,045 were not launched for the required minimum number of days, i.e. 4 to 8 weeks, and there was no justification for a shorter period.

27. The main reason for the above shortcomings was the Representation's supply staff's lack of sufficient knowledge of UNHCR procurement rules and procedures and lack of training provided to concerned staff in this regard. As a result, the Representation was exposed to a risk of not fully obtaining value for money from its procurement activities.

(3) The UNHCR Representation in Liberia should develop and implement a structured training plan for its supply staff, with clear deliverables and milestones, to improve their knowledge of UNHCR procurement rules and procedures.

UNHCR accepted recommendation 3 and stated that the Representation developed a structured

training plan based on a training needs assessment for all supply staff including the LCC members.
Recommendation 3 remains open pending receipt of evidence that all supply staff have received the tailor-made training on procurement activities.

The Representation was managing its warehouses and distributing non-food items to beneficiaries in line with requirements

28. The UNHCR Handbook for Emergencies requires the Representation to: put in place monitoring arrangements to ensure that the planned number of beneficiaries receive the specified quantities of non-food items (NFIs); and undertake visits to distribution sites. The Representation's own procedures for NFI distributions further require its staff to obtain copies of the distribution lists signed by beneficiaries and to reconcile the distributed items to the items issued from warehouses. According to the UNHCR Manual, the Representation is also required to establish appropriate controls over recording, receipt and issuance of stock in warehouses.

29. OIOS visited three UNHCR warehouses in Liberia and reviewed the implementation of the warehouse management and NFI distribution procedures. The Representation systematically conducted NFI stock counts and reconciled stock items on the bin cards with the MSRP records for all warehouses. In addition, the Representation systematically observed NFI distributions and obtained copies of the distribution sheets signed by beneficiaries and reconciled them with the items issued from warehouses. OIOS concluded that the Representation had adequate arrangements in place over management of warehouses and distribution of NFIs.

Assets held by partners needed to be tracked and old assets written off or donated

30. UNHCR rules require the Representation to physically verify at least annually all Property, Plant and Equipment (PPE) assets and Serially Tracked Items (STIs), including those held under the custody of partners; update asset records, and account for any differences.

31. As of 30 June 2015, the Representation had 128 PPE assets with a purchase value of \$3.6 million and 2,582 STIs with a purchase value of \$2.9 million. It had conducted a physical verification of PPEs and STIs in 2014. However, a review of the Representation's asset management practices observed the following weaknesses:

- A generator with an acquisition value of \$10,150 was under the custody of a partner who was no longer working with the Representation.
- A truck with an acquisition value of \$27,928 was under the custody of a Government partner, as part of the UNHCR support to the government for the Ebola virus response in 2014, and had not been returned or donated since then.
- The Representation had 172 STIs with four partners who were no longer working with the Representation; however, they were still recorded in MSRP.
- The Representation had 58 STIs with a zero value in MSRP, including printers, computers, radios and motorbikes, some of which were acquired almost twenty years ago and needed to be written off or donated.

32. The cause for the above shortcomings was that the Representation had not put in place a plan to follow up on the results of its physical verification of PPEs and STIs, including those held with partners who were no longer working with the Representation. As a result, the Representation was exposed to a risk of the loss of assets.

(4) The UNHCR Representation in Liberia should develop and implement an action plan to: (i) track assets held by partners who ceased operating with the Representation; (ii) update the asset records with all partners; and (iii) write off or donate old assets.

UNHCR accepted recommendation 4 and stated that: (i) the Representation identified all STIs and PPEs held by separated partners and actions recommended were endorsed by the Local Asset Management Board; (ii) STIs had been verified and the records updated; (iii) on 29 October 2015, the Local Asset Management Board recommended old and unrecoverable assets to be written off or donated. Recommendation 4 remains open pending receipt of evidence that the records for assets held by partners have been updated and appropriate write-off actions or donations have been undertaken for old and unused STIs.

Controls over the safety of fuel tanks needed strengthening

33. According to the UNHCR Manual, the Representation is required to ensure that fuel procured for use in the country operation is safeguarded, maintained in safe and easily accessible locations, and accurately accounted for while minimizing losses.

34. The Representation had two fuel tanks in the Branch Office in Monrovia, two tanks in the Sub Office in Zwedru, four tanks in the Field Office in Saclepea, and one tank in the Field Office in Harper. The value of fuel stored in these tanks amounted to about \$420,000 as of June 2015. A review of the monitoring of the fuel managed by the Representation's logistics partner indicated the following weaknesses:

- For the two tanks located in Monrovia, fire extinguishers had expired, trash was kept both under and next to the fuel tanks, and there were no safety signs or trenches to contain spillage. Moreover, the tanks were not located more than the required 50 meters from a building where the Representation's information technology equipment was stored. Also, due to lack of parking space, vehicles were blocking the space where the fuel tanks were located.
- The tanks managed by the partner in Saclepea also did not have trenches around them to contain spillage. There were also trash and weeds next to the tank, and the partner had not installed the required safety signs next to the tanks.

35. The reason for the above shortcomings was that the Representation did not have robust local procedures for reviewing the safety requirements associated with operating fuel tanks. This exposed the Representation to potential accidents.

(5) The UNHCR Representation in Liberia should develop and implement local procedures to regularly review the adequacy of safety controls related to fuel tanks.

UNHCR accepted recommendation 5 and stated that the Representation had initiated the process of putting in place adequate safety controls relating to fuel tanks. Recommendation 5 remains open pending receipt of evidence that the safety measures related to fuel tanks have been fully implemented.

IV. ACKNOWLEDGEMENT

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

(Signed) David Kanja
Assistant Secretary-General, Acting Head
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the operations in Liberia for the Office of the United Nations High Commissioner for Refugees

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	The UNHCR Representation in Liberia should implement local procedures to ensure that: (i) each designation of procurement to a partner is supported by a Pre-qualification for Procurement status; (ii) each partner's capacity to undertake procurement effectively and to provide value for money to UNHCR is thoroughly assessed; and (iii) compliance of each partner with UNHCR procurement rules and procedures is regularly monitored.	Important	O	Submission to OIOS of evidence that: (i) each designation of procurement to a partner for 2016 is supported by a Pre-qualification for Procurement status; (ii) each partner's capacity to undertake procurement effectively has been assessed; and (iii) regular monitoring is undertaken to ensure that each partner complies with the agreed procurement rules and procedures.	31 March 2016
2	The UNHCR Representation in Liberia should complete vendor registration procedures, which should include the Vendor Review Committee reviewing and confirming that all vendors have complete vendor files and that the vendor database only contains active vendors that have been vetted and evaluated.	Important	O	Submission to OIOS of evidence confirming that all active vendors have complete vendor files and that the vendor database only contains active vendors.	31 March 2016
3	The UNHCR Representation in Liberia should develop and implement a structured training plan for its supply staff, with clear deliverables and milestones, to improve their knowledge of UNHCR procurement rules and procedures.	Important	O	Submission to OIOS of evidence that all supply staff have received the tailor-made training on procurement activities.	31 March 2016
4	The UNHCR Representation in Liberia should develop and implement an action plan to: (i) track assets held by partners who ceased operating with the Representation; (ii) update the asset records with all partners; and (iii) write off or donate old assets.	Important	O	Submission to OIOS of evidence that the records for assets held by partners have been updated and appropriate write-off actions or donations have been undertaken for old and unused STIs.	31 March 2016

² 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.

³ 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.

⁴ C = closed, O = open

⁵ Date provided by UNHCR in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the operations in Liberia for the Office of the United Nations High Commissioner for Refugees

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
5	The UNHCR Representation in Liberia should develop and implement local procedures to regularly review the adequacy of safety controls related to fuel tanks.	Important	O	Submission to OIOS of evidence that the safety measures related to fuel tanks have been fully implemented.	31 March 2016

APPENDIX I

Management Response

Management Response

Audit of the operations in Liberia for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNHCR Representation in Liberia should implement local procedures to ensure that: (i) each designation of procurement to a partner is supported by a Pre-qualification for Procurement status; (ii) each partner's capacity to undertake procurement effectively and to provide value for money to UNHCR is thoroughly assessed; and (iii) compliance of each partner with UNHCR procurement rules and procedures is regularly monitored.	Important	Yes	Project Control Officer & Supply Officer	31 st March 2016	<p>(i) The Representation will closely coordinate and support the selected 2016 Partners (if not yet pre-qualified) to prepare and make submissions for a Pre-Qualification for Procurement (PQP) status in line with the relevant policy and guidance.</p> <p>(ii) The Representation has already started the process of Partner selection for 2016 and as part of this process, steps will be taken to ensure that the capacity of all potential Partners that will be delegated with procurement is thoroughly assessed prior to signing the Project Partnership Agreements (PPA). The Representation will also conduct the assessment of Partner procurement capacity as soon as the selection process is completed.</p> <p>The Representation will also continuously build the capacity of the Partners on how to conduct procurement in compliance with the Policy and Guidance. Following the signing of the 2016 PPAs, the Representation will undertake a training on the UNHCR Procurement Policy by the 31st of January, 2016.</p> <p>(iii) While conducting the financial monitoring, the Representation will continue to consistently</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 the operations in Liberia for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						review the procurement undertaken by Partners to ensure full compliance with the policy.
2	The UNHCR Representation in Liberia should complete vendor registration procedures, which should include the Vendor Review Committee reviewing and confirming that all vendors have complete vendor files and that the vendor database only contains active vendors who have been vetted and evaluated.	Important	Yes	Supply Officer	31 st March 2016	<p>1. The Representation is currently implementing this recommendation. The Vendor Review Committee (VRC) has received information requested from all vendors in order to proceed with the updating of vendor files and the vendor database.</p> <p>2. In addition, to ensure continuous update of vendor files and the database, the Supply Section currently sends out the Request for Quotations (RFQs) and Request for Proposals (RFP) together with the Vendor Registration Form, respectively. Thus, at the time vendors make their submissions, the Representation also gets updated vendor information, which is presented to the VRC for review and consideration. Thereafter, the Vendor Database is updated.</p> <p>3. The VRC currently sits regularly in line with its terms of reference.</p>
3	The UNHCR Representation in Liberia should develop and implement a structured training plan for its supply staff, with clear deliverables and milestones, to improve their knowledge of UNHCR procurement rules and procedures.	Important	Yes	Supply Officer	31 st March 2016	The Representation has already developed a structured training plan based on a Training Needs Assessment (TNA) for all the Supply Staff including the Local Committee on Contracts (LCC) members.
4	The UNHCR Representation in Liberia should develop and implement an action plan to: (i) track assets held by partners who ceased operating with the	Important	Yes	Supply Officer	31 st March 2016	(i) The Representation took action and identified all STIs and PPEs held by separated partners and actions recommended were endorsed by the LAMB.

Management Response

Audit of the operations in Liberia for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	Representation; (ii) update the asset records with all partners; and (iii) write off or donate old assets.					<p>(ii) STIs have been verified and the records updated. Regarding PPE, the last verification of PPE is being conducted and will be sent to the Asset Management Unit (AMU) Headquarters as per the deadline of 22nd November, 2015.</p> <p>(iii) With regards to old and the unrecoverable assets, two LAMB meetings have been held after the audit. On 29th October 2015, the LAMB agreed and recommended for such assets to be written off or donated.</p>
5	The UNHCR Representation in Liberia should develop and implement local procedures to regularly review the adequacy of safety controls related to fuel tanks.	Important	Yes	Supply Officer	1 – 31 December 2015 2 – 31 st March 2016	<p>1. The Representation has initiated the process of putting in place adequate safety controls relating to fuel tanks as recommended. For all the fuel stations, the recommended Four (4) used-tyres for offloading fuel in drums, printing and installation of the safety signs (Describing fuel type in the tank and its capacity; No-smoking; Directional Signs; Danger signs) is on-going, and it is expected to be completed by the 31st December 2015</p> <p>2. Once the re-calibrations of the fuel tanks in Monrovia, Saclepea and Harper are completed, the Representation will construct a two (2) hour fire-resistive wall extending not less than thirty (30) inches above and to the sides of the storage area. This is expected to be completed by 31st March 2016.</p>