



INTERNAL AUDIT DIVISION

REPORT 2019/056

Audit of travel management in the Kuwait Joint Support Office

There was a need to strengthen controls over approval of travel requests and to ensure the most economical airfares are obtained, including through applying global discounts

27 June 2019

Assignment No. AP2018/618/01

Audit of travel management in the Kuwait Joint Support Office

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of travel management in the Kuwait Joint Support Office (KJSO). The objective of the audit was to assess the adequacy and effectiveness of travel management services provided by KJSO. The audit covered the period from 1 January 2016 to 31 December 2018 and included processing of travel requests, travel expense reports and travel invoices, and performance monitoring of travel management services and travel contracts.

KJSO signed service level agreements with its client missions and generally implemented provisions relating to travel management services. It also established contracts with travel vendors. However, KJSO needed to strengthen controls over approval of travel requests, provide travel processing staff with access to the Global Distribution System (GDS) and ensure that the most economical airfares are obtained, including through applying global discounts

OIOS made six recommendations. To address issues identified in the audit, KJSO needed to:

- Improve the review and approval of travel requests and payments to ensure they are valid and not duplicated, and periodically identify invalid or duplicate travel payments and initiate recoveries from travelers;
- Ensure the most economical airfares are obtained, including through comparisons of airfares quoted by travel vendors with GDS;
- Ensure consistent use of airfares from GDS in calculating lump sum amounts for entitlement travel;
- Ensure that relevant corporate discount codes on air tickets are applied by vendors; and
- Evaluate travel vendors' performance using performance indicators defined in their contracts.

In addition, UNAMA and UNAMI needed to implement measures to submit approved travel requests to KJSO at least 21 days prior to travel date as stipulated in United Nations travel policy.

KJSO accepted four recommendations and initiated action to implement them. KJSO did not accept the recommendation related to taking appropriate action to ensure the most economical airfares were obtained, stating that it randomly compared vendor-offered prices with GDS. However, KJSO was unable to demonstrate that this control was effective. UNAMA and UNAMI also did not accept the recommendation to submit travel requests to KJSO at least 21 days prior to the travel date stating that while they had taken measures to accomplish this, compliance was a challenge due to various external factors. However, these recommendations aim to encourage more efficient use of travel resources, and the 21-day timeline is also emphasized by General Assembly and included as a key performance indicator being monitored by the Department of Management Strategy, Policy and Compliance. OIOS closed these recommendations based on the Missions' acceptance of the residual risks. The unaccepted recommendations may be reported to the General Assembly in the next OIOS annual report.

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Audit of travel management in the Kuwait Joint Support Office

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of travel management in the Kuwait Joint Support Office (KJSO).
2. KJSO was established in December 2012 as a shared service centre for the United Nations Assistance Mission in Afghanistan (UNAMA) and United Nations Assistance Mission for Iraq (UNAMI) to provide services related to finance and payroll and human resources and travel management. KJSO has also provided travel related services to the Office of the Special Envoy of the Secretary-General for Yemen (OESGY) since 2013, the United Nations Regional Center for Preventive Diplomacy for Central Asia (UNRCCA) since 2014, and the Office of the Special Envoy of the Secretary General in Syria (OESGS) since January 2019. The KJSO Travel Unit is responsible for processing official travel arrangements for United Nations staff, their dependents and other persons authorized by the Organization in accordance with United Nations travel policy.
3. The Travel Unit is headed by a Travel Officer at the FS-6 level who reports to the Chief KJSO and is assisted by two international staff at the FS-5 level and four national staff at the G-5 and G-6 levels. The estimated annual staffing and other costs of the Unit are \$694,870.
4. During the period between 1 January 2016 and 31 December 2018, the Travel Unit processed 19,036 travel requests including 15,804 in Umoja and 3,232 in Field Service Suite and paid \$6,683,990 to travel vendors in airfares.
5. Comments provided by KJSO, UNAMA and UNAMI are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess the adequacy and effectiveness of travel management services provided by KJSO.
7. This audit was included in the 2018 risk-based work plan of OIOS due to operational and financial risks associated with travel management in support of the Missions' mandates.
8. OIOS conducted this audit from November 2018 to March 2019. The audit covered the period from 1 January 2016 to 31 December 2018. Based on an activity-level risk assessment, the audit covered higher and medium risks in travel management, which included: processing of travel requests, expense reports, travel invoices and performance monitoring of travel management services.
9. The audit methodology included: (a) interviews of key personnel, (b) reviews of relevant documentation, (c) analytical reviews of data, and (d) sample testing of 93 trips using a random sampling approach.
10. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Processing of travel requests

Need to enhance review of travel requests to ensure their accuracy and validity

11. Certifying officers and human resources partners are responsible for reviewing staff members' travel requests (TRs) to ensure they are accurately processed in Umoja. The Finance Section is responsible for ensuring that only valid travel entitlements are paid. A review of a sample of travel data in Umoja indicated instances when staff members created duplicate TRs, which were approved and paid. During the audit period, there were 116 trips on similar or overlapping travel dates. A review of 45 of these trips indicated that 22 were duplicated, which resulted in overpayments totaling \$6,493. As of 1 April 2019, KJSO had recovered \$4,843 but \$1,650 was yet to be recovered. Most of these trips were for rest and recuperation travel.

12. This occurred because human resources partners did not always properly review staff members' TRs to confirm their accuracy, including reviewing the travel history of staff members to ensure there were no overlaps. Also, as independent checks of evidence of travel were not required when expense reports were auto approved in Umoja, duplicated payments were not always identified. Additionally, KJSO did not review travel records in Umoja periodically, to ensure they were not duplicated. This led to loss of funds to the Organization.

(1) KJSO should: (i) require human resources partners and finance officers to review the travel history of staff prior to approving travel requests and payments to ensure they are valid and not duplicated; and (ii) review travel requests data in Umoja periodically to identify any invalid or duplicate travel payments and initiate recoveries.

KJSO accepted recommendation 1 and stated that a guideline would be issued to human resources partners, travel and shipment approvers, finance officers and other relevant staff. KJSO commented that it had, in the past, advised human resources partners and travel and shipment approvers to be more diligent when approving TRs and provided guidance to staff on avoiding duplicate TRs and cancelling or deleting them. Recommendation 1 remains open pending receipt of a copy of the guidelines issued and evidence of periodic review of travel requests in Umoja.

Need to ensure selection of most economical and direct routing

13. In general, Travel Processing Officers (TPOs) obtained three quotations for each proposed travel and selected the lowest cost and most direct itinerary. However, there was no evidence that KJSO compared the lowest quoted prices with those in the Global Distribution System (GDS) to determine the reasonableness of airfares. As stated by the erstwhile Office of the Under-Secretary-General for Management, the cost of air tickets was set by airlines and not travel agents and any prices quoted were hypothetical until finally booked. Having to analyze fares from several vendors only added more work to TPOs. Hence, GDS, which incorporates fares from different sources, was a more efficient basis to validate the reasonableness of airfares quoted by vendors. Therefore, there was no assurance that KJSO always obtained the most economical fares. OIOS noted that contrary to the provisions in contracts for travel vendors to provide training and view rights to a minimum of 10 mission employees at no charge, only one out of five travel vendors had provided one TPO with access to GDS.

14. OIOS also noted inconsistencies in the dissemination of travel itinerary changes to all travel vendors and solicitation of airfare quotations. For example:

- A request for quotation (RFQ) clearly indicated a request for an economy class ticket and two vendors responded with quotations for economy class while the third vendor responded with a business class quotation. KJSO explained that this was due to a late request from the client for a change in class of service. However, it was not clear how only one vendor had prior knowledge of the change and submitted a business class quotation;
- A TPO solicited quotations three times in a period of five days until one vendor was 1 KD (Kuwaiti dinar) lower than the original lowest bidder. The TPO explained that the series of RFQs was due to a request from the traveler to change the travel date. However, the audit noted that in the first two RFQs, the winning vendor had quoted a higher price for the changed travel date. In another case, one vendor quoted \$1,272 while the second quoted \$1,369 but the purchase order was issued to the second vendor; and
- Two tickets were booked on afternoon flights costing \$6,308 each, instead of the lowest \$3,020 morning flight. There were no indications that KJSO had engaged with the travelers to explore the opportunity of traveling the following morning.

15. The above occurred because KJSO had not taken adequate steps to identify and mitigate risks associated with the fair selection of vendors and to determine the reasonableness of prices quoted using GDS. As a result, there was no assurance that the best price options were obtained consistently.

(2) KJSO should institute adequate mechanisms to ensure that the most economical airfares are obtained by, inter alia: (i) monitoring and providing proper support and guidance to travel processing officers including access to the Global Distribution System to verify reasonability of airfares quoted by vendors and document such assessments; and (ii) ensuring fair and consistent selection of the lowest priced tickets.

KJSO did not accept recommendation 2 and stated that it already had measures in place to verify the reasonableness of airfares as it randomly compared vendor-offered prices with GDS. Although GDS was the recommended sole benchmark for selecting the most cost-effective tickets, it did not apply to KJSO as vendor-offered tickets had proved more cost-effective when compared to those quoted in GDS, due to competition. To continuously re-confirm the validity of such pricing dynamic, KJSO would maintain its random comparisons between vendor-offered prices and the GDS rates. OIOS noted that comparisons between vendor-offered and GDS airfares were inconsistent and not documented. This unaccepted recommendation is closed and may be reported to the General Assembly indicating management's acceptance of residual risks.

Need for access to GDS and to use it consistently in calculating lump sum amounts

16. According to United Nations Travel and Transport Section's guidelines, TPOs should determine lump sum payments for entitlement travel using GDS. However, as KJSO staff did not have adequate access to GDS, they did not consistently use GDS in computing lump sum payments for home leave, family visit and education grant. OIOS review of 93 travel requests that included 30 requests for lump sum payments indicated that 19 were based on fares received from travel vendors, while 11 were based on GDS. In five cases, the travel vendor provided fares from one airline only. Inadequate management attention hindered consistent calculation of lump sum amounts using GDS. The Travel Officer explained that sometimes assistance of the travel vendor was required as staff did not have the requisite skills and mastery of the use of GDS. However, the skills gap was not addressed.

- (3) KJSO should: (i) ensure consistent use of fares from the Global Distribution System in calculating lump sum amounts for home leave, family visit and education grant travels; and (ii) seek guidance from the Travel and Transportation Section at United Nations Headquarters to address the skill gaps in the use of the Global Distribution System.**

KJSO accepted recommendation 3 and stated that it had been using GDS to calculate lump sum payments since mid-2017, although this practice was not in place for part of the audit period. Also, a vendor had provided GDS training to staff in 2017 and staff regularly used the GDS manual for continuous learning and application. OIOS maintains that in late 2017 and 2018, there were instances of lump sum payments for which GDS was not consistently used. KJSO also did not provide evidence of staff training on GDS. Recommendation 3 remains open pending receipt of evidence of measures implemented to ensure the consistent use of GDS to calculate lump sum amounts for entitlement travel and of staff training on GDS.

B. Processing of travel expense reports

KJSO took action to recover unsettled travel advances

17. A review of Umoja travel data showed that staff members had not submitted expense reports for 114 trips within two weeks as stipulated in the administrative instruction on official travel (ST/AI/2013/3). The delays ranged from 15 days to 1,093 days. Umoja generates a notification to submit an expense report a day after travel is concluded; however, the functionality to automatically recover overdue advances was not fully operational in the audit period due to implementation challenges. As a result, advances totaling \$93,059 had not been adjusted or recovered as at 31 December 2018. Subsequently, KJSO initiated follow-up and recovery of travel advances, which reduced the overdue balance to \$16,002 as of April 2019. KJSO also established periodic review and follow-up mechanisms on outstanding balances. Therefore, OIOS did not make any recommendations on the issue.

C. Processing of travel invoices

Need to reinforce controls on implementation of global corporate discounts

18. The United Nations entered into global corporate agreements with more than 10 airlines that granted corporate discounts ranging from 2 to 15 per cent of ticket prices. UNAMA travel management services contract with five travel vendors require them to book all reservations for official travel at the lowest available fares net of both United Nations corporate discounts and any discounts airlines may offer the agents. However, KJSO did not provide the ticket booking discount codes to the travel vendors, although the global discount information and relevant discount codes were available on the United Nations Travel Unite Connections community site. Therefore, the travel vendors did not apply the discounts when issuing air tickets, which resulted in lost opportunity for cost reduction and loss of resources. For example, during the audit period, KJSO paid \$6,683,990 for tickets issued by seven travel agents including two currently non-active vendors. The estimated 2 to 15 per cent global corporate discount could have generated savings of between \$133,679 and \$1,002,598.

19. In addition, there was no evidence to show that contracting multiple vendors was beneficial to the Organization. In discussing this issue, OIOS was informed that KJSO, after consultation with its client missions, was of the view that maintaining multiple vendors allowed the Organization to obtain the most competitive ticket prices, albeit no evidence could be provided to substantiate this. As indicated earlier, a more effective check on the reasonability of airfares is to benchmark them against published fares in GDS.

(4) KJSO should share relevant corporate discount codes with approved travel vendors and ensure that discounts are applied on tickets issued for United Nations travel.

KJSO accepted recommendation 4 and stated that the corporate discount codes were being applied by two travel vendors and the other three vendors contracted in 2018 were in the process of registering with relevant airlines as a prerequisite to availing corporate discounts. Recommendation 4 remains open pending receipt of evidence that discounts are applied on tickets issued by all vendors.

D. Performance monitoring

Performance evaluations of travel vendors needed improvement

20. The current travel management services contracts were signed in 2018 for three years with options to extend for two additional years. They replaced earlier contracts established with two of the vendors. Performance criteria were defined in the statement of requirements annexed to the contracts and the Procurement Manual required vendors' performance to be assessed annually.

21. The KJSO Travel Unit, as the end-user of the travel services, completed the contractor performance reports using the Procurement Manual template that included evaluation of the vendors' compliance with the contracts; adherence to the scope of work and specifications; and quality of work and material. However, the evaluations were only done when the contracts were being considered for renewal. Also, they did not assess specific responsibilities included in the contracts such as the requirements to provide and maintain the most recent release of GDS, to take all necessary steps to ensure that all United Nations negotiated airline programmes are loaded on the system, and to train TPOs at no charge. Vendors' performance was therefore not adequately evaluated to ensure they were meeting their contractual obligations.

(5) KJSO should take steps to adequately evaluate travel vendors' performance using the performance indicators defined in the contracts.

KJSO accepted recommendation 5 and stated that it would revise the vendor performance report in line with the statement of requirements for use in the next annual vendor review or prior to renewing existing contracts. Recommendation 5 remains open pending receipt of evidence of evaluations of travel vendors' performance using the revised reporting template.

Compliance with 16-days advance ticket requirement needed improvement

22. The travel policy ST/AI/2013/3 requires advance booking and purchase of tickets to be finalized 16 calendar days prior to commencement of official travel. According to the service level agreement between KJSO and client missions, KJSO should issue 98 per cent of tickets for travel at least 16 days prior to travel.

23. Umoja Business Intelligence reports for 2018 showed that KJSO's compliance with the provision to finalize travel arrangements 16 calendar days prior to commencement of travel was not met consistently. This was due to delays from the client missions. Chart 1 shows that on average, clients submitted TRs 9 to 12 days prior to travel departure instead of the required 21 days. Table 1 analyzes the compliance rate of TR submission by the four client missions.

Chart 1. Compliance with 21 days submission of TRs

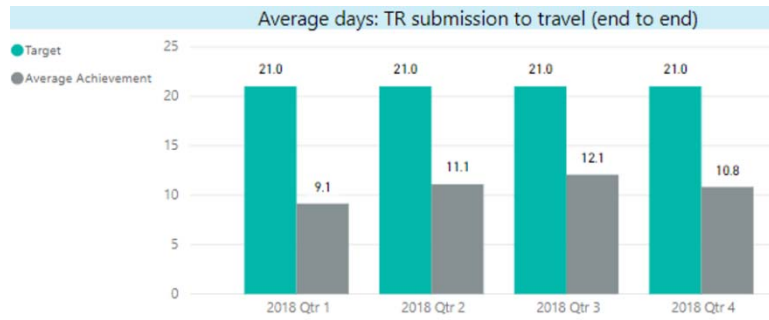


Table 1. Analysis of Mission compliance with 21-day TR submission requirement

Mission	More than 21 days	Less than 21 days
UNAMA	37%	63%
UNAMI	26%	74%
UNRCCA	18%	82%
OSESGY	9%	91%

24. Although TPOs complied with the ticket issuing deadlines when TRs were submitted on time, the low compliance rate with the advance purchase ticket requirement impeded the Organization’s cost savings efforts due not getting the lowest ticket fare. KJSO stated that it held quarterly meetings with its client missions to identify areas for improvements. However, these meetings were not effective in adequately addressing the non-compliance with the 21 days submission of TRs. UNAMA and UNAMI advised that full compliance with the policy could not be achieved because of external factors such as late notifications of events/meetings, emerging crisis and technical problems with Umoja. OIOS noted that all delays could not be attributed to these reasons. For example, in 2018 of the 375 TRs that were not submitted within 21-day timeline, 79 involved training related trips and 119 trips were related to HR entitlement travel such as initial appointments, temporary duty/assignments and separation. OIOS considers that these trips could have been planned in time to comply with the policy requirements.

(6) UNAMA and UNAMI should implement measures to ensure travelers timely submit approved travel requests within the deadlines stipulated by the travel policy.

UNAMA and UNAMI did not accept recommendation 6 and stated that despite measures introduced and resources dedicated by the Missions, full compliance with 21-day travel request submission had not been achieved. There were also several factors outside the Missions’ control preventing them from complying with the provision including political exigencies, operational and logistical challenges, and technical problems with Umoja. UNAMI also stated that inherent organizational obstacles prevented successful implementation including absence of penalties where staff negligence caused delays. Unless the Organization established means and conditions to penalize delays in submission when avoidable, and established clear responsibilities, this issue would be a recurrent item of audit observation.

While acknowledging the issues raised by UNAMA and UNAMI, OIOS notes that the Fifth Committee at its recent meeting (A/C.5/73/SR.28) continued to express concern on the low rate of compliance with the advance purchase policy, particularly regarding travel that could be easily planned by the staff concerned. Accordingly, the Department of Management Strategy, Policy and Compliance (DMSPC), as part of its initial performance monitoring framework introduced with the management reforms, has identified percentage of TRs finalized 16 calendar days in advance of commencement of official travel as one of the key performance indicators for monitoring. Therefore,

both Missions needed to review further measures to increase the rate of staff compliance with this requirement and pursue with DMSPC other interventions that may be necessary to accomplish this. This unaccepted recommendation is closed and may be reported to the General Assembly indicating management's acceptance of residual risks.

IV. ACKNOWLEDGEMENT

25. OIOS wishes to express its appreciation to the management and staff of KJSO, UNAMA and UNAMI for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of travel management in the Kuwait Joint Support Office

Rec. no.	Recommendation	Critical/ Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	KJSO should: (i) require human resources partners and finance officers to review the travel history of staff prior to approving travel requests and payments to ensure they are valid and not duplicated; and (ii) review travel requests data in Umoja periodically to identify any invalid or duplicate travel payments and initiate recoveries.	Important	O	Submission of copy of the guidelines issued and documentary evidence of periodic review of travel requests in Umoja.	30 June 2019
2	KJSO should institute adequate mechanisms to ensure that the most economical airfares are obtained by, inter alia: (i) monitoring and providing proper support and guidance to travel processing officers including access to the Global Distribution System to verify reasonability of airfares quoted by vendors and document such assessments; and (ii) ensuring fair and consistent selection of the lowest priced tickets.	Important	C	Unaccepted recommendation 2 is closed as KJSO accepted the residual risks of non-implementation.	
3	KJSO should: (i) ensure consistent use of fares from the Global Distribution System in calculating lump sum amounts for home leave, family visit and education grant travels; and (ii) seek guidance from the Travel and Transportation Section at United Nations Headquarters to address the skill gaps in the use of the Global Distribution System.	Important	O	Submission of documentary evidence that measures have been implemented for consistent use of GDS to calculate lump sum amounts for entitlement travel and all staff have been provided with trainings on GDS.	31 July 2019
4	KJSO should share relevant corporate discount codes with approved travel vendors and ensure that	Important	O	Submission of documentary evidence that discounts are applied on tickets issued by all vendors.	31 July 2019

¹ 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.

² 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.

³ C = closed, O = open

⁴ Date provided by KJSO, UNAMA and UNAMI in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of travel management in the Kuwait Joint Support Office

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
	discounts are applied on tickets issued for United Nations travel.				
5	KJSO should take steps to adequately evaluate travel vendors' performance using the performance indicators defined in the contracts.	Important	O	Submission of evidence that evaluations of travel vendors' performance using revised vendor performance report have been implemented.	31 July 2019
6	UNAMA and UNAMI should implement measures to ensure travelers timely submit approved travel requests within the deadlines stipulated by the travel policy.	Important	C	Unaccepted recommendation 6 is closed as UNAMI and UNAMA accepted the residual risks of non-implementation.	

APPENDIX I

Management Response



Kuwait Joint Support Office


TO: Ms Muriette Lawrence-Hume, Chief
Internal Audit Division, OIOS

DATE: 20 June 2019

FROM: Jeanine Hennis-Plasschaert, Special
Representative of the Secretary-General
United Nations Assistance Mission for Iraq

REFERENCE: KJSO/OUT/19-29

Tadamichi Yamamoto, Special Representative of
the Secretary-General
United Nations Assistance Mission in Afghanistan

Conrad Lesa, Chief 
Kuwait Joint Support Office

SUBJECT **Response to the draft report on the audit of travel management in the Kuwait
Joint Support Office (Assignment No. AP2018/618/01)**

1. Reference is made to your interoffice memorandum OIOS-2019-618-01 dated 08 June 2019.
2. Under Annex I of this memo, please find attached the joint KJSO/UNAMA/UNAMI comments/responses to the detailed results of the above-mentioned audit.
3. Of the six (6) audit recommendations, KJSO, UNAMA and UNAMI accept four (4), and do not accept two (2).
4. Following a comprehensive internal review of the recommendations, we have identified some factual inaccuracies and/or discrepancies in drawing the audit conclusions for recommendations 2 and 6. Hence, detailed explanations were provided to substantiate such non-acceptance. These explanations have been thoroughly discussed with the Office of the Resident Auditor, Kuwait prior to the release of this audit report.

Kind regards

cc: Mr. Jorge Gonçalves, Chief of Mission Support, UNAMA
Mr. Harish Joshi, Chief of Mission Support, UNAMI
Mr Adityavikram Pachisia, Audit Focal Point, UNMA
Mr Ferdinand Schafler, Audit Focal Point, UNAMI
Mr Rodelito Juan, Audit Focal Point, KJSO
Ms Cynthia Avena-Castillo, Professional Practices Section, IAD-OIOS
Mr Zulfiqar Gill, Chief Resident Auditor, IAD-OIOS

Enclosed

Annex I KJSO, UNAMA, UNAMI management response to the audit recommendations
(DAR AP2018/618/01)

Management Response

Audit of travel management in the Kuwait Joint Support Office

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	KJSO should: (i) require human resources partners and finance officers to review the travel history of staff prior to approving travel requests and payments to ensure they are valid and not duplicated; and (ii) review travel requests data in Umoja periodically to identify any invalid or duplicate travel payments and initiate recoveries.	Important	Yes	Chief Travel Officer	30 June 2019	<p>For both (i) and (ii), based on a recent study and action plan drafted by KJSO on managing open items, a guideline will be prepared and issued to HR partners, mission Travel and Shipment Approvers (TSA), finance officers and other relevant staff. Timeframe: by 30 June 2019.</p> <p>It should be noted, however, that in the past, HR Partners and TSAs have already been requested to be more diligent when reviewing TRs for approval, and to call the staff’s attention, when duplicate TRs are observed. Likewise, staff members at mission level have been informed/instructed on how to avoid duplication and cancel/delete duplicate Travel Requests (TRs). Please refer, for instance, to UNAMA Internal Circular 026/2016 in May 2016 and amended in Feb 2019 with UNAMA Internal Circular 07/2019 on the Certification of Official Business Requests in Umoja.</p>
2	KJSO should institute adequate mechanisms to ensure that the most economical airfares are obtained by, inter alia: (i) monitoring and providing proper support and guidance to travel processing officers including access to the Global Distribution System to verify reasonability of airfares quoted by vendors and document such assessments; and (ii) ensuring fair and consistent selection of the lowest priced tickets.	Important	No	NA	NA	<p>We do not accept the recommendation because we believe we do have measures currently in place that ensure and verify reasonableness of the ticket fares every time a ticket is purchased. With specific reference to recommendation (i) and (ii), since 2017, KJSO Travel has already been using the Global Distribution System (GDS) to randomly check the reasonableness of air fares offered by vendors. All staff in the KJSO Travel Unit have access to the GDS.</p> <p>Although TTS has recommended the use of GDS as the sole benchmark for selecting the most cost-effective tickets, and</p>

¹ 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.

² 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.

Management Response

Audit of travel management in the Kuwait Joint Support Office

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>whilst this may be applicable to ticketing requirements in the UNHQ and the Offices Away from Headquarters, it does not apply to the KJSO situation because the vendor-offered tickets have proven to be more cost-effective when compared to those quoted in the GDS due to the competition created amongst the five vendors (we conduct a mini-procurement process for each and every ticket).</p> <p>However, to continuously re-confirm the validity of such pricing dynamic, KJSO will maintain its random comparisons between vendor-offered prices and the GDS rates. Additionally, KJSO will continue, as it has been doing since 2017, to compare vendor prices against other online sources – Matrix (https://matrix.itasoftware.com) and Skyscanner (https://www.skyscanner.net). Records of such random comparisons will be maintained for future audit purposes. Both websites utilise GDS.</p> <p>Finally, it should also be noted that the above control measures could not be applied to cases with multiple destination itineraries mainly for senior management, where itineraries are constantly changing (even whilst official business travel is in progress) due to various reasons such as visas not issued, security situation changes, change in agenda and overall itinerary. It is suggested that such outlier cases be removed from audit samples due to their irregular/exceptional nature.</p>
3	KJSO should: (i) ensure consistent use of fares from the Global Distribution System in calculating lump sum amounts for home leave, family visit and education grant	Important	Yes	Chief Travel Officer	31 July 2019	We agree and accept the recommendation as best practice and we would like to reiterate that the recommended measure is already in place and will not call for any implementation of recommendation and subsequent follow up. (i) KJSO has been

Management Response

Audit of travel management in the Kuwait Joint Support Office

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	travels; and (ii) seek guidance from the Travel and Transportation Section at United Nations Headquarters to address the skill gaps in the use of the Global Distribution System.					using the GDS to calculate lump-sum entitlements since mid-2017 although, admittedly, it was not the practice prior to that period part of which is the period under audit. This explains why of the 30 lump sum travel requests selected in the sample, 19 were based on travel vendor prices and 11 were on GDS. (ii) the vendor provided GDS training to Travel staff in 2017. Apart from this, Travel staff regularly use the GDS manual for continuous learning and application. KJSO will provide evidence that GDS is consistently applied to calculate lump sum amounts of home leave, family visit and education grant travels.
4	KJSO should: (i) share relevant corporate discount codes with approved travel vendors and ensure that discounts are applied on tickets issued for United Nations travel; and (ii) in consultation with its client missions review the need for the establishment of travel management services contracts with multiple vendors.	Important	Yes/Partial (see (ii))	Chief Travel Officer	31 July 2019	(i) The Global Airline Agreement fares (corporate discount codes) are already being applied by 2 of the travel vendors. The other three which have been contracted by TTS in 2018 are now in the process of being registered with the relevant airlines – a prerequisite for them to avail of the corporate discounts. KJSO will request UNHQ TTS to provide a report as evidence for this issue. (ii) KJSO, UNAMA and UNAMI are of the opinion that it is in the best interest of the Organisation to maintain multiple vendors as this allows us to obtain the most competitive ticket prices and, as such, we do not see the need to undertake such a review.
5	KJSO should take steps to adequately evaluate travel vendors' performance using the performance indicators defined in the contracts	Important	Yes	Chief Travel Officer	31 July 2019	KJSO will revise the vendor performance report in line with the statement of requirements annexed to the vendors' contracts. This will be applied for the next annual review of each vendor or prior to the renewal of their existing contracts, whichever comes first.
6	UNAMA and UNAMI should implement measures to ensure travelers timely submit	Important	No	N/A	N/A	UNAMA reiterates that the recommendation is not acceptable because the Mission has already taken all possible actions to

Management Response

Audit of travel management in the Kuwait Joint Support Office

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	approved travel requests within the deadlines stipulated by the travel policy.					<p>achieve maximum compliance with the 21 days policy. To repeat, the Mission has issued Internal Circulars to all Mission staff on the need to submit a Umoja Travel Request at least 21 days in advance of the planned travel. UNAMA will continue to issue such circulars in future too. This message is also disseminated through the CMS Weekly Bulletin as well to enhance compliance rate. Furthermore, all certifying officers have been advised not to approve Umoja Travel Requests unless they are submitted 21 days prior to the day of travel. In cases, where a timely Travel Request submission is not possible, a valid justification is provided by the traveler. In the absence of a relevant justification, the Travel Request is returned to the traveler. Cognizance should be taken of the fact that there are many circumstances outside of the Mission’s control which prevent it from always being compliant with this provision. For example: (i) the senior leadership gets invited to represent the Organization in important political meetings with key stakeholders at short notice, with some frequency; (ii) there are not many European embassies represented in Kabul, which requires that in some cases staff first travel to a neighboring country to obtain a visa, return to Kabul, and then process travel for participation in the training or conference; (iii) UNHQ organizes trainings/ workshops/ conferences at short notice, or clears nominations for participation very late, which makes it difficult to comply with 21 day policy, etc.</p> <p>UNAMI reiterates that full compliance to the policy remains a challenge due to various external factors that undermine travel planning in field missions. External factors are, but not limited to, UMOJA technical problems requiring HQ troubleshooting, the need to respond to sudden or escalating crises, unavoidable or changing exigencies or initial operational responses, and late</p>

Management Response

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						<p>notifications from UNHQ or UNGSC regarding meetings, workshops or training.</p> <p>UNAMI has acknowledged the need to put in place additional measures to enforce the 16-day advance purchase policy. In this respect, the Mission has reiterated via broadcast to all Staff the mandatory requirement to submit travel requests at least 21 calendar days prior to travel commencement, or provide evidenced justification why travelling staff were not able to meet this deadline. In addition, the Mission has assigned dedicated Travel and Shipment Approvers in the Office of Chief Mission Support to oversee travel issues, including finding solutions to bottlenecks and educating staff members when these submit inappropriate travel requests by walking them through processes and further clarifying regulations, rules and policies.</p> <p>However, it is also important to note that while the Mission has implemented all the above, there are inherent organizational obstacles to implementing measures for the timely submission of TRs, as the relevant administrative instructions fall short in establishing penalty procedures where negligence of staff is the cause of the delay and are avoidable, namely: Certifying Officers within the present TR certification workflow are not in a position to be able to estimate/calculate the difference in the ticket price a delay in submission may incur, if any, have the authority to make the staff member bear/accept to bear that difference when unjustified, or decide whether the increment in ticket price surpasses the benefit of the travel in order to reject the TR altogether.</p> <p>On the other hand and paradoxically, the 2015 Report of the Board of Auditors (A/70/5 Vol 1*) has observed that a sample analysis of information regarding the five routes most</p>

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						<p>commonly flown by UNAMI and accounting for 17 per cent of journeys (10 per cent by value), indicates that most non-compliant flights are purchased at a lower cost than equivalent compliant journeys, depending on the route travelled and the time of year.</p> <p>Unless the Organization establishes means and conditions to penalize delays in submission when avoidable, and establishes clear responsibilities, this issue will be a recurrent item of audit observation. This matter should be addressed at the overall Organizational level and not to UNAMI, UNAMA and KJSO.</p>