



## **INTERNAL AUDIT DIVISION**

# **AUDIT REPORT**

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### **Receiving and Inspection of Headquarters Information Technology Supplies**

**18 March 2008**

**Assignment No. AH2006/513/04**

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United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE

OFFICE OF INTERNAL OVERSIGHT SERVICES · BUREAU DES SERVICES DE CONTRÔLE INTERNE

TO: Ms. Alicia Bárcena, Under-Secretary-General  
A: Department of Management

DATE: 18 March 2008

TO: Mr. Jean-Marie Guehenno, Under-Secretary-General  
A: Department of Peacekeeping Operations

REFERENCE: IAD: 08- 01132

TO: Mr. Shaaban M. Shaaban, Under-Secretary-General  
A: Department of General Assembly and Conference Management

FROM: Dagfinn Knutsen, Director  
DE: Internal Audit Division, OIOS



SUBJECT: **Assignment No. AH2006/513/04 – Receiving and Inspection of**  
OBJET: **Headquarters Information Technology Supplies**

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 12 and 13 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 critical, i.e., 1 to 11, in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Mr. Warren Sach, Officer-in-Charge, OCSS  
Ms. Jane Holl Lute, Acting USG, Department of Field Support  
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors  
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management  
Mr. Byung-Kun Min, Programme Officer, OIOS  
Mr. William Petersen, Chief, New York Audit Service, OIOS

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## INTERNAL AUDIT DIVISION

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### 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).*

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## **EXECUTIVE SUMMARY**

### **Receiving and Inspection of Headquarters Information Technology Supplies**

OIOS conducted an audit of the Receiving and Inspection (R&I) of Headquarters (HQ) Information Technology (IT) Supplies between February-March and June-August 2006. The audit's main objective was to assess whether IT supplies purchased through HQ were properly received and inspected and accurately recorded by staff members performing the R&I function for the Organization. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

The audit disclosed that the procedures for the receipt and inspection of items delivered at HQ and field offices were unclear as no written instructions, rules or guidelines had been established by the Department of Management (DM) and the then Department of Peacekeeping Operations (DPKO) for HQ and field offices.

OIOS reviewed a sample of transactions and found that the lack of such instructions resulted in: the recording of the same delivery in two of three systems (ProcurePlus, IMIS or Galileo); some staff performed both the R&I functions; receiving reports were not prepared; and a payment was initially made for items which were not delivered (eventually delivered at a later date). HQ purchases were not being delivered at the dedicated receiving locations in the third basement (3B) of the Secretariat building and were instead sent to user offices within the building. It is important that the items to be delivered at 3B are received there to ensure proper recording of the receiving information.

Access to the Integrated Management Information System (IMIS) R&I screens was not restricted to staff members performing the two functions, and OIOS also found inadequate certification and approval of an invoice, poor procurement planning and inventory control, and recording errors.

OIOS issued a number of recommendations to DM and the Department of General Assembly and Conference Management (DGACM) to address the weaknesses identified by the audit, which were generally accepted.

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## I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the receipt, inspection and payment of information technology (IT) supplies at the United Nations Headquarters (UNHQ). The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.
  2. These supplies are expendable items used for the operation and maintenance of computers and printers, such as paper, ink and printer cartridges. Between January 2002 and June 2006, 77 purchase orders for IT supplies totalling approximately \$1.9 million were issued by the Procurement Service (PS), Office of Central Support Services (OCSS), and recorded in HQ Integrated Management Information System (IMIS). The following procedures were established to record the receipt of purchases.
  3. Items ordered at HQ are bought through Purchase Orders (PO) issued by PS using commodity codes (456000 to 456xxx). At HQ, the items are normally delivered at the Third Basement (3B) level of the Secretariat building; at field offices, they are sent to their respective receiving units.
  4. Before IMIS was implemented in 1996, a receiving report was prepared in ProcurePlus (then Reality, maintained by PS) for deliveries made at HQ to indicate the receipt of goods and supplies (see Annex 4). A receiving report was completed by staff of the Transport Operations Unit (TOU), Travel and Transportation Section (TTS), OCSS, whose offices are at 3B. The report was the main document referred to by certifying officers at user offices. Before payment is made for any purchase, staff of the Accounts Division, Office of Programme Planning, Budget and Accounts (OPPBA) review entries made in the IMIS "Update Receipt" and "Update Inspection" screens.
  5. When IMIS was implemented, the ProcurePlus receiving report, production and inventory control functions could not be integrated into IMIS due to the lack of an interface between the two systems. Therefore, OCSS management reportedly had no alternative but to continue entering data in ProcurePlus and prepare receiving reports before payments were made in IMIS. After generating the report from ProcurePlus, TOU staff recorded the receiving information in the IMIS "Update Receipt" screens, and filed copies of all receiving documents. Subsequently, upon the delivery of the goods by TOU, the end users inspected the items and completed the "Update Inspection" screens in IMIS, also filing copies of relevant documents. The Accounts Division staff would then ensure that the IMIS screens were fully completed before processing the invoices for these purchases.
  6. Suppliers sometimes delivered these items directly to field offices, and the receiving units at the offices completed the pertinent screens in Galileo, an online information system maintained by DPKO (Department of Peacekeeping Operations) for HQ purchases. (A different system, Mercury, is maintained for local purchases.) A receiving report is then prepared in Galileo for the items delivered.
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7. In general, purchase orders issued by PS clearly indicated shipping instructions and places of delivery, and normally showed that items shipped to HQ were to be delivered at the 3B receiving area. TOU had established internal guidelines indicating procedures to be followed once items are delivered.

8. Comments made by DM, DPKO and DGACM are shown in *italics*.

## II. AUDIT OBJECTIVES

9. The audit's main objective was to assess whether IT supplies purchased through HQ between January 2002 and June 2006 were properly received, inspected and accurately recorded by staff members performing the R&I functions for the Organization.

## III. AUDIT SCOPE AND METHODOLOGY

10. A total of 77 purchase orders (POs) were issued between January 2002 and June 2006 for IT supplies amounting to approximately \$1.9 million (see Table 1). OIOS reviewed a sample of these purchases which were delivered to HQ and field offices. Of all purchases, 37 POs totalling approximately \$1.6 million (about 48 percent of the POs or 82 percent of total value) were reviewed in detail by OIOS using a sampling process. Those POs reviewed included 23 purchases from DPKO or 62 percent of the sample, 7 from DGACM or 19 percent and 7 from DM and Office for Coordination of Humanitarian Affairs or 19 percent. The sample included purchases delivered to HQ and field offices.

**Table 1**  
**POs issued between January 2002 and June 2006 for IT supplies**

No. of PO's	Office	User	\$ Amount
16	HQ	DGACM	741,096.42
4	HQ	OCHA	56,779.00
10	HQ	DM	32,809.10
2	HQ	DSS	20,150.00
1	HQ	UNMOVIC	3,532.20
2	HQ	DESA	2,563.00
1	HQ	DPI	219.00
<b>36</b>	<b>Totals for HQ, % overall</b>	<b>44%</b>	<b>857,148.72</b>
32	DPKO	LSD	976,212.07
7	DPKO	ASD	68,518.56
2	DPKO	UNLB	45,097.30
<b>41</b>	<b>Totals for DPKO, % overall</b>	<b>56%</b>	<b>1,089,827.93</b>
<b>77</b>	<b>Overall totals</b>	<b>100%</b>	<b>1,946,976.65</b>

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## IV. AUDIT FINDINGS AND RECOMMENDATIONS

### A. Problems with Receiving and Inspection records

#### No administrative instruction or rule on R&I of purchases

11. The audit revealed that, except for internal procedures followed by TOU/OCSS, no instruction, rule or guideline existed indicating the R&I procedures to be followed for items ordered by the UN and delivered to HQ or field offices. Also, OIOS noted that no instruction had been issued by DM indicating which UN staff should be assigned R&I functions at HQ or field offices, and which duties and responsibilities such staff should perform and be held accountable for.

12. OIOS was informed that the TOU currently acts as the main receiving entity for the UN Secretariat. In OIOS' opinion, TOU should therefore be recognized as such in the instruction. Also, the lack of a formal procedure for the R&I of purchases resulted in the following observed weaknesses:

- a. Delivery records were inconsistently entered in systems maintained by OCSS (ProcurePlus and IMIS) and one maintained by DPKO (Galileo);
- b. Various staff, such as end users and procurement, performed the R&I functions separately, but the two functions were sometimes done by one individual; and
- c. Receiving reports were not systematically prepared.

#### **Recommendations 1 and 2**

##### **DM should:**

**(1) Issue an instruction defining receiving and inspection procedures for all purchases, describing which UN staff should be assigned receiving and inspection functions at HQ and field offices, and indicating the duties and responsibilities such staff should perform and be held accountable for; and**

**(2) State in its instruction that the Transport Operations Unit, Travel and Transportation Section is the main office responsible for receiving purchases delivered at the UN Secretariat, and indicate its structure and responsibilities.**

13. *DM accepted recommendation 1, stating that the Travel and Transportation Section (TTS) will draft general guidelines and procedures on the receiving functions. TTS will provide specific guidelines for the receipt of goods*



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at UN HQ, including the duties and responsibilities of the Section. TTS will request DPKO to provide specific procedures/guidelines, including individual duties and responsibilities, for the receipt of goods at the field offices that are purchased by the field offices and HQ. DM stated that it will recommend Offices away from HQ to similarly establish written procedures for these functions, and that its draft instructions/guidelines will be finalized in the second quarter of 2007. Recommendation 1 remains open pending issuance of the instructions/guidelines by DM.

14. DM also accepted recommendation 2, stating that the draft instructions and guidelines will include details of the responsibilities of the TOU as the main office responsible for receiving goods delivered at the United Nations Secretariat and include the structure and responsibilities of the office. Recommendation 2 remains open pending issuance of the instructions/guidelines by DM.

#### HQ deliveries not recorded by TOU in IMIS

15. Twenty-one receiving records for complete and partial deliveries of 10 POs (out of a total of 77 for the period) were entered by non-TOU staff, 10 records were entered by DGACM, 10 by DPKO and 1 by PS. DGACM ordered mostly toners or printer cartridges, and DPKO's orders were mostly for geographic information system (GIS) equipment, personal computers, plotters, printers and downloads from the internet (such as satellite imagery). However, items downloaded through the internet were not recorded by TOU. According to DPKO's Cartographic Section/LSD, satellite imagery was purchased and downloaded into the Cartographic Section's own computers, and could not possibly be received at TOU.

16. In OIOS' opinion, the instruction to be issued by DM should indicate procedures for the situations described above and for other possible scenarios. OIOS also suggests that a policy be established for the receipt and inspection of these items.

#### **Recommendations 3 to 5**

**DM should ensure that the instruction or guideline defining receiving and inspection procedures indicates:**

**(3) The steps for receiving and recording complete or partial deliveries of purchases, whether ordered for HQ or field offices;**

**(4) That whenever possible, all packages or items for HQ offices are sent to the loading dock, currently located in 3B at the UN Secretariat, for recording by the Transport Operations Unit; and**

**(5) The steps for performing the receiving function for items which cannot be delivered to the loading dock, such as**

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**direct purchases of items downloaded through the internet,  
and recording their receipt.**

17. *DM accepted recommendation 3, stating that the draft instructions/guidelines will define general receiving procedures including the steps for recording complete or partial deliveries of purchases on an organization-wide basis. DM however noted that while TOU is the main office responsible for the receipt of goods delivered at UN HQ, the responsibility of the office is limited to the receipt of goods purchased and delivered through the 3B loading dock. Nevertheless, DM stated that TTS will ensure that the instructions and guidelines will include detailed procedures on the receipt of goods at United Nations HQ based on purchase orders, but not delivered through the 3B loading dock. Recommendation 3 remains open pending issuance of the instructions/guidelines by DM.*

18. *DM accepted recommendation 4, but noted in its acceptance that while TTS will remind the Procurement Service to ensure that the place of delivery on purchase orders for goods indicates the 3B loading dock for HQ purchases, deliveries of online purchases, official vehicles and goods purchased on a blanket or a short form purchase order should be considered as exceptions to the recommendation. Recommendation 4 remains open pending issuance of the instructions/guidelines by DM.*

19. *DM accepted recommendation 5, stating that in its instructions and guidelines, TTS will include a policy designating which staff at HQ will perform the receiving function and record the receipt of items which cannot be delivered at the 3B loading dock. Recommendation 5 remains open pending issuance of the instructions/guidelines by DM.*

Field office deliveries not recorded by TOU

20. Items delivered to field offices are recorded in Galileo by DPKO receiving staff in those offices. In addition, a PS staff member would sometimes record the receipt of items delivered at a shipping point overseas where ownership was transferred to the UN before the items were forwarded to field offices. In OIOS' opinion, as there seems to be no practical way for TOU to record these items, the instruction should also indicate how such receipts should be recorded in the field offices<sup>1</sup>.

**Recommendation 6**

**(6) DM should ensure that the instruction proposed to be issued indicates the procedures for the recording of items delivered at a shipping point overseas where ownership is transferred to the UN before the items are forwarded to field offices.**

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<sup>1</sup> Note: Title may pass from seller to buyer at a shipping point overseas, which may trigger a payment to the seller, but this should be differentiated from the receipt of cargo by the UN at the final destination, such as a field office or mission.

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21. *DM accepted recommendation 6, stating that TTS will request the Procurement Service to provide receiving procedures indicating the steps for recording items delivered at a shipping point overseas which TTS will include in the instruction and guidelines. DM however stated that the inspection function is not the responsibility of TTS. Recommendation 6 remains open pending issuance of the instructions/guidelines by DM.*

Non-restriction of access to the IMIS R&I screens

22. In OIOS' opinion, staff members granted access to the IMIS and Galileo "Update Receipt" screens should only be those performing the receiving function, and only those who could witness the delivery and also count the items at HQ or at field offices. The accurate completion of IMIS screens is necessary, as payments are only made after the completed IMIS screens are reviewed by staff of the Accounts Division, OPPBA.

23. At HQ, the receiving function is assigned to TOU because items are usually delivered at its 3B office, where authorized TOU staff generates receiving reports once deliveries are recorded. However, supplies are sometimes erroneously sent to user offices, where staff members could complete the "Update Receipt" screens without preparing receiving reports if they have access to IMIS.

24. Access to the IMIS "Update Receipt" screen is normally granted to any staff member from a user office upon submitting a request to the Information Technology Service Division (ITSD) using form ITSD.4 (Network Application User Registration Form). This form is normally approved by ITSD and the applicable UN office, including the staff member's Executive Office. In OIOS' opinion, because of the importance of the receiving function, access to the "Update Receipt" screen in IMIS should only be available to authorized staff.

**Recommendation 7**

**(7) DM should ensure that the instruction proposed to be issued states that access to the IMIS receiving screen is restricted to only the Transport Operations Unit or other authorized staff so that non-authorized staff would have read-only access to this screen.**

25. *DM accepted recommendation 7, stating that the ITSD has confirmed the feasibility of the recommended restrictions in IMIS, and the restriction will be stated in the instructions/guidelines. DM also stated that staff members who perform the "inspection for payment" function will be able to determine if the "update receipt" function has been performed. Recommendation 7 remains open pending issuance of the instructions/guidelines by DM.*

Entering receiving information in both ProcurePlus and IMIS

26. TOU staff entered similar receiving information in both ProcurePlus and IMIS. OIOS queried whether the ProcurePlus record, which is entered first, was

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copied or integrated into IMIS to avoid the unnecessary procedure of entering the same record twice. The Chief of TOU indicated that there were discussions among the parties concerned to merge the two systems but due to technical difficulties no solution was found. Also, IMIS did not have the report generating and inventory control capabilities that ProcurePlus had. In OIOS' opinion, OCSS should determine whether it is necessary to enter the same receiving information into both ProcurePlus and IMIS, since the IMIS record is more important because all payments are made through IMIS.

### **Recommendation 8**

**(8) DM should ensure that the requirement for recording the receipt of goods and services into a single system becomes part of the planned ERP system.**

27. *In principle, DM agreed that receiving information should be recorded in only one system. However, ITSD does not have access to the source code of ProcurePlus and therefore does not have the ability to create data exports to or from ProcurePlus, which renders impossible the creation of a seamless interface between the two systems. DM stated that the Procurement Service agreed with this assessment and that the recording of the receipt in a single system will be part of the requirements of the new ERP system. Recommendation 8 will remain open pending evidence of inclusion in the requirements of the new ERP system by DM.*

#### Access to both R&I screens

28. Some staff that had entered records through the IMIS "Update Receipt" screen had also made entries on the IMIS "Update Inspection" screen. In reply to a query, the Chief of Software Solutions Service, ITSD said that access to these screens is granted as one user package. Therefore, any staff member granted access to the "Update Receipt" also has access to the "Update Inspection" screens in IMIS even though these are two separate administrative actions.

29. The current controls for the R&I functions were established to ensure that both functions were separated to provide adequate segregation of duties. In OIOS' opinion, no staff member should be allowed to perform both the receiving and inspection functions, and therefore no person should be granted access to both the "Update Receipt" and "Update Inspection" screens in IMIS. Any person able to access both screens could, for example, fraudulently change the number of items received to correspond with the number of items inspected without reflecting the items actually received and inspected.

### **Recommendations 9 and 10**

**DM should ensure the instruction states, whenever possible, that:**

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**(9) Only authorized staff members are designated to perform the receiving and inspecting functions separately in IMIS; and**

**(10) Access to the IMIS “Update Inspection” screen is not given to staff members who already have access to the IMIS “Update Receipt” screen or conversely except (b) until local offices obtain direct access to R&I functionalities in IMIS or the replacement ERP and (a) when software programmes or licenses are downloaded through the network or the internet and the user office is paired with a centralized service like ITSD.**

30. *DM requested a reconsideration of OIOS’ original recommendations because of delays in the recording of R&I certifications during their implementation. DM agreed in principle that only authorized staff members should be designated to separately perform the R&I functions. The designation did not, however, automatically translate into the need to restrict access in IMIS for staff members who have the substantial responsibility for these actions but who do not have access to IMIS. This is particularly true in the case of shipments to field missions where DPKO staff at HQ record actions in IMIS to reflect those taken by authorized R&I staff in the field.*

31. *DM also explained that until local offices obtain direct access to R&I functionalities in IMIS or in the replacement ERP, the requirement limiting access to R&I actions in IMIS by the same person should be waived in the case of DPKO staff whenever goods are delivered outside UN HQ, since the recording of both actions in IMIS by one person would not depart from the “segregation of duty” requirement OIOS has accepted this explanation but has asked DM to provide documentation to OIOS when direct access has been provided.*

32. *In the procurement of software programmes or licenses which are downloaded through the network or the internet, the R&I update has typically been done by the requisitioning office. In these cases the user office should be paired with a centralized service like the ITSD to validate the R&I actions respectively as they relate to software but not tangible IT supplies. This would also facilitate the follow-up of certifications required when paying invoices for the downloaded software. OIOS has accepted this explanation but reiterates in Recommendation 10 above that the user office must be paired with ITSD in order to validate the R&I actions in IMIS.*

33. *DM also noted that in all other situations, the “Receipt” action is updated by the DM’s TOU and the “Inspection” action is updated by the requisitioning department; the segregation of duty is therefore not only made between individuals but also between offices.*

34. Recommendation 9 will remain open until OIOS is advised of measures taken by DM to ensure only authorized staff members are designated to perform the R&I functions in IMIS. Recommendation 10 incorporates DM’s comments as discussed in para. 30 to 32 and will remain open pending DM’s confirmation



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that local offices have obtained direct access to R&I functionalities in IMIS or in the replacement ERP and the implementation thereof by DM; and that the user office is paired with a centralized service like ITSD, which will validate the R&I actions in IMIS.

### **B. Incomplete audit trail**

35. During the analysis of records in ProcurePlus and IMIS, OIOS was unable to find the ProcurePlus receiving information in IMIS and also could not verify and reconcile the receiving records in both systems. IMIS does not have the functionality of generating a receiving report; in addition, it lacks a complete audit trail from the recording of R&I information. For example, during the reviews of records for purchase order PG11726, the number of R&I dates in one view), did not match the number of R&I dates in another. The Chief of Software Solutions Service, ITSD confirmed that there was no full audit trail for deliveries in IMIS and stated that an IMIS enhancement has been developed and is currently being tested to maintain the history of each receipt and inspection.

#### **Recommendation 11**

**(11) DM should ensure that the IMIS enhancement currently being tested for maintaining the history of each receipt and inspection is implemented as soon as possible.**

36. *DM accepted recommendation 11 stating that the ITSD enhancement was completed and was waiting testing with the date still to be determined.* Recommendation 11 remains open pending implementation of the IMIS enhancement.

### **C. No Receiving and Inspection report**

37. At DGACM, receiving reports were prepared by TOU staff in ProcurePlus for three out of the five IT supply purchases delivered at HQ; it therefore appeared that items for two of the purchases were sent directly to the user office, IMTU, instead of 3B. At IMTU, the staff member who recorded the receipt of the items sent directly to the unit did not print a receiving report as she had no access to ProcurePlus. In OIOS' opinion, DGACM should ensure that all deliveries for its HQ purchases are only received at 3B (except for purchased items which cannot be delivered such as downloads, UN vehicles, etc.), and those erroneously sent to its office should be forwarded to 3B so that the receiving function can be properly performed by TOU.

#### **Recommendation 12**

**(12) DGACM should issue an instruction requiring that all deliveries for its HQ purchases are received at 3B, except for items which cannot be delivered at 3B such as software downloads and UN vehicles, and that those erroneously sent to its office be forwarded to 3B so that the receiving function**

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**could be properly performed by the Transport Operations Unit.**

38. *DGACM accepted and has already implemented recommendation 12.* Based on the action taken, recommendation 12 is closed.

39. OIOS' analysis revealed that one item included in a field office inventory was actually found at HQ, having recently been sent from Burundi for repair. OIOS found that the CPU base unit (bar code NUB 003126) was being kept at DPKO's Cartographic Section at HQ reportedly due to a defective power supply or other problem identified by the staff. No record of this transfer was found in Galileo and no receiving report was prepared for this transfer. OIOS also noted that the unit is still recorded as currently located at the UN offices in Burundi.

40. In OIOS' opinion, although this appears to be an isolated case, DPKO should always be able to monitor and track the location and condition of each item included in its field office inventories. For this situation, a receiving report indicating the transfer of the item should have been prepared showing the current location and status of the CPU unit, with an explanation indicating why it was moved from the field office to HQ.

**Recommendation 13**

**(13) DPKO should prepare a receiving report identifying precisely what was transferred by UN offices in Burundi to HQ and indicate why the item was sent.**

41. *DPKO accepted recommendation 13 and has already implemented it.* Based on the documents provided to OIOS, recommendation 13 is closed.

**D. Review of invoices before payment**

42. Of five purchases ordered by DGACM for the period under audit, OIOS noted one case (PG17590 for \$130,220) wherein printer toner cartridges were originally paid for without being received. There was reportedly no space in DGACM's offices to keep the items once they were delivered. This was an isolated case which was resolved and DGACM told OIOS that it would remind its certifying officers and staff to exercise greater care and diligence when certifying, signing and processing invoices for the payment of supplies. Since November 2005 new procedures have been implemented to improve the purchase of IT supplies, procurement planning and inventory control.

**V. ACKNOWLEDGEMENT**

43. We wish to express our appreciation to the management and staff of DM, DPKO and DGACM for the assistance and cooperation extended to the auditors during this assignment.

## STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	C/O <sup>1</sup>	Actions needed to close recommendation	Implementation date <sup>2</sup>
1	O	DM should issue an instruction defining R&I procedures for all purchases, describing which UN staff should be assigned receiving and inspection functions at HQ or field offices, and indicating the duties and responsibilities such staff should perform and be held accountable for.	2 <sup>nd</sup> quarter 2007.
2	O	State in its instruction that the Transport Operations Unit, Travel and Transportation Section at 3B is the main office responsible for receiving purchases delivered at the UN Secretariat and indicate its structure and responsibilities.	Not provided.
3	O	DM should ensure that the instruction or guideline defining R&I procedures indicate the steps for receiving and recording complete or partial deliveries of purchases, whether ordered for HQ or field offices;	Not provided.
4	O	That whenever possible, all packages or items for HQ offices are sent to 3B at the UN Secretariat for recording by the Transport Operations Unit.	Not provided.
5	O	Identify the steps for performing the receiving function for items which cannot be delivered at 3B, such as direct purchases of items downloaded through the internet, and recording their receipt.	Not provided.
6	O	DM should ensure that the instruction proposed to be issued indicates the procedures for the recording of items delivered at a shipping point overseas where ownership is transferred to the UN before the items are forwarded to field offices.	Not provided.
7	O	DM should ensure that the instruction proposed to be issued states that access to the IMIS receiving screen is restricted to only the Transport Operations Unit or other authorized staff so that non-authorized staff would have read-only access to this screen.	Not provided.
8	O	DM should ensure that the requirement of recording the receipt into a single system becomes part of the planned ERP system.	Not provided.
9	O	DM should ensure the instruction states, whenever possible, that only authorized staff members are designated to perform the R&I functions separately in IMIS.	Not provided.
10	O	DM should ensure that access to the IMIS "Update Inspection" screen is not given to staff members who already have access to the IMIS "Update Receipt" screen or conversely except (b) until local offices obtain direct access to R&I functionalities in IMIS or the replacement ERP and (a) when software programmes or licenses are downloaded through the network or the internet and the user office is paired with a centralized service like ITSD.	Not provided.
11	C	DM should ensure that the IMIS enhancement currently being tested for maintaining the history of each receipt and inspection is implemented as soon as possible.	No action required.
12	C	Recommendation implemented.	No action required.
13	C	Recommendation implemented.	No action required.

1. C = closed O = open

2. Date provided by the auditee in response to recommendations.