

CONFIDENTIAL -- DRAFT AUDIT RESULTS

ANNEX I
SUMMARY OF RECOMMENDATIONS
Audit of management of engineering projects in MINUSTAH

Para. no.	Recommendation	Accepted? (Yes/No)	Implementation date	Client comments
13	MINUSTAH should ensure that the Engineering Section prepares a detailed acquisition plan that facilitates effective and timely solicitation of bids or proposals, award of contracts and delivery of the goods and services required.	Yes	July 2011	The Engineering Section is preparing an acquisition plan based on the FY2011-12 approved budget to facilitate procurement planning. A final acquisition plan will be submitted by 31 July 2011.
14	MINUSTAH should establish and implement appropriate measures to ensure the timely initiation and completion of procurement actions for construction materials.	Yes	July 2011	Engineering Section has a system in place whereby, upon initiation of a construction project, the requisitions for all construction material are raised in Mercury. All requisitions are raised, verified and approved within 2 days of receipt of the request and sent to Procurement Section for further processing. In addition, the Engineering Section will ensure that a purchase plan is compiled for construction materials required for known engineering projects. There will however always be the potential for special unplanned projects being launched ad hoc, which the Section has to respond to as and when they arise.
17	MINUSTAH should ensure that the Finance Section expedites payments of outstanding invoices due to local vendors supplying construction materials and establish a process to ensure that invoices are paid timely to avoid the withholding of materials by vendors.	Yes	October 2011	All invoices for construction materials are processed by the Engineering Section upon receipt and forwarded to the Finance Section for payment. The Mission is in the process of implementing an invoice tracking system that will be managed by the Contracts Management Unit in respect of high value or complicated contracts. This system is expected to be in place by October 2011.
20	MINUSTAH should ensure that the Environmental Compliance Unit (ECU) conducts environmental assessments of project sites and take into consideration environmental concerns in planning for future engineering projects.	Yes	July 2011	Engineering Section will ensure that the ECU conducts an Environmental Impact Assessment which will form part of joint recce report for all major engineering projects. Engineering Section will also take corrective action on observations made by the newly established MINUSTAH Environmental Compliance Committee.
23	MINUSTAH should develop standard operating	Yes	October 2011	Engineering Section will prepare an SOP in line with

	procedures (SOP) for the management of projects and establish a central database for monitoring and reporting on the status of projects.				the recommendation. Implementation is expected by October 2011
28	The MINUSTAH Engineering Section, in consultation with the Contracts Management Unit, should develop standard operating procedures (SOP) for managing outsourced projects to ensure the effective and efficient implementation of projects and that proper documentation is retained.	Yes	October 2011		The Engineering Section will prepare an SOP as per the Recommendation. Implementation is expected by October 2011.
33	MINUSTAH should establish adequate internal controls over the opening and closing of projects in Galileo and maintain accurate and reliable project cost data in Galileo.	Yes	December 2011		The Engineering Section has requested the support of the Property Management Unit to provide Galileo Project Module training for key project management staff in the Engineering Section. Actual implementation will take place in stages after the training and full implementation is expected by December 2011.
36	MINUSTAH should establish a filing system setting appropriate standards for classification, retention and access to project documents.	Yes	August 2011		The Engineering Section will establish a filing system for the retention of project management documents in the Section's shared drive. Hard copies will be maintained by the Planning/Design Unit. A master list of project documents and records will be established by August 2011.
38	MINUSTAH should develop a training programme for staff to enhance their skills to manage and supervise engineering projects.	Yes	1/8/2011		The Engineering Section will follow the Recommendation with guidance from the UNHQ/DFS/SSS/ES training plan, and based on staff members' individual training needs and the Section training budget. The training schedule will provide for training sessions on project management and supervisory skills. The Engineering Section has also engaged online training facilities for the PRINCE2 system (project control environment) for 20 engineers.