



INTERNAL AUDIT DIVISION

AUDIT REPORT

Audit of expendable inventory management in UNMIL

**Internal controls over expendable inventory were
inadequate**

**17 October 2008
Assignment No. AP2007/626/13**

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 Ms Ellen Margrethe Løj
A Special Representative of the Secretary-General
United Nations Mission in Liberia

DATE 17 October 2008

REFERENCE IAD: 08- 01861

FROM Dagfinn Knutsen, Director
DE Internal Audit Division, OIOS



SUBJECT **Assignment No. AP2007/626/13 – Audit of expendable inventory management in UNMIL**
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 recommendations 5 and 7 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 1, 2, 4, 8 and 10) in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Mr. Stephen Lieberman, Director of Mission Support, UNMIL
Ms. Stephani Scheer, Chief of Administrative Services, UNMIL
Ms. Melva Crouch, Chief, Integrated Support Services, UNMIL
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. Seth Adza, Operations Review Officer, Department of Field Support
Mr. Byung-Kun Min, Programme Officer, OIOS

INTERNAL AUDIT DIVISION

FUNCTION

“The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization” (General Assembly Resolution 48/218 B).

CONTACT INFORMATION

DIRECTOR:

Dagfinn Knutsen, Tel: +1.212.963.5650, Fax: +1.212.963.2185,
e-mail: knutsen2@un.org

DEPUTY DIRECTOR:

Fatoumata Ndiaye: Tel: +1.212.963.5648, Fax: +1.212.963.3388,
e-mail: ndiaye@un.org

CHIEF, PEACEKEEPING AUDIT SERVICE:

Eleanor T. Burns: Tel: +1.212.967.2792, Fax: +1.212.963.3388,
e-mail: burnse@un.org

EXECUTIVE SUMMARY

Expendable inventory management in UNMIL

OIOS conducted an audit of expendable inventory management in the United Nations Mission in Liberia (UNMIL). The overall objective of the audit was to determine whether adequate and effective internal controls were in place to ensure expendable property was properly safeguarded and recorded accurately and timely. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

UNMIL held expendable inventory valued at approximately \$60 million as at 30 June 2008, but despite this high value, the Mission had not established adequate internal controls. A number of areas required improvement, as follows:

- The Supply Section had not developed Standard Operating Procedures (SOPs) for expendables, and other Self-Accounting Units'(SAUs) SOPs were in draft form.
- Expendable stocks valued at \$35,000 were transferred to various offices of the Government of Liberia without written approval.
- The Galileo inventory management system was not fully updated to include all inventory receipt and issue transactions. There were recording and classification errors, and there were significant differences between physical and recorded stocks.
- Controls by the Security Section over the inventory of ammunition were inadequate. A complete physical check and reconciliation exercise was necessary to ensure no items had been lost.
- Of the four SAUs in UNMIL, three had not conducted a 100 per cent inventory count since the inception of the Mission.
- Warehouse facilities were not fully adequate, with items such as timber being stored outside and exposed to environmental damage. The facilities used to store critical medical supplies, which requires temperature control, were exposed to damage and deterioration due to frequent power outages.

TABLE OF CONTENTS

Chapter	Paragraphs
I. INTRODUCTION	1 - 4
II. AUDIT OBJECTIVES	5
III. AUDIT SCOPE AND METHODOLOGY	6
IV. AUDIT FINDINGS AND RECOMMENDATIONS	
A. Policies, procedures and guidelines	7 - 14
B. Operational requirements	15 - 17
C. Inventory management	18 - 26
D. Warehousing and storage	27 - 31
E. Physical verification and reconciliation.	32 - 41
V. ACKNOWLEDGEMENT	42
ANNEX 1 – Status of Audit Recommendations	.

I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of expendable inventory management in United Nations Mission in Liberia (UNMIL). The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

2. The Department of Peacekeeping Operations (DPKO) Property Management Manual defines expendable property as property and equipment with an original cost of less than \$1,500, as well as items costing more than \$1,500 but with a serviceable life of less than 5 years. Expendable property excludes attractive or special items, defined as items of an attractive nature that are normally worth between \$500 and \$1,500 and have a useful life expectancy of 5 years or more.

3. According to Galileo inventory records, UNMIL held expendable inventory of \$59.9 million as at 30 June 2008 as detailed below:

Table 1 – Expendable Inventory

Self Accounting Unit	Total value (\$)
Supply	27,678,624
Engineering	16,553,087
Communication & Information Technology Section	7,497,247
Transport	8,205,128
Total value	59,934,086

4. Comments made by UNMIL are shown in *italics*.

II. AUDIT OBJECTIVES

5. The main objectives of the audit were to:

(a) Determine whether adequate and effective internal controls were in place; and

(b) Ensure that expendable property was properly safeguarded and recorded accurately and timely.

III. AUDIT SCOPE AND METHODOLOGY

6. The audit reviewed the internal controls over the receipt, recording and issuance of expendables, as well as the policies and procedures in place for the period 1 July 2006 to 31 December 2007. OIOS reviewed Galileo records, interviewed key staff members of respective Self Accounting Units (SAUs) and conducted physical inspections of selected warehouses in the Star Base Monrovia, the Mission's central logistics base.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Policies, procedures and guidelines

Standard operating procedures

7. Standard Operating Procedures (SOPs) are maintained to ensure that functions are performed consistently and in compliance with established policies, and to guide staff through the process.

8. The Supply Section did not develop an SOP for expendable assets while those for Communication and Information Technology Section (CITS) Asset Management Unit and Engineering Material Management Unit (MMU) were still in draft form. At the working level, therefore, SAU asset managers generally relied on the DPKO Property Management guidelines for expendable property control and verification procedures.

9. To ensure that adequate and effective internal controls are established at the Mission level, up-dated SOPs are required to guide staff and to ensure procedural consistency. It is also important that staff and managers clearly understand their roles and responsibilities for expendable inventories to ensure clear lines of accountability.

Recommendation 1

(1) The UNMIL Office of Mission Support should ensure that Standard Operating Procedures for the issuance, receipt and recording of expendable inventories are finalized and approved in order to provide clearly established procedures for guiding staff and ensuring clear lines of accountability.

10. *The UNMIL Office of Mission Support accepted recommendation 1 and stated that all SAUs have SOPs for the issuance, receipt and recording of expendable property. Nevertheless, the UNMIL Office of Mission Support intends to review these SOPs with a view to adopt a common SOP providing guidance to staff in all SAUs. Recommendation 1 remains open pending receipt of the updated SOP on expendable property, particularly as regards the issuance, receipt, and recording of expendable inventories.*

Approval documentation not maintained

11. The DPKO Property Management Manual lists donations to a government or governmental agency with the approval of the General Assembly, as one of the recommended methods for disposal of surplus and unserviceable property.

12. Expendable materials valued at \$35,075 were transferred to various offices of the Government of Liberia between May 2004 and May 2007.

Engineering officials indicated that these issuances were used for renovation work to improve the quality of office space. According to the former Engineering Officer, the use of these expendable materials was either approved by the Director of Mission Support (DMS) or the Chief of Integrated Support Services (CISS). However, OIOS was not provided with any documentation evidencing the approval.

13. The DMS confirmed to OIOS that the transfer of these materials did not constitute donations. However, it was agreed that clear procedures for repair work done on non-United Nations property were needed. In OIOS opinion, this is important, as without it, there is a risk of materials being used without approval and that unauthorized transactions are not detected. X

Recommendation 2

(2) The UNMIL Office of Mission Support should ensure that the use of expendable property is approved in writing, fully documented and filed.

14. *The UNMIL Office of Mission Support accepted recommendation 2 and stated that this issue has been brought to the attention of the relevant SAU Section Chiefs and is to be included in the new SOP on expendable property.* Recommendation 2 remains open pending receipt of the updated SOP on expendable property, which includes guidance on the procedures for repair work done on non-United Nations property.

B. Operational requirements

15. The Mission is responsible for fully supporting all mission staff by maintaining and distributing inventory according to the requirements of the staff. A survey by OIOS of 15 administrative assistants responsible for requisitioning expendables found that 54 per cent of the 14 respondents were satisfied with the level of service provided by the CITS and the Supply Units, whereas about 26 per cent were dissatisfied and 20 per cent were non-committal.

16. The respondents noted that they have occasionally experienced supply shortages, and indicated that the SAUs did not notify users of shortages, which led, in some cases, to repeated electronic requests. This highlights a weakness in the mechanisms for monitoring levels of expendables and informing users of the status of pending requisitions. Galileo, the inventory management system, contains an e-mail feature that alerts warehouse personnel when stock items approach predetermined minimum levels and hence require replenishment, taking into consideration the delivery lead times. With adequate monitoring, the breakdowns in the system discussed above should not have occurred. The DMS agreed that enabling the monitoring feature in Galileo would improve the efficiency of the inventory system.

Recommendation 3

(3) The UNMIL Office of Mission Support should instruct managers of Self Accounting Units to activate the e-mail notification feature in Galileo to facilitate stock monitoring, and establish a process to track pending requisitions.

17. *The UNMIL Office of Mission Support accepted recommendation 3 and stated that all SAUs have determined and are entering into Galileo the majority of the minimum and maximum stock levels required on each of the expendable line items in Galileo. Additionally, and as an alternative to the e-mail notification feature, the SAUs are regularly producing reports to review stock levels prior to raising requisitions. Recommendation 3 remains open pending OIOS' review that there is an adequate system to monitor stock and track requisitions.*

C. Inventory management

Galileo System not updated

18. Mission property should be managed through the Galileo inventory management system. This system supports the basic functions of the property management cycle including procurement/acquisition, receiving and inspection, warehousing, issuance of stock, and write off.

19. The SAUs had not made optimal use of Galileo, as all four warehouses in Monrovia were using manual vouchers to issue expendables. Between December 2003 and December 2006, MMU raised 21,166 manual issue vouchers for expendables totaling \$9.5 million. As a result, these transactions had not been posted to Galileo. OIOS was informed that due to insufficient staff, MMU was unable to input this information into Galileo.

20. While, as mentioned by the Chief MMU in a memorandum dated 31 August 2006, there was no obvious benefit from the administrative exercise or keying thousands of issue vouchers into Galileo, no plan or cut-off date had been established to ensure Galileo inventory records were appropriately up-dated to reflect actual current stock levels.

Recommendation 4

(4) The UNMIL Office of Mission Support should determine the cut off date by which all inventory transactions are entered into the Galileo system to ensure that the recorded inventory value reflects the current value of stocks.

21. *The UNMIL Office of Mission Support accepted recommendation 4 and stated that SAUs are currently using Galileo to record all inventory transactions and hence Galileo is up-dated to reflect actual stock values since the migration*

from Field Assets Control System. However, it will formally direct SAUs to enter inventory transactions in Galileo and ensure that the recorded inventory values reflect the current values of stocks. Recommendation 4 remains open pending OIOS' review that inventory records in Galileo are up to date, and reflect current stock levels.

Recording errors

22. There is no process to confirm the accuracy of data entry into Galileo. As a result, 43 generators in the engineering warehouse costing \$644,500 were incorrectly classified as expendable inventory. Also, a fastener guide assembly in the CITS warehouse was incorrectly recorded at \$1,181,847 rather than in Ghanaian Cedi 1,181,847 (approximately \$132). The classification error was corrected following an earlier OIOS recommendation, but no adjustment had been made for the valuation error. The DMS informed OIOS that classification of property between expendables and non-expendables has been changed based on centralized codification in Brindisi and hence classification errors were not expected to recur.

Sub-standard assets

23. All incoming cargo deliveries are subject to the receiving and inspection process which certifies that the Mission accepts or rejects the property. Accepted property is placed in inventory and subsequently transferred to SAUs, while rejected property is returned to the vendor. In addition, the warranties clause contained in purchase orders provides that upon UNMIL's written notification, the vendor needs to correct all defects and non-conformities of the goods supplied to the Mission within the warranty period.

24. The Mission issued a purchase order (7 MIL -200706) in March 2007 for the supply of 1,500 folding tables. During the receipt and inspection process, 26 tables were rejected and the vendor issued credit notes for the damaged tables. During a follow-up visit to the supply warehouse in March 2008, OIOS found that an additional 50 folding tables (value approximately \$1,500) of poor quality had been returned by the end users. This was only discovered after the packing was removed. OIOS had also returned a table from the same shipment, as the retractable supports holding the table collapsed during installation. Unfortunately, the warranty period for the tables expired in late July 2008, therefore, the Mission may have lost the opportunity of obtaining replacements from the vendor. In order to prevent this in the future, there is a need to strengthen the inspection process of goods, and to ensure that inspections are carried out prior to the end of the warranty period.

Recommendation 5

(5) The UNMIL Office of Mission Support should strengthen its internal mechanism for inspecting the quality of goods to ensure they are conducted within a reasonable timeframe to enable the enforcement of warranties, if necessary.

25. The UNMIL Office of Mission Support accepted recommendation 5 and stated that the warranty expired as military contingents initially refused to accept the tables thinking the UN would deduct the equivalent amount from the TCCs of the reimbursement due. This delay did not allow the Supply Section to establish whether the quality of the tables was satisfactory in time to enforce the warranty. Based on the explanation provided recommendation 5 has been closed.

D. Warehousing and storage

26. The selection of warehouses should ensure that they are strategically located to allow easy accessibility for receipt and distribution of stock. Moreover, an adequate level of security to safeguard assets must be assured. OIOS noted during its site visit that assets were stored at insecure locations, and, in some cases, the storage areas had not been properly selected, as discussed in the following paragraphs.

27. Some 5,045 drums of bitumen valued at \$732,780 received in 2006 were stored in various locations within the Roberts International Airport and the Star Base yard. The bitumen contained in the drums overflowed due to high temperatures in dry seasons, and could not be recovered. Also, timber and steel supplies were stored outside and suffered water and moisture damage. In addition, boxes containing various generator parts were scattered over the floor of engineering warehouse 1, exposing these assets to loss and pilferage.

28. The United Nations Ammunitions and Explosives Regulations Manual provides the minimum warehousing requirements including but not limited to the selection of storage areas and fire precautions. OIOS noted that ammunition storage areas were not posted as restricted areas nor were fire control measures and symbols clearly visible. The recommended 10 meter wide firebreaks were not observed and the 2.3 meter distance from inhabited buildings is well below the recommended 25 meters (See Picture 1), in addition to which mission vehicles were parked in close proximity to buildings (See Picture 2). This highlights a safety risk for staff members, and a risk of damage to UN property.

Picture 1



Front view of ammunition storage area

Picture 2



Rear view of ammunition storage area

29. Medical Services Unit staff informed OIOS that they experience an average per month of three to four power outages, ranging from one to four hours long. This exposes the Mission to the risk of loss of critical medical supplies that have to be maintained at controlled temperatures. Management agreed to look into this matter, but informed OIOS that power outages in Star Base had become less frequent due to enhanced generator capacity.

Recommendations 6 and 7

(6) The UNMIL Office of Mission Support should comply with the relevant warehousing guidelines and ensure that warehouse facilities provide adequate safety and security for personnel and property.

(7) The UNMIL Office of Mission Support should provide refrigerated storage and a secondary backup generator to sustain essential medical supplies.

30. *The UNMIL Office of Mission Support accepted recommendation 6 and stated that the Security Section will take action by implementing fire control measures and ensure relevant symbols are clearly visible. Additionally, the Security Section will investigate whether it would be prudent to move the container to a more suitable location.* Recommendation 6 remains open pending receipt of evidence that the Mission has implemented appropriate safety and security measures for its warehousing facilities.

31. *The UNMIL Office of Mission Support accepted recommendation 7 and stated that the quality of power supply at the Star Base has generally improved and it is currently satisfactorily stable. Additionally, the Supply Section's warehouse has a cold room and a reefer area for storage of medical supplies, already equipped with two back-up generators.* Based on the action taken recommendation 7 has been closed.

E. Physical verification and reconciliation

32. In order to safeguard inventory and ensure any losses, possible obsolescence and damaged stock are identified in a timely manner, regular inventory checks against recorded balances should be performed. UNMIL's draft SOP provides for a complete expendable inventory count and reconciliation to Galileo records every 12 months.

33. Personnel responsible for the engineering warehouses had never performed a complete physical inventory since the establishment of the Mission in September 2003. While an inventory check was started in November 2007, it had not been completed by July 2008. The CITS warehouses started its last physical inventory in December 2007, but again as of July 2008 it was not completed. The Transport Section had conducted an inventory of all expendables based on OIOS' recommendations made from the fleet management audit.

34. The Galileo expendables inventory included a running balance since 22 October 2006 of 126,255 packets of 1,000 “9x19mm” live rounds of ammunition valued at \$18 million. All of the ammunition had been issued to the Security Unit. However, other than a training report prepared by the Security Training Officer, a co-custodian of the ammunition inventory, accounting for 68 packets issued between May and October 2007, there were no issue vouchers or alternative subsidiary records documenting the issuance and utilization of the ammunition, or of balances held. The inability of the Mission to account for ammunition increases the risk of loss of ammunition, which could have serious consequences.

Recommendation 8

(8) The UNMIS Office of Mission Support should reconcile the differences in the Mission’s stock of ammunition, investigate the losses, if any, and establish accountability as soon as possible.

35. *The UNMIL Office of Mission Support accepted recommendation 8 and stated that since December 2006, an inventory ledger has been used to account for the stock of ammunition. The ledger shows the dates when ammunitions are issued and the signatures of the responsible person for any action. Furthermore, no losses of ammunition have ever occurred.* OIOS noted that the inventory ledger referred to relates to a subsequent consignment of ammunition received in 2007. Recommendation 8 remains open pending OIOS’ receipt of evidence showing that the Mission has conducted a complete inventory and reconciliation exercise to demonstrate that no ammunition has been lost as a result of lax internal controls.

36. A physical verification of a sample of items in the engineering and CITS warehouses was carried out, and the following differences were noted:

Table 2 – Physical verification of items in the engineering warehouse

Description	Quantity			Total \$ value of column (3)
	Galileo (1)	Physical (2)	Difference (3)	
Controller, PLC (Programmed)	30	23	7	15,950
Cold room unit, Low temp. 400V	4	2	2	4,792
Pump, Injection CAV Fuel	3	0	3	7,601
A/C alternator 160 KVA	1	0	1	2,390
A/C alternator 90 KVA	1	0	1	2,340
Turbo G	2	0	2	4,667
Actuator	2	0	2	4,588
Core kit	3	0	3	6,797
Portable welding machine and accessories	1	0	1	1,950
TOTAL				\$51,075

Table 3 –Physical verification of items in the CITS warehouse

Description	Quantity			Total S value of column (3)
	Galileo (1)	Physical (2)	Difference (3)	
200 pair underground twisted pairs	22	25	3	(20,310)
Catalyst 4507 Supervisory IV console	10	9	1	6,957
Lighting kit 150 feet	40	14	26	28,203
EZ Memory 256 MB	12	17	5	(190)
Tape Drive HP MSL6060 Ultrium 960 Drive Upgrade kit	5	7	2	(10,150)
Catalyst 4500 POE 802.3ai 0/100/1000 48 Ports IRJ45	40	38	2	8,694
TOTAL				\$13,204

37. The warehouse staff were not able to explain the differences between the physical count and the recorded quantity. In the absence of detailed stock reconciliation records with the SAUs, OIOS was unable to ascertain the causes for the differences. It could be a combination of items having been lost, misplaced and/or stolen. It is also possible that some of the items were not received. This highlights serious weaknesses in internal control over inventory management.

38. In July 2008, the Supply Section MSU is conducting a 100 per cent physical verification of medical expendables stored in 21 containers received between 2003 and 2006 of an unknown value. A random inspection of the containers indicated damaged supplies as illustrated below.



Damaged medical supplies in container storage

39. The supplies were damaged by water seeping into the containers that were stored at ground level. The medical supplies have become unfit for use and are in the process of being written off. The Chief Medical Officer explained that the damaged medical supplies came to light after the pharmacist/logistics officer was tasked in October 2007 with assuming responsibility for all medical supplies in the containers.

Recommendations 9 and 10

(9) The UNMIL Office of Mission Support should establish timelines for all Self Accounting Units to complete 100 per cent physical inventory of all expendable property and reconcile the results with Galileo records.

(10) The UNMIL Office of Mission Support should establish a schedule of continuing periodic physical inventory of expendable property and reconciliations with Galileo inventory records and ensure Self Accounting Unit's compliance with the guidelines.

40. *The UNMIL Office of Mission Support accepted recommendation 9 and stated that all SAUs are in the process of reconciling their electronic and physical inventories. Timelines and methodologies for physical counts will be reiterated in the new SOP on expendables. Recommendation 9 remains open pending confirmation that SAUs have completed a physical inventory of all expendable property and reconciled the results with Galileo records.*

41. *The UNMIL Office of Mission Support accepted recommendation 10 and stated that the frequency of periodic physical inventory counts of expendable property and the reconciliation of Galileo with the result of physical counts will be clearly outlined in the new SOP on expendables. Furthermore, the Office indicated that it will ensure compliance with the schedules set. Recommendation 10 remains open pending receipt of the new SOPs specifying the frequency of periodic physical inventory counts and the reconciliation of Galileo with the result of physical counts.*

V. ACKNOWLEDGEMENT

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

STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	Recommendation	Risk category	Risk rating	C/O ¹	Actions needed to close recommendation	Implementation date ²
1	The UNMIL Office of Mission Support should ensure that Standard Operating Procedures for the issuance, receipt and recording of expendable inventories are finalized and approved in order to provide clearly established procedures for guiding staff and ensuring clear lines of accountability.	Governance	High	O	Receipt of the updated SOP on expendable property, which includes guidance on issuance, receipt and recording of expendables.	31 December 2008
2	The UNMIL Office of Mission Support should ensure that the use of expendable property is approved in writing, fully documented and filed.	Compliance	High	O	Receipt of the updated SOP on expendable property, which includes guidance on procedures for repair work done on non-United Nations property.	31 December 2008
3	The UNMIL Office of Mission Support should instruct Self Accounting Unit asset managers to enable the e-mail notification feature in Galileo to facilitate stock monitoring, and establish a process to track pending requisitions.	Operational	Medium	O	OIOS' review that there is adequate system to monitor stock and track requisitions.	31 December 2008
4	The UNMIL Office of Mission Support should determine the cut off date by which all inventory transactions must be entered into the Galileo system to ensure that the recorded inventory value reflects the current value of stocks, and inform responsible staff of this date.	Operational	High	O	Review by OIOS that inventory records in Galileo are up-to-date.	31 December 2008
5	The UNMIL Office of Mission Support should strengthen its internal mechanism for inspecting the quality of goods to ensure they are conducted within a reasonable timeframe to enable the enforcement of warranties, if necessary.	Operational	Medium	O	Action complete.	Implemented
6	The UNMIL Office of Mission Support should comply with the relevant warehousing guidelines and ensure that warehouse facilities provide adequate safety and security for personnel and property.	Compliance	Medium	O	Receipt of evidence that the Mission has implemented appropriate safety and security measures for its warehousing facilities.	31 December 2008

Recom. no.	Recommendation	Risk category	Risk rating	C/O ¹	Actions needed to close recommendation	Implementation date ²
7	The UNMIL Office of Mission Support should provide refrigerated storage and a secondary backup generator to sustain essential medical supplies	Operational	Medium	C	Action completed	Implemented
8	The UNMIS Office of Mission Support should fully reconcile the differences in the stock of ammunition held, investigate the losses, if any, and establish accountability as soon as possible.	Operational	High	O	Receipt of evidence showing that the Mission has conducted a complete inventory and reconciliation exercise to demonstrate that no ammunition has been lost as a result of lax internal control.	31 December 2008
9	The UNMIL Office of Mission Support should establish timelines for all Self Accounting Units to complete 100 per cent physical inventory of all expendable property and reconcile the results with Galileo records.	Operational	Medium	O	Confirmation that SAUs have completed a physical inventory of all expendable property and reconciled the results with Galileo records	31 December 2008
10	The UNMIL Office of Mission Support should establish a schedule of continuing periodic physical inventories of expendable property and reconciliations with Galileo inventory record and ensure Self Accounting Unit's compliance with the guidelines.	Operational	High	O	Receipt of the new SOPs specifying the frequency of periodic physical inventory counts and the reconciliation of Galileo with the result of physical counts.	31 March 2009

1. C = closed, O = open
2. Date provided by UNMIL in response to recommendations.