Administrative Files
Administrative Office
Finance - FIN/002
Auditing and Inspection

30/08/1972 - 09/02/1973

PLEASE RETAIN
ORIGINAL ORDER

Clear N.H.L. 31/12/08

UN ARCHIVES
SERIES S-0685
BOX 6
FILE 7
ACC. DAG 13/2.2.1.0

WK/Bm

22 November 1972

UNCURK/72-22

Mr. A. H. Gebadun
Principal Secretary
UNCURK

Robert J. Ryan
Assistant Secretary-General
Office of General Services

ASG Survey UNCURK/UNRWA

1. Since its inception by the Secretary-General in 1962 the Administrative Management Service (ASG) in the United Nations has been reviewing the various offices and departments of the UN as well as the regional economic commissions.

2. In agreement with the Director of ASG we have tentatively agreed to start the on-the-spot review of UNCURK/UNRWA on 24 January 1973 and have set 31 January 1973 as the target date for finishing the on-the-spot survey.

3. The ASG Representative visiting your Mission will be Mr. S. Parker.

4. The purpose of this in-depth review is to study the administrative and management practices of the Mission, especially manpower utilization and deployment within the context of the overall operation.

5. During the survey the Management Representative will be meeting with staff members at all levels, and in view of the importance of this review, I know I can rely on all staff members to co-operate fully with Mr. Parker.

6. Whilst every effort will be made to interview a reasonable number of the mission personnel during the survey it will be impossible to interview each one. However, should any staff member desire to see the Management Representative, he should be encouraged to do so.

7. To the maximum extent possible the Representative will use the missions' documents, reports of information as already prepared and available. We have already given the Representative preliminary briefing here and provided him with some background documentation.

8. It would be appreciated if you could notify all staff of the forthcoming ASG survey and also make the appropriate arrangements regarding pickup at the airport, reservations at a suitable hotel and the provision of clerical assistance on a part-time basis. We shall let you know the final ETA and flight details as soon as possible.

cc: Mr. S. Parker, Rm. 3760
Mr. C. Hungerford, UNCURK

EXTRACT FROM ADMINISTRATIVE REPORT UNCURK NO. 6 DATED 9 FEBRUARY 1973

UNCURK

10. Internal Audit Observation No. OB7/73 (your 5/13)

..... The observation sheet with our comments is enclosed.

IA.1 (5-67)

UNITED NATIONS NATIONS UNIES

INTERNAL AUDIT SERVICE, New York, New York

TO: Mr. G. Emsley, Chief
Field Operations Service

NO.: G.B. 7/73
SHEET 1 OF 2
DATE: 22 January 1973

THROUGH: Mr. R.J. Ryan, Assistant-Secretary-General,
Office of General Services

N.B. Please return original and one duplicate copy by 7 March 1973 with your comments duly dated and signed.

OBSERVATIONS	COMMENTS
Subject: Audit Observations related to paragraph 3 of Report N.B. 4/73 on the audit and inspection of the United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK) and United Nations Cemetery in Korea (UNCK)	
Personnel	
Employment Contracts	
1. It was noted that Mrs. Jung Jung Ok, switchboard operator, was recruited on 6 August 1972 for a period of three months. Her temporary contract expired on 6 November 1972 but at the time of the audit visit (27 November - 7 December) she was still employed. No formal new contract or letter of appointment was issued and Mrs. Jung Jung Ok was being given a monthly salary under the same terms of the expired contract.	1. The issuance of a new contract to Mrs. JUNG, Jung Ok was delayed due to the particularly heavy workload experienced during November. However an updated contract was issued on 28 November 1972, covering the period 7 November 1972 to 6 February 1973, and forwarded to Headquarters via UNCURK AR 72/48 of 1 December 1972.
2. Under no circumstances should a person be employed by the UN office without a written contract describing the conditions and period of service in existence and signed by both parties.	2. On 6 February 1973, a further contract was issued, covering the period 7 February - 6 May 1973, and forwarded via UNCURK AR 73/6 of 9 February 1973.
It is recommended that an appropriate contract be issued to cover the corresponding period of employment.	
Equipment on loan	
3. A physical check of the office equipment revealed that two electric, desk-type fans were on loan to personnel without properly signed authorizations being issued to the custodian.	3. Action as indicated will be initiated and properly signed authorizations and receipts will be filed.

OBSERVATIONS	COMMENTS
It is recommended that proper written authorization be given to the custodian for equipment to be released on loan. Furthermore, the property records should be supported by receipts from the individuals concerned and such receipts should be renewed every year.	
Pieter C. J. Kien, Director Internal Audit Service	

CONTINUED

13. Internal Audit Observation No. OB7/73

CAO

... Enclosed for your action is a copy of Internal Audit Observation No. OB7/73 dated 22 January 1973.

Please enter your comments as indicated and return as soon as possible.

(A 94 (12-49)) UNITED NATIONS OFFICE OF THE CONTROLLER INTERNAL AUDIT SERVICE

AUDIT NOTE No. _____ Date: 6 December 1

To: Mr. Ahmet Ozbudun, Principal Secretary, UNCURK and Custodian, UNRCK

Office: Seoul, Korea

From Auditor: R. St. Hill

DESCRIPTION OF MATTER RAISED (including amounts involved)	CORRECTIVE ACTION TAKEN, or COMMENTS
ADVANCES RECEIVABLE LOCALLY Certain transactions completed in Won are being set up in the ARL Ledger in Won but written off through a Credit to the dollar side of the ARL. This causes difficulty in identifying items eliminated during the month. It is recommended that entries be recorded in the currency in which the transactions occurred. PETTY CASH There exists no written instructions regarding the operation of the Petty Cash Fund. It is requested that written instructions indicating the types and maximum amount of expenditures which can be made from the Petty Cash Fund be given to the custodian. PROPERTY An examination of property records revealed that inventory cards are not being maintained at UNRCK for each piece of non-expendable property and equipment. It is recommended that inventory cards be maintained showing property's description, source and date of acquisition, cost, UN number, serial number and location.	Suggestions are accepted and will be implemented. Ahmet Ozbudun Principal Secretary
Auditor's Signature	Signature of Head of Office* The original should be retained by the field office and the copy returned to the auditor.

* In case of absence of the Head of Office, the field office is requested to return the copy to the Director, Internal Audit Service, United Nations Headquarters. (The latter may decide to incorporate the content of this note in the audit and inspection report.)

UNITED NATIONS OFFICE OF THE CONTROLLER INTERNAL AUDIT SERVICE

AUDIT NOTE No. _____ Date: 6 December 1

To: Mr. Ahmet Ozbudun, Principal Secretary, UNCURK and Custodian, UNKOK

Office: Seoul, Korea

From Auditor: H. St. Hill

DESCRIPTION OF MATTER RAISED (Including amounts involved)	CORRECTIVE ACTION TAKEN, or COMMENTS
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Auditor's Signature	Signature of Head of Office* The original should be retained by the field office and the copy returned to the auditor.

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(A-14 138-00) UNITED NATIONS OFFICE OF THE CONTROLLER INTERNAL AUDIT SERVICE

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Office: Seoul, Korea

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EXTRACT FROM ADMINISTRATIVE REPORT UNCURK NO. 49 DATED 8 DECEMBER 1972

UNCURK

7. Visit of Auditor (our 48/4)

Mr. R. St. Hill completed his audit of the accounts of UNCURK and UNMOK on 6 December 1972.

UNCURK

4. Visit of Auditor

Mr. Ronald A. St. Hill from the Department of Internal Audit arrived in Seoul on 26 November and is at this time auditing the accounts of both UNCURK and UNMCK.

IA.1 (5-67)

UNITED NATIONS **NATIONS UNIES**

TO: Mr. George Humphries
Administrative and Finance Officer
UN Commission for the Unification and Rehabilitation of Korea (UNCURK)

THROUGH: Mr. George Lansky, Chief
Field Operations Service
Office of General Services

INTERNAL AUDIT SERVICE, New York, New York

NO.: OB. 58/72
SHEET: 1 OF
DATE: 30 August 1972

N.B. Please return original and one duplicate copy by 27 September 1972 19__, with your comments duly dated and signed.

OBSERVATIONS	COMMENTS
Subject: May 1972 accounts of the UNCURK 1. During the audit of the May 1972 accounts we noted the following points: (a) Reimbursement of income taxes to local staff 2. The amounts on DV's 46-6405-1 and 46-6405-2 representing reimbursement of income taxes to the local staff were incorrectly charged to the Salaries account code - C10. It is recommended that the amount being reimbursement of income taxes should be charged to the account 192-01-64 "Income from Staff Assessment". Mission Subsistance Allowance 3. Attached to the Disbursement Voucher 30-05-49 was a form showing the computation of mission subsistance allowance for employees which included amounts under a column named "Variable Element" with which we are unfamiliar. We would appreciate being informed as to the basis of calculation of this "Variable Element" and the authorities involved. A. J. Macy per pro Pieter C. J. Kien, Director Internal Audit Service	2. HQ A/B 76/43, dated 29 October 1970, instructed that, in accordance with advice received from the Office of the Controller, tax reimbursement to the Government of the Republic of Korea should not be charged to staff assessment account 192-01-64 but to UNCURK/UNMCK budgetary allotment C10. However, as recommended, we shall in future charge account 192-01-64 "Income from staff assessment." 3. This form was used at the time Field Service per diems were calculated on the basis of a fixed amount plus a "variable element" according to the post classification of this mission. Since June 1969 however, this variable element ceased to be effective, although we continued to use the old forms. This form will be updated immediately. George A. Humphries Administrative and Finance Officer UNCURK 12 September 1972

IA. 1 (5-67)

UNITED NATIONS NATIONS UNIES

INTERNAL AUDIT SERVICE, New York, New York

TO: Mr. G. Ramsey, Chief
Field Operations Service

NO.: O.B. 7 /73
SHEET 1 OF 2
DATE: 22 January 1973

THROUGH: Mr. R.J. Ryan, Assistant-Secretary-General,
Office of General Services

N.B. Please return original and one duplicate copy by 7 March 1973 with your comments duly dated and signed.

OBSERVATIONS	COMMENTS
Subject: Audit Observations related to paragraph 3 of Report N.R. 2/73 on the audit and inspection of the United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK) and United Nations Command in Korea (UNCK)	
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Employment Contracts	
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3. A physical check of the office equipment revealed that two electric, desk-type fans were on loan to personnel without properly signed authorizations being issued to the Secretariat.	3. Action as indicated will be initiated and properly signed authorizations and receipts will be filed.

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Fleur C. J. Kiem, Director Internal Audit Service	George A Humphries Administrative and Finance Officer UNCURK.