



## INTERNAL AUDIT DIVISION

### REPORT 2015/186

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Audit of information and communications technology operations in the Secretariat of the United Nations Joint Staff Pension Fund

Overall results relating to the effective and efficient management of information and communications technology operations were initially assessed as partially satisfactory. Implementation of eight important recommendations remains in progress.

FINAL OVERALL RATING: PARTIALLY SATISFACTORY

18 December 2015  
Assignment No. AT2015/800/01

# CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. OBJECTIVE AND SCOPE	1 - 2
III. AUDIT RESULTS	2 - 10
A. Strategic planning	3 – 5
B. Regulatory framework	5 - 8
C. Performance monitoring mechanisms	8 - 10
IV. ACKNOWLEDGEMENT	10
ANNEX I      Status of audit recommendations	
APPENDIX I   Management response	

# AUDIT REPORT

## Audit of information and communications technology operations in the Secretariat of the United Nations Joint Staff Pension Fund

### I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of information and communications technology (ICT) operations in the Secretariat of the United Nations Joint Staff Pension Fund (UNJSPF).
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure: (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. UNJSPF was established by the General Assembly to provide retirement, death, disability and related benefits for the staff of the United Nations and other international intergovernmental organizations admitted to membership in the Fund. UNJSPF serves 23 member organizations, with 120,000 active participants and 63,000 beneficiaries. The UNJSPF Secretariat (“Secretariat”) is responsible for the administration and payment of benefits to beneficiaries of the Fund.
4. The Information Systems Management Service (IMSS) of the Secretariat is responsible for: provision and maintenance of ICT systems and services; coordinating the implementation of strategic decisions made by the Information Technology Executive Committee; and providing necessary tools for supporting knowledge exchange and collaboration. The Secretariat allocated \$33.2 million for IMSS in the budget for the 2014-2015 biennium, of which \$8.4 million was for staffing of posts (one D-1, three P-5, seven P-4, ten P-3 and seven General Service).
5. IMSS had outsourced some supporting components of its ICT operations (i.e., those related to infrastructure, application support, project management, help desk, disaster recovery, managed storage, and backup) to a United Nations agency.
6. The majority of applications in use at UNJSPF were hosted in the data centres at Dag Hammarskjöld Plaza data centre (managed by IMSS), the North America data centre in New Jersey, and a data centre in Geneva (both managed by a United Nations agency).
7. The Secretariat used the Information Technology Infrastructure Library (ITIL) and the Projects in Controlled Environments (PRINCE II) as guidelines for ICT service management and project management, respectively.
8. Comments provided by the Secretariat are incorporated in italics.

### II. OBJECTIVE AND SCOPE

9. The audit was conducted to assess the adequacy and effectiveness of the governance, risk management and control processes established by the UNJSPF Secretariat to provide reasonable assurance regarding the **effective and efficient management of ICT operations in the UNJSPF Secretariat**.

10. This audit was included in the OIOS work plan for 2015 in view of the high risks associated with ICT operations.

11. The key controls tested for the audit were: (a) strategic planning; (b) regulatory framework; and (c) performance monitoring mechanisms. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Strategic planning** - controls that provide reasonable assurance that the Secretariat plans its ICT operations in accordance with its business requirements;

(b) **Regulatory framework** - controls that provide reasonable assurance that appropriate policies and procedures: (i) exist to guide the effective and efficient management of ICT operations; (ii) are implemented consistently; and (iii) ensure the availability and reliability of operational information; and

(c) **Performance monitoring mechanisms** - controls that provide reasonable assurance that appropriate performance metrics are: (i) established and appropriate to measure the performance of ICT services; (ii) properly reported on; and (iii) used to manage ICT operations effectively.

12. The key controls were assessed for the control objectives shown in Table 1.

13. OIOS conducted the audit from August to October 2015. The audit covered the period from June 2012 to October 2015.

14. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

### III. AUDIT RESULTS

15. The UNJSPF Secretariat's governance, risk management and control processes examined were initially assessed as **partially satisfactory**<sup>1</sup> in providing reasonable assurance regarding the **effective and efficient management of ICT operations in the UNJSPF Secretariat**.

16. OIOS made eight audit recommendations to address issues identified in the audit. Strategic planning was assessed as partially satisfactory because there was need to: (i) document ICT work plans; (ii) define the ICT service that would be used for business reporting requirements; and (iii) establish the Integrated Pension Administration System (IPAS) co-development agreement and initiate the necessary training. Regulatory framework was assessed as partially satisfactory because the Secretariat needed to: (i) clearly define ICT service delivery agreements for the services provided by IMSS to business users; (ii) assess dependencies between ICT service agreements, service changes and ICT assets; (iii) include service deliverables, expected service targets, cost distribution and required procedures in its third party service level agreements; and (iv) strengthen the ICT project management process using standard templates. Performance monitoring mechanisms were assessed as partially satisfactory due to the need

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<sup>1</sup> A rating of “**partially satisfactory**” means that important (but not critical or pervasive) deficiencies exist in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

for the Secretariat to: (i) revise its ICT key performance indicators to ensure measurability and full coverage of ICT operations; (ii) introduce periodic customer satisfaction surveys; and (iii) define and implement periodic service reviews.

17. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **partially satisfactory** as implementation of eight important recommendations remains in progress.

**Table 1: Assessment of key controls**

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with policies, mandates, regulations and rules
<b>Effective and efficient management of ICT operations in the UNJSPF Secretariat</b>	(a) Strategic planning	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
	(b) Regulatory framework	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
	(c) Performance monitoring mechanisms	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
<b>FINAL OVERALL RATING: PARTIALLY SATISFACTORY</b>					

## A. Strategic planning

### Need to align ICT operational work plans with the ICT strategy

18. The Secretary-General’s bulletin on ICT Boards (ST/SGB/2003/17) requires the development of strategies and plans to ensure the alignment of ICT projects and initiatives with the organizational strategies and requirements.

19. The Secretariat documented its high level ICT strategy in the “UNJSPF strategic framework” for the biennia 2014-2015 and 2016-2017. This strategy defined three main objectives: (i) improve information technology services; (ii) increase information security; and (iii) improve sharing of electronic information with member organizations and beneficiaries. However, the Secretariat did not document tactical and operational ICT annual work plans with priorities, dependencies, required resources, timelines and assigned responsibilities. These plans should include ICT programmes, projects and service activities to accomplish the defined strategic objectives, as well as priorities and resources allocated for their implementation.

20. In the absence of consolidated work plans with defined dependencies, priorities and requirements, ICT resources might not be used efficiently and effectively.

**(1) The UNJSPF Secretariat should develop tactical, operational and unit work plans identifying ICT priorities, dependencies, and required resources.**

*The UNJSPF Secretariat accepted recommendation 1 and stated that the UNJSPF strategic*

*framework contains the Fund's priorities, objectives and programme plan by functional area. The biennial budget complements the strategic framework by specifying the objectives, work plans, projects and required resources for the next biennium. The Secretariat will provide to OIOS its ICT objectives, work plans, and projects, defined to address business requirements. Recommendation 1 remains open pending receipt of the tactical, operational and unit work plans identifying ICT priorities, dependencies, and required resources.*

#### Need to define the ICT reporting service

21. The ITIL professional standard recommends the identification of processes, measures, methods and tools to be used in connection with new or changed services.

22. Until May 2015, the Secretariat used an ICT reporting service (i.e., Cognos business intelligence) to generate reports related to pension entitlements and financial processing activities. The data used by this reporting service was extracted from the legacy systems (i.e., Pensys, Lawson, and Content Management System). In August 2015, with the deployment of IPAS, the legacy systems were discontinued. However, it was not clear which service was going to be utilized by the Secretariat for addressing its business reporting requirements (as previously done with Cognos).

23. Undefined ICT reporting services may prevent management from obtaining reliable data pertaining to its operations.

#### **(2) The UNJSPF Secretariat should define which ICT service will be utilized in conjunction with IPAS to address its business reporting requirements.**

*The UNJSPF Secretariat accepted recommendation 2 and stated that the Fund has developed reporting in IPAS to meet business requirements and is evaluating the business intelligence tools that will be used to enhance its reporting requirements in IPAS. Recommendation 2 remains open pending receipt of ICT service documents (or a business case if a new tool is selected) demonstrating how the UNJSPF Secretariat will address its business reporting requirements.*

#### Need to complete the implementation of the co-development agreement

24. The ITIL professional standard recommends ensuring continuity of ICT operations by assessing and managing the risks that could impact the availability and continuity of critical systems.

25. Since August 2015, IPAS is one of the critical ICT systems supported by IMSS. The adoption of IPAS enabled UNJSPF to automatically process pension entitlements, pension payroll, finance and accounting. IPAS was developed and configured by an external vendor which has retained ownership of the source-code. Therefore, the Secretariat has identified one of the project risks as being related to "unexpected but critical enhancements needed during the post-implementation phase". The Secretariat mitigated this risk by signing a seven-year support and maintenance contract with the vendor of IPAS, and also prepared a co-development agreement to address potential risks arising from long-term dependencies on the external vendor by assigning internal staff to programme development activities.

26. However, the implementation of the co-development agreement needed to be completed with the following elements:

- (i) Formalization of the agreement with the vendor;

- (ii) Definition of the required technical infrastructure;
- (iii) Identification of the staff that should participate in co-development activities; and
- (iv) Development of a training plan for the concerned staff of the Secretariat.

27. Incomplete implementation of the co-development agreement may prevent the Secretariat from addressing the long-term support needs pertaining to IPAS.

**(3) The UNJSPF Secretariat should complete the actions required for implementing the co-development agreement for IPAS.**

*The UNJSPF Secretariat accepted recommendation 3 and stated that the Headquarters Committee on Contracts has approved a modification of the not-to-exceed-amount of the contract with the vendor allowing the Fund to implement co-development agreement. Recommendation 3 remains open pending receipt of: the approved training plan; formalization of the co-development activities with the vendor; and evidence of implementation of co-development infrastructure.*

## **B. Regulatory framework**

### Need to define new service level agreements for ICT operations

28. The strategic framework of the Secretariat emphasized a service-oriented approach to support ICT operations and defined the percentage of “information systems operating at a satisfactory level of support” as one of the key performance indicators. The level of support to ICT operations should have been based on documented service level agreements (SLAs).

29. In 2002, the Secretariat established an SLA with details of the ICT services provided by IMSS (i.e., support for Pensys, Lawson, and Obis). This SLA defined the expected level of ICT services, clarified responsibilities, and provided a basis for assessing the effectiveness of ICT services. However, with the recent deployment of IPAS, all the application systems regulated by the previous SLA had been discontinued. At the time of the audit, UNJSPF was in the process of developing a service catalogue and SLAs for its new ICT services (i.e., IPAS, email, instant messaging, Quickplace, UNJSPF web site, mobile office, Share Point services, WebEx, remote access, and Legal Case Digest). Some of the completed SLAs did not include service level targets, service reporting, scheduled and agreed interruptions, customer responsibilities (i.e., security), and escalation and notification processes.

30. The absence of adequate SLAs for critical ICT systems and operations of the Secretariat may prevent management from effectively monitoring and achieving its defined operational targets.

**(4) The UNJSPF Secretariat should ensure that the ICT services provided by IMSS to business users include service level targets, measurement specifications, maintenance windows, format and frequency of monitoring reports, user responsibilities (i.e., security), and escalation and notification processes.**

*The UNJSPF Secretariat accepted recommendation 4 and stated that this process is already part of the ITIL project which is nearing completion. Supporting evidence will be provided to OIOS. Recommendation 4 remains open pending receipt of evidence documenting service targets, measurement specifications, maintenance windows, monitoring report specifications, user security responsibilities, and escalation and notification processes.*

Weaknesses in third party service delivery management and service agreements needed to be addressed

31. The ITIL professional standard recommends: (i) considering the dependencies between services and processes during the preparation of agreements with third party providers; and (ii) including the basis for determining charges in the agreements between third parties and the organization.

32. The Secretariat engaged a United Nations agency for operating some parts of its ICT services. There were 23 agreements (i.e., service delivery agreements, business change requests, and projects) concluded by the Secretariat with this service provider. The following weaknesses were noted with regard to these agreements:

- (i) There were no linkages between the service delivery agreements, business change requests and projects to track dependencies and changes.
- (ii) The infrastructure SLA (with an annual cost of \$1.4 million) did not contain an updated list of assets covered in the agreement. It was not possible to identify how the original scope of the SLA had been impacted by the changes introduced with the new requests, projects and the decommissioning of some systems in the Secretariat's ICT infrastructure (i.e., virtual and physical servers, storage, network devices, and software licenses).
- (iii) New projects/tasks were assigned to the service provider in the form of business change requests without detailed requirements for deliverables, due dates, acceptance criteria, pre-requisites, dependencies, and testing details. For example, the Secretariat planned an upgrade of its network infrastructure and engaged the service provider for project management and implementation with two business change requests (costing \$143,420 for "Network migration support-1" and \$55,860 for "Network migration support-2"). The first request included a definition of the deliverables without providing a schedule and acceptance criteria. The second request did not contain any list of deliverables, activities, or description of the requested services and schedule. The invoices received by the Secretariat for these change requests did not provide any details about the items delivered.
- (iv) The service delivery agreement for "business applications support" included several services provided by the service provider for project management, maintenance and support of the Secretariat's applications with an annual recurring cost of \$1.2 million. This agreement covered four groups of applications: mainframe applications; pension interfaces; Extract-Transport-Load (ETL); and web applications. In addition, there were three projects (IPAS data migration project, IPAS legacy interface migration project, and IPAS-ETL architecture and administration project). The cost estimates documented in this service delivery agreement were not clearly attributed to each initiative but rather defined as a pool of funds to be used in a flexible manner.

33. With regard to IPAS, the SLA signed with the vendor for application support did not include: (i) service targets and service performance and usage reports; (ii) description of emergency change procedures; and (iii) limitations and constraints about support services such as number of support hours.

34. The lack of clearly defined service requirements, coverage and dependencies between services, assets and processes may prevent the Secretariat from managing its ICT assets and resources in an effective and transparent manner and also lead to potential inefficiencies in the support of ICT operations.

**(5) The UNJSPF Secretariat should: (i) review its ICT service agreements and business change requests to clearly identify dependencies and overlaps; (ii) update the list of assets covered in the scope of the ICT infrastructure service delivery agreement; and (iii) implement mechanisms to ensure the description of service deliverables, schedules, cost distribution, service targets, service reports, escalation and emergency procedures in service agreements.**

*The UNJSPF Secretariat accepted recommendation 5 stating that the Fund will take action to present this recommendation to the Management Committee of the United Nations agency providing the ICT services for review and possible implementation. Recommendation 5 remains open pending receipt of the: (i) results of the review of UNJSPF ICT service agreements; (ii) updated list of assets covered in the scope of the ICT infrastructure service delivery agreement; and (iii) implementation of mechanisms to ensure the description of service deliverables, schedules, cost distribution, service targets, service reports, escalation and emergency procedures in service agreements.*

#### Need to strengthen ICT project management and system development

35. PRINCE-II recommends using a structured approach to plan and implement ICT initiatives. This approach should include defined objectives with expected performance targets for time, costs, quality, scope, acceptance, benefits and risks. The United Nations Secretariat has developed several standard methodologies and templates to be used in accordance with the value and complexity of ICT initiatives.

36. The Secretariat implemented a series of ICT initiatives which included: (i) migration of email and instant messaging system from Lotus Notes to Exchange; (ii) implementation of ITIL processes in IMSS; and (iii) migration of Quickplace and Lotus Notes applications to the Share Point system. The following weaknesses were identified in the management of these three ICT initiatives:

- (i) Reasons, options, justifications, expected business benefits, timescales, costs, total cost of ownership (including hosting, storage, monitoring, administration, application development, one time and recurring costs), pre-requisites and dependencies of each initiative were not documented;
- (ii) The project organization structure was not documented;
- (iii) Expected targets for time, cost and scope of the projects were not documented in adequate detail. Work packages and expected products, delivery dates and responsibilities were not defined;
- (iv) Issues and risks were not adequately logged and escalated;
- (v) Acceptance criteria were not documented; and
- (vi) Progress/performance reports against the original scope, budget, timeframe and expected cost were not generated.

37. The absence of adequate project controls may prevent the Secretariat from managing its ICT operations in an efficient and effective manner with potential delays and cost overruns.

**(6) The UNJSPF Secretariat should use the standard methodologies and templates developed by the United Nations Secretariat to manage its ICT initiatives and ensure that adequate**

**controls are implemented to define objectives with expected performance targets for time, costs, quality, scope, acceptance, benefits and risks.**

*The UNJSPF Secretariat accepted recommendation 6 and stated that it generally follows PRINCE II for the management of its most complex ICT projects. All IMSS Sections/Units will be instructed to consider the templates developed by the United Nations Secretariat for the management of small-scale projects. The Fund Secretariat will define a “project” classification and use the “project cost” as criteria for selecting the appropriate project management methodology and templates. Recommendation 6 remains open pending receipt of the additional measures put in place by the UNJSPF Secretariat to manage ICT initiatives effectively.*

### **C. Performance monitoring mechanisms**

#### Need to develop reports to monitor the performance of ICT operations

38. The ITIL professional standard recommends the establishment of key performance indicators and measurement methods to monitor and guide the continued improvement of ICT operations.

39. In accordance with the strategic framework of the Secretariat for the period 2014-2015, the following key performance indicators should have been used to measure ICT operations:

- (i) Percentage of information systems operating at a satisfactory level of support; and
- (ii) Percentage increase in compliance levels with the security standard adopted by the Secretariat (ISO 27001).

40. The Secretariat did not have monitoring reports demonstrating the performance achieved on ICT operations and had not established a standard measurement methodology to demonstrate how key ICT performance indicators were quantified and monitored.

41. With regard to the first performance indicator (percentage of information systems operating at a satisfactory level of support) there was: (i) no documented catalogue of ICT services with measurable indicators; and (ii) no definition of what would constitute a satisfactory level of support. Additionally, customer satisfaction surveys had not been conducted to obtain feedback from business users or beneficiaries about the level of ICT services received. Similarly, customer feedback was not collected by the help-desk during the closure of incident tickets and requests for ICT services.

42. With regard to the second key performance indicator (increase in compliance levels with the ISO security standards), the ISO-27001 assessment was still in progress and planned only for a limited scope of ICT systems (IPAS), excluding all other ICT operations.

43. The absence of measurable and clear key performance indicators and reports covering all ICT operations may prevent the Secretariat from effectively monitoring and managing ICT operations in line with the ICT strategy.

**(7) The UNJSPF Secretariat should: (i) revise its ICT key performance indicators ensuring measurability and full coverage of ICT operations; and (ii) introduce periodic customer satisfaction surveys for measuring the level of user satisfaction with the ICT services received.**

*The UNJSPF Secretariat accepted recommendation 7 and stated that it will update the performance indicators defined for IMSS in light of the strategic framework for 2018-19. The revised indicators will be reflected in an updated version of UNJSPF performance monitoring methodology. Recommendation 7 remains open pending receipt of the updated ICT key performance indicators and customer satisfaction surveys for ICT services provided by IMSS.*

#### Need to improve ICT service monitoring

44. The ITIL professional standard recommends establishing a service level manager to: (i) ensure that operational level agreements and underpinning contracts are appropriate for the agreed service level targets; (ii) monitor the service levels provided by ICT operational teams and vendors; and (iii) report on ICT service levels to management.

45. The Secretariat did not clearly assign roles and responsibilities related to ICT service level management. For example, authority and responsibility were not clearly assigned for service tasks related to IPAS, including: (i) overseeing the suitability of operational level agreements, service level agreements and contracts related to IPAS (for example service level agreement between IMSS and the Secretariat, service agreements with the implementing vendor, and service agreements with the infrastructure service provider); (ii) defining service targets; (iii) monitoring service levels against predefined service targets; and (iv) presenting service level reports to management.

46. The Secretariat had not performed a quality review of the service reports received from a United Nations agency which provided information on the ICT services rendered (i.e., hosting and network). In particular, the followings weaknesses were identified in the reports received from the service provider:

- (i) Monthly Share Point service reports contained usage statistics and some availability and performance indicators. However, there was no defined target (i.e., expected service level of performance such as response time) to allow the Secretariat to compare the achieved performance against defined benchmarks.
- (ii) Webmaster service reports included statistics about the type and number of incidents. However, these reports did not include any metrics about the incident resolution times. Additionally, in the Webmaster reports generated for July, August and September 2015, the average number of incidents which were grouped as “miscellaneous” was constantly exceeding the defined benchmark for this category by more than 200 per cent. This significant deviation from the benchmark was not reported as an issue.
- (iii) The monthly “SLA performance measurement” report did not contain any performance indicator about IPAS service. The service performance reports of the systems replaced by IPAS (such as mainframe, Pensys, Obis, and Lawson) were still included in this report which was presented to the Information Technology Executive Committee at its October 2015 meeting. However, IPAS service performance was not included in the documents presented to the Committee.

47. The absence of clear accountability and responsibility for defining and monitoring ICT service targets may prevent the Secretariat from meeting its ICT operational goals.

**(8) The UNJSPF Secretariat should: (i) assign service level managers to its ICT services with defined responsibilities and periodically monitor the achievement of targets; and (ii) review the existing service reports provided by the United Nations agency providing ICT services and include the required targets and constraints.**

*The UNJSPF Secretariat accepted recommendation 8 stating that service level managers will be assigned using ITIL as a reference. The action recommended to implement part (ii) of the recommendation is not under control of the Fund. The Fund will present the recommendation to the Management Committee of the United Nations agency providing the ICT services for review and possible implementation. Recommendation 8 remains open pending receipt of evidence demonstrating: (i) the assignment of service level managers to ICT services; and (ii) results of the review of existing service reports provided by the United Nations agency, including the required targets and constraints.*

#### **IV. ACKNOWLEDGEMENT**

48. OIOS wishes to express its appreciation to the Management and staff of the UNJSPF Secretariat for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja,  
Assistant Secretary-General for Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

### Audit of the information and communications technology operations in the Secretariat of the United Nations Joint Staff Pension Fund

Recom. no.	Recommendation	Critical <sup>2</sup> / Important <sup>3</sup>	C/ O <sup>4</sup>	Actions needed to close recommendation	Implementation date <sup>5</sup>
1	The UNJSPF Secretariat should develop tactical, operational and unit work plans identifying ICT priorities, dependencies, and required resources.	Important	O	Provide the tactical, operational and unit work plans identifying ICT priorities, dependencies, and required resources.	30 September 2016
2	The UNJSPF Secretariat should define which service will be utilized in conjunction with IPAS to address its business reporting requirements.	Important	O	Provide ICT service documents (if Cognos is selected) - or the business case and project documents if a new tool is selected - addressing the UNJSPF business reporting requirements.	30 June 2016
3	The UNJSPF Secretariat should complete the actions required for implementing the co-development agreement of IPAS.	Important	O	Provide the approved training plan; formalization of the co-development activities with the vendor; and evidence of implementation of co-development infrastructure.	31 March 2016
4	The UNJSPF Secretariat should ensure that the ICT services provided by IMSS to business users include service level targets, measurement specifications, maintenance windows, format and frequency of monitoring reports, user responsibilities (i.e. security), and escalation and notification processes.	Important	O	Provide SLAs including service targets, measurement specifications, maintenance windows, monitoring report specifications, user security responsibilities, escalation and notification procedures.	31 March 2016
5	The UNJSPF Secretariat should: (i) review its ICT service agreements and business change requests to clearly identify dependencies and overlaps; (ii) update the list of assets covered in the scope of the ICT infrastructure service delivery agreement; (iii) implement mechanisms to ensure description of service deliverables, schedules, cost distribution,	Important	O	Provide: (i) results of the review of UNJSPF ICT service agreements; (ii) updated list of assets covered in the scope of the ICT infrastructure service delivery agreement; and (iii) implementation of mechanisms to ensure the description of service deliverables, schedules, cost distribution, service targets,	31 May 2016

<sup>2</sup> Critical recommendations address significant and/or pervasive deficiencies or weaknesses 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.

<sup>3</sup> 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.

<sup>4</sup> C = closed, O = open

<sup>5</sup> Date provided by the UNJSPF Secretariat in response to recommendations.

## STATUS OF AUDIT RECOMMENDATIONS

**Audit of the information and communications technology operations in the Secretariat of the  
United Nations Joint Staff Pension Fund**

Recom. no.	Recommendation	Critical <sup>2</sup> / Important <sup>3</sup>	C/ O <sup>4</sup>	Actions needed to close recommendation	Implementation date <sup>5</sup>
	service targets, service reports, escalation and emergency procedures in service agreements.			service reports, escalation and emergency procedures in service agreements.	
6	The UNJSPF Secretariat should use the standard methodologies and templates developed by the United Nations Secretariat to manage its ICT initiatives and ensure that adequate controls are implemented to define objectives with expected performance targets for time, costs, quality, scope, acceptance, benefits and risks.	Important	O	Provide documented evidence of the measures put in place to manage ICT initiatives based on standard methodologies and templates.	31 March 2016
7	The UNJSPF Secretariat should: (i) revise its ICT key performance indicators ensuring measurability and full coverage of ICT operations; and (ii) introduce periodic customer satisfaction surveys for measuring the level of user satisfaction with the ICT services received.	Important	O	Provide updated ICT key performance indicators and customer satisfaction surveys for ICT services provided by IMSS.	30 September 2016
8	The UNJSPF Secretariat should: (i) assign service level managers to its ICT services with defined responsibilities and periodically monitor the achievement of targets; and (ii) review the existing service reports provided by the United Nations agency and include the required targets and constraints.	Important	O	Provide documented evidence of: (i) the assignment of service level managers; and (ii) the results of the review of existing service reports provided by the United Nations agency, including the required targets and constraints.	31 May 2016

# **APPENDIX I**

## **Management Response**

UNITED NATIONS



NATIONS UNIES

UNITED NATIONS JOINT STAFF PENSION FUND  
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MEMORANDUM

Ref:

New York, 16 December 2015

To / A:

Mr. Gurbur Kumar, Deputy Director,  
Internal Audit Division, OIOS

From / De :

Paul Dooley, Deputy Chief  
Executive Officer, United Nations  
Joint Staff Pension Fund

A handwritten signature in black ink, appearing to read 'Paul Dooley', written over the typed name.

Subject / Objet:

**UNJSPF response to draft report audit of information and communications technology operations in the Secretariat of the UNJSPF (Assignment No. AS2015/800/01)**

1. This is in reference to your memorandum dated 2 December 2015, in which you submitted for the Fund's comments and clarifications the draft report on the above-mentioned audit.
2. The Fund secretariat wishes to thank OIOS for its detailed review of its information and communications technology operations.
3. The Fund secretariat response to the audit recommendations is included in Annex I.

cc.: Mr. S. Arvizú, Chief Executive Officer  
Mr. D. Dell'accio, OIOS  
Mr. G. Mallette  
Ms. K. Manosalvas



UNITED NATIONS JOINT STAFF PENSION FUND  
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## ANNEX I

**Management Response**  
**Audit of information and communications technology operations in the Secretariat of the**  
**United Nations Joint Staff Pension Fund**

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNJSPF Secretariat should develop tactical, operational and unit work plans identifying ICT priorities, dependencies, and required resources.	Important	Yes	Deputy CEO	September 2016	<p>The UNJSPF Strategic Framework contains the Fund's priorities, objectives and programme plan by functional area.</p> <p>The biennial budget complements the Strategic Framework by specifying the objectives, work-plans, projects and required resources for the next biennium and reporting on the performance of the previous biennium.</p> <p>To close the recommendation, the Fund secretariat will provide to OIOS its ICT objectives, work plans and projects, defined to address business requirements and aligned with overall UNJSPF longer-term objectives as specified in UNJSPF Strategic Framework for 2018-2019. Further, ICT plans will specify priorities, dependencies and required resources.</p>
2	The UNJSPF Secretariat should define which service will be utilized in conjunction with IPAS to address its business reporting requirements.	Important	Yes	Chief of EAS	June 2016	<p>The Fund has developed reporting in V3 to meet business requirements.</p> <p>The Fund secretariat is evaluating the business intelligence tool that will be</p>

<sup>1</sup> Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

<sup>2</sup> Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

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						used to enhance its reporting requirements in IPAS.  To close the audit recommendation, the Fund secretariat will inform OIOS the tool that has been selected to address its business reporting requirements.
3	The UNJSPF Secretariat should complete the actions required for implementing the co-development agreement of IPAS.	Important	Yes	Deputy CEO	March 2016 (Request for closure)	The Fund secretariat requests OIOS to close this recommendation considering that the Headquarters Committee on Contracts (HCC) has approved a modification of the contract with Vitech to include the co-development agreement. A copy of the HCC minutes and the co-development agreement are attached.  The co-development agreement addresses the actions recommended by OIOS including the identification of relevant staff that would participate in co-development activities and the development of a training plan for the concerned staff of the Fund secretariat.
4	The UNJSPF Secretariat should ensure that the ICT services provided by IMSS to business users include service level targets, measurement specifications, maintenance windows, format and frequency of monitoring reports, user responsibilities (i.e. security), escalation and notification process.	Important	Yes	Chief ITOU	March 2016 (Request for closure)	The Fund secretariat requests OIOS to close this recommendation considering that this is already part of the ITIL process in place and nearing completion by Fund secretariat's staff. Supporting evidence will be separately provided to OIOS audit team.
5	The UNJSPF Secretariat should: (i) review its ICT service agreements and business change requests to clearly identify dependencies and overlaps; (ii) update the list of assets covered in the scope of the ICT infrastructure service delivery agreement; (iii) implement mechanisms to ensure description of service deliverables, schedules, cost distribution, service targets, service reports, escalation and emergency procedures in service agreements.	Important	Yes	Chief ITOU	May 2016	As in the past, the Fund will take action to present this recommendation to ICC Management Committee for review and possible implementation.  To close the recommendation, the Fund secretariat will provide the minutes of ICC Management Committee with the relevant decision.

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6	The UNJSPF Secretariat should use the standard methodologies and templates developed by the United Nations Secretariat to manage its ICT initiatives and ensure that adequate controls are implemented to define objectives with expected performance targets for time, costs, quality, scope, acceptance, benefits and risks.	Important	Yes	Deputy CEO	March 2015	<p>The Fund secretariat generally follows PRINCE II for the management of its most complex ICT projects.</p> <p>To close the recommendation, all IMSS Sections/Units will be instructed to consider the templates developed by the UN Secretariat for the management of small-scale projects that do not require the adoption of a formal project management methodology. The Fund secretariat will define a "project" classification and use the "project cost" as criteria for selecting the appropriate project management methodology and/or templates.</p>
7	The UNJSPF Secretariat should: (i) revise its ICT key performance indicators ensuring measurability and full coverage of ICT operations; and (ii) introduce periodic customer satisfaction surveys for measuring the level of user satisfaction with the ICT services received.	Important	Yes	Deputy CEO, Chief ITOU, Chief EAS and Information Security Officer	September 2016	<p>To close this recommendation, the Fund secretariat will update the performance indicators defined for IMSS Sections/Units in light of the Strategic Framework for 2018-2019.</p> <p>The revised indicators will be reflected in an updated version of UNJSPF performance monitoring methodology.</p> <p>To close the recommendation, the Fund secretariat will use the Helpdesk statistics as indicator of customer satisfaction. These indicators will be periodic reported to ITEC.</p>
8	The UNJSPF Secretariat should: (i) assign service level managers to its ICT services with defined responsibilities and periodically monitor the achievement of targets; and (ii) review the existing service reports provided by the United Nations agency and include the required targets and constraints.	Important	Yes	Chief ITOU	May 2016	<p>(i) To close this recommendation, the Fund secretariat will define service level managers using ITIL V3 as reference. While the Fund does not claim to be certified under this methodology, it follows its spirit.</p> <p>(ii) The Fund secretariat will present this recommendation to ICC Management Committee for review and possible implementation. In the interim, it is</p>

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						suggested this recommendation be closed since it is out of control of the Fund secretariat, with the possibility of inclusion in OIOS audit of overall ICC services.