United Nations Nations Unies

INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

Confidential

TO: Ms. Eleanor Burns, Chief,
A: Peacekeeping Audit Service, Internal Audit Division,
Office of Internal Oversight Services

DATE: 13 April 2012

REFERENCE: 2012-UNHQ-007033

THROUGH:
S/C DE:

FROM: Anthony Banbury, Assistant Secretary-General
DE: Acting Head of the Department of Field Support

SUBJECT: **Draft OIOS report on the audit of the Transportation and Movement**
OBJET: **Service in DFS – Assignment no. AP2011/615/03**

1. I refer to your memorandum dated 20 March 2012, regarding the above-mentioned audit. Please refer to our comments on the recommendations in the attached matrix.

2. Thank you for the opportunity to comment on the draft report. We stand ready to provide any further information that may be required.

cc: Ms. Wong

ANNEX I

AUDIT RECOMMENDATIONS

Audit of the Transportation and Movement Service in DFS

Rec. no.	Recommendation	Critical[1]/ important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The DFS Transportation and Movement Service should improve its strategic planning by: (a) developing a comprehensive plan that matches movement requirements with available capabilities; and (b) actively participating in the mission planning process in collaboration with stakeholders including the Office of Military Affairs, the Air Transport Section and mission strategic planning and liquidation teams.	Important	Yes	Director, LSD	31/12/2012	DFS comments are adequately reflected in the report.
2	The DFS Transportation and Movement Service should dedicate adequate resources for its functions of supporting field missions in policy development, oversight and quality assurance and finalize and disseminate the Field Movement Control Manual and the Guide to Strategic Movements.	Important	Yes	Director, LSD	31/12/2012	DFS comments are adequately reflected in the report.
3	The DFS Transportation and Movement Service should formalize the procedure of presenting letters of assist cases to the Headquarters Committee on Contracts at least four weeks before the date of all forecasted troop movements.	Important	Yes	Director, LSD	Implemented	During the audit in August 2011, DFS formalized the procedure for submission of letters of assist to the Headquarters Committee on Contracts.

[1] Critical recommendations address significant and/or pervasive deficiency or weakness in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

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

Rec. no.	Recommendation	Critical[1]/ important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						Of the 90 letters of assist (LOAs) processed relating to movement of troops in the 2010/2011 financial period, 15 were approved on ex-post facto basis of which, nine related to the 2009/2010 period. By implementing the new procedure in August 2011, DFS has since avoided 11 potential ex-post facto cases in processing of LOAs. DFS is engaged in ongoing efforts with OMA and permanent missions to the United Nations to expedite the process; however, responsibility for the timely submission of information ultimately lies with Member States.
4	DFS should ensure that the DFS Transportation and Movement Service, in collaboration with the DFS focal point on the International Public Sector Accounting Standards (IPSAS), establishes a mechanism for estimating contingent liabilities related to possible claims for movement reimbursements in preparation for the adoption of IPSAS.	Important	Yes	Director, LSD	30/09/2013 Dependent on the implementation of IPSAS	DFS comments are adequately reflected in the report.
5	The DFS Transportation and Movement Service should liaise with the Procurement Division of the Department of Management to expedite the engagement of a maritime consultant to assist in the development of a standard shipping contract to be used for all air and sea shipments to mitigate the risk of disputes with vendors due to misinterpretation of contractual terms.	Important	Yes	Director, LSD	31/12/2012	DFS comments are adequately reflected in the report.

Rec. no.	Recommendation	Critical[1]/ important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
6	The DFS Transportation and Movement Service should ensure that mandatory technical training is provided to staff involved in movement control and transport activities at Headquarters and in field missions.	Important	Yes	Director, LSD	30/06/2013	DFS comments are adequately reflected in the report.