



INTERNAL AUDIT DIVISION

REPORT 2014/049

Audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

Overall results relating to the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications were initially assessed as unsatisfactory. Implementation of one critical and four important recommendations remains in progress.

FINAL OVERALL RATING: UNSATISFACTORY

12 June 2014

Assignment No. AR2013/166/01

CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. OBJECTIVE AND SCOPE	1 - 2
III. AUDIT RESULTS	2 - 9
A. Regulatory framework	3 - 9
IV. ACKNOWLEDGEMENT	9
ANNEX I Status of audit recommendations	
APPENDIX I Management response	

AUDIT REPORT

Audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications (DIST) in the Office of the United Nations High Commissioner for Refugees.
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. DIST was responsible for the maintenance, evolution and support of UNHCR's critical information and communication technology (ICT) systems and also undertook planning to meet the organization's new and increasing reliance on information technology through new ICT project initiatives. DIST expenditures on such services for the period from 1 January 2011 to 30 June 2013 were \$91 million.
4. The senior management of DIST comprised a director and three deputy directors for Business Relationship Management, Technical Authority and ICT Operations functions. At the time of the audit in November 2013, two of the three deputy director positions were filled and one was vacant.
5. DIST established a Project Management Office in 2011 with the objective of ensuring transparency, accountability, management and oversight of ICT investments in UNHCR and to support the activities of ICT Governance Board (ICTGB) and ICT Business Owners Committee (ICTBOC).
6. Comments provided by UNHCR are incorporated in *italics*.

II. OBJECTIVE AND SCOPE

7. The audit was conducted to assess the adequacy and effectiveness of DIST governance, risk management and control processes in providing reasonable assurance regarding the **effective management of the planning, delivery and monitoring of information systems services provided by DIST**.
8. This audit was included in IAD's 2013 risk-based annual work plan because of the risks presented by the recent restructuring of DIST and UNHCR's implementation of several significant information system projects.
9. The key control tested for the audit was the regulatory framework. For the purpose of this audit, OIOS defined **regulatory framework** as the controls that provide reasonable assurance that policies, procedures exist, are adequate and are effective in guiding DIST

10. The key control was assessed for the control objectives shown in Table 1.
11. OIOS conducted the audit from September to October 2013. The audit covered transactions processed for DIST between 1 January 2011 and 30 June 2013 aggregating to \$40 million on the Connect and Collaborate infrastructure upgrade project and the very-small-aperture terminal (VSAT) improvement project.
12. 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.
13. The audit team performed the audit work in the DIST office in Geneva and visited the ICT Service Centre in Amman, Jordan. The audit team conducted an in-depth review of documents such as the statements of work, purchase orders, vouchers and related documentation. The audit team met with DIST managers, external consultants and staff members.

III. AUDIT RESULTS

14. The DIST governance, risk management and control processes examined were initially assessed as **unsatisfactory** in providing reasonable assurance regarding the **effective management of the planning, delivery and monitoring of information systems services provided by DIST**. OIOS made 7 recommendations to address issues identified in this audit.
15. The regulatory framework was assessed as unsatisfactory as: (a) the Connect and Collaborate project did not comply with the established ICT project management process, was marked by significant cost overruns (budget doubled from \$25 million to \$48 million), and was behind schedule as regards its implementation; (b) adequate end user support for the Connect and Collaborate project was not in place; (c) one million dollars' worth of slow moving ICT equipment was held in a Geneva warehouse and was thus facing the risk of obsolescence; (d) there was a need to review management of VSAT services as telecommunications equipment valued at \$4.9 million had to be retired before the end of its normal life expectancy; and (e) VSAT bandwidth initially allocated to a number of field offices remained unadjusted despite the downsizing of the operations, resulting in high communication costs. DIST took corrective actions to improve its management of a major vendor who provided consulting services for the Connect and Collaborate project and to review the internet connectivity provided by a Multi-Protocol Label Switching service provider.
16. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **unsatisfactory** as implementation of one critical and four important recommendations remains in progress.

Table 1: Assessment of key controls

Business objective	Key control	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of the planning, delivery and monitoring of information systems services provided by DIST	Regulatory framework	Unsatisfactory	Unsatisfactory	Unsatisfactory	Unsatisfactory
FINAL OVERALL RATING: UNSATISFACTORY					

A. Regulatory framework

Need to ensure that the Connect and Collaborate project is managed in accordance with the established process

17. The ICT Governance Board (ICTGB) was the highest authority in the ICT project governance structure and was composed of directors from the divisions and bureaux and chaired by the Deputy High Commissioner (DHC). It ensured the alignment of UNHCR’s ICT strategy and investments with management and operational needs as well as Global Strategic Priorities. The ICT Business Owners Committee (ICTBOC) comprised deputy directors from the divisions and bureaux and provided a mechanism for structured and coordinated interactions between DIST, other divisions and bureaux on ICT related projects.

18. ICT projects were categorized into three levels: Level 1 (less than \$150,000/duration not more than 3 months/low execution risk and low impact), Level 2 (between \$150,000 and \$500,000/duration not exceeding 9 months/medium execution risk and minor impact) and Level 3 (exceeding \$500,000/duration more than 9 months/high execution risk and major impact). The ICTGB and ICTBOC were involved in the governance of the Level 3 projects and Level 2 projects managed in UNHCR Headquarters.

19. UNHCR had ICT project management governance policies and practices, which required: (a) the ICTGB to review the annual ICT plan for the organization and monitor the ongoing health of the ICT projects portfolio; (b) the mandatory establishment of a Project Steering Committee (PSC) for all Level 3 projects; (c) the conduct of four ICT Project Reviews by the ICT Project Management Office, which was part of DIST, at specific periods during the project cycle; and (d) clarity on the individuals responsible for the management and delivery of the project, including the Project Owner and Project Manager.

20. DIST did not follow these policies and practices in the management of the Connect and Collaborate Level 3 project whose purpose was to upgrade ICT infrastructure. Its scope included an upgrade of the Microsoft Office suite of applications; replacing Novell based email with Microsoft Exchange, standardization of local area network devices and the implementation of Microsoft’s Active Directory Services. DIST presented the Connect and Collaborate project proposal to the ICTGB on 17 June 2011.

21. The shortcomings observed by OIOS were:

- The ICTGB did not periodically monitor the health of the Connect and Collaborate project;
- DIST did not ensure that a PSC was setup for the entire duration of the Connect and Collaborate project. The project manager explained that a PSC comprising of DIST staff members existed in the initial months when the project was conceived, but it lasted only till the end of 2011 and no PSC had functioned since January 2012. Due to the changes in DIST, staff members assigned to the PSC either moved to other functions/duty stations or had left the organization;
- The ICT Project Management Office did not carry out the required reviews of the project. As a result, the progress and likelihood of successful delivery of the project was not periodically ascertained;
- The project owner, who was the Deputy Director (Business Relationship Management) left the organization in January 2013 without handing over of project responsibilities and related documentation to his successor or to the Director of DIST;
- The terms of reference of the project manager, who was an external consultant, were not clear in specifying to whom he would be reporting. In addition, the project manager had to perform a number of functions (such as detailed technical planning) that were outside his terms of reference; and
- The project manager had no access to project financial data or an overview of the budget levels and details, which hindered his ability to effectively manage and utilize the available resources for project management support functions.

22. These project management shortcomings contributed to the increase in the expected total project cost from \$25 million to \$48 million (\$18 million spent so far plus \$30 million estimated by UNHCR to complete the project). Time schedules were not realistic and the project did not achieve its target completion date of 31 December 2013. Only 12 out of about 300 sites were completed by that date. At the time of the audit, there was no revised time frame for the completion of the project.

23. The shortcomings were a result of inadequate supervisory oversight by DIST.

(1) The UNHCR Division of Information Systems and Telecommunications should establish governance arrangements for the Connect and Collaborate project that are consistent with UNHCR ICT project management governance policies and practices.

DIST accepted recommendation 1 and stated that it had established governance arrangements for the Connect and Collaborate (C&C) project consistent with the UNHCR ICT project management with the identification of a new Project Owner, re-establishment of the Project Steering Committee and monthly project reviews. DIST was reviewing the ICT governance policy arrangements and processes. The review was envisioned to be completed by the end of 3rd quarter 2014. Recommendation 1 remains open pending receipt of results of the review of ICT governance policy, arrangements and processes.

Need to ensure that end user support was in place for the Connect and Collaborate project

24. UNHCR rules require that reliable and dedicated system support services should be in place to resolve end users' questions and issues. The development and implementation of ICT projects and the provision of support services are distinct functions that should be entrusted to separate providers. Support services are especially important for ICT projects as weak or inadequate support services would dent user confidence in a system.

25. However, UNHCR did not ensure such a separation of functions for the Connect and Collaborate project. The core team of consultants responsible for the development/implementation of the Connect and Collaborate project was also responsible for the support in the headquarters locations and the pilot sites. These support activities were outside the scope of the project and diverted the attention of the core team from their principal tasks of delivering the solutions. DIST explained that due to the delay in awarding the infrastructure support services contract to a vendor (finalized in September 2013), the core team provided support to the delivered solutions.

26. In terms of the contract, the vendor supported only such UNHCR offices where the new solutions had been implemented and did not support offices that still used legacy products (for instance Novell email). For legacy products, UNHCR provided in-house support services. The risk in such an arrangement was that two teams existed to support the infrastructure during the transition stage: the new vendor supported the new solutions; and the existing internal expertise continued supporting the Novell products. This resulted in additional support costs to UNHCR, not foreseen in the original cost estimates.

(2) The UNHCR Division of Information Systems and Telecommunications should review the end user support requirements for the Connect and Collaborate project and ensure that appropriate arrangements are established.

DIST accepted recommendation 2 and stated that end user support requirements for the Connect and Collaborate project were comprehensively reviewed. A full production support mechanism would be put in place to coincide with the deployment of Connect and Collaborate. Recommendation 2 remains open pending receipt of evidence confirming the establishment of an end user support system for the new infrastructure.

Need to use Connect and Collaborate project equipment stored in the Geneva warehouse

27. UNHCR rules require that procurement of equipment, particularly for ICT operations, should be carefully planned taking into account the high risk of obsolescence and substantial storage/transportation costs. OIOS noted that ICT equipment valued at \$1 million procured for the Connect and Collaborate project in 2012 was held in the warehouse in Geneva. This showed that equipment had been purchased without establishing a firm deployment strategy where it would be put to use in a short period. In addition to the carrying cost there was a risk of the equipment becoming obsolete before the end of its normal life expectancy.

(3) The UNHCR Division of Information Systems and Telecommunications should establish a plan of action to ensure that equipment valued at \$1 million stored in the Geneva warehouse is put to effective use in the first phase of the roll-out.

DIST accepted recommendation 3 and stated that a plan of action was established for depleting the stock in the Geneva warehouse. In February 2014 there were 154 C&C items remaining representing \$1.2 million. As of 22 May, there are 85 items remaining representing \$563,000. DIST expects to further deplete this stock with the on-going deployment of C&C. However, some

stock would be retained as spares to replace faulty parts and for emergency deployments. Recommendation 3 remains open pending receipt of evidence confirming that the stored ICT equipment in the Geneva warehouse has been put to effective use in UNHCR offices with the exception of stock retained as spares to replace faulty parts and for emergency deployments.

Action was taken to improve management of external consultants

28. UNHCR entered into agreements with a number of vendors for the sourcing of ICT skills such as application programming, project management and infrastructure expertise. UNHCR rules require that each sourcing decision should be based on a business case. In order to keep track and monitor sourced services, DIST was required to maintain a record containing the sequential number of the statements of work (SoWs) issued with details such as the purpose, period, scope, deliverables, name of experts, UNHCR supervisor, responsibilities of both parties, payment terms, corresponding purchase orders, and related payment vouchers.

29. A major vendor provided consultancy services to projects such as Connect and Collaborate and development of Focus Phase 2 and was paid \$9 million between 1 January 2011 and 30 June 2013. However, UNHCR did not manage the vendor in an effective manner. OIOS observed that:

- DIST did not prepare a business case for the engagement of the vendor;
- DIST did not maintain a record of the SoWs for the vendor;
- DIST did not maintain systematic records to keep track of SoWs and trace them subsequently;
- Thirty-four purchase orders, relating to the vendor, did not specify the individual consultants responsible to carry out the work; and
- DIST lacked documentary evidence, such as completion reports, to confirm that the vendor delivered the contracted services. For example, in the absence of completion reports, DIST could not confirm service delivery for a payment of \$144,000 for a review of the functions of the Global Service Desk and for payments aggregating to \$750,000 for the development of SharePoint based solutions.

30. Consequently, DIST did not satisfactorily manage the consultants and lacked assurance that they fully provided the contracted services. This was because DIST did not maintain the proper and required documentation relating to contracts and SoWs.

(4) The Division of Information Systems and Telecommunications should put in place an action plan to: (a) ensure that the engagement of consultants is supported by a business case; (b) record all the statements of work established for external consultants in a register, including details of the corresponding purchase orders, vouchers and reference to service delivery; and (c) store all the consultants reports in a dedicated folder.

DIST accepted recommendation 4 and stated that the rationale behind the sourcing of IT skills was specified in Request for Proposal (RFP) and the submission of the frame agreement (FA) to the Committee on Contracts for approval. Engagement of consultants through the FA are initiated with a Statement Of Work (SOW), wherein project context, terms of reference/scope of work are stated. DIST had put in place procedures to ensure that all the statements of work established for external consultants would be recorded in a register with all relevant details including the corresponding purchase orders, vouchers and reference to service delivery. Lastly, DIST administrative unit scans and stores the validated invoices and timesheets in a shared folder. Based on the actions taken by DIST, recommendation 4 has been closed.

Change of satellite-based communications service provider resulted in retiring equipment before the end of its normal life expectancy

31. In the absence of reliable internet service providers in a number of countries where major assistance and protection programmes are being implemented, VSAT remains the only source of communication for telephony and running of core web-based applications like MSRP, Focus and email. In 2006, UNHCR entered into a five-year contract with a private company for the procurement of VSAT services for 50 field offices. At the time of the audit, 160 field offices used VSAT connectivity.

32. DIST initiated a project in December 2010 for increasing the bandwidth available to field offices for accelerated internet browsing through the VSAT network. This project was started nine months before the end of the contract with the VSAT service provider. DIST presented a waiver of competitive bidding proposal to the Committee on Contracts (CoC) for the procurement of new equipment for \$3.6 million that would serve to sustain the infrastructure until 2015. According to the presentation, the bandwidth upgrade project was to start and end in 2011. In addition to this initial cost, the annual variable costs would increase from about \$2 million to \$2.5 million from 2011. DIST explained to the CoC that a new request for proposal (RFP) would be floated in the second half of 2011 to decide a new service provider.

33. A review of these arrangements indicated that:

- The RFP process was delayed and a new vendor was selected only in 2013 with effect from 1 January 2014.
- With the change of the service provider and change of technology, equipment valued at \$3.6 million (purchased for the upgrade in 2011) could not be used anymore and thus needed to be retired about 3 years before the end of its normal life expectancy; and
- UNHCR added 48 new sites between 1 January 2011 and 31 October 2013 to the existing VSAT network. The estimated cost of the new equipment added to these sites was over \$1.3 million. This equipment was retired before the end of its normal life expectancy.

34. UNHCR failed to consider options to dispose of the decommissioned equipment valued at \$4.9 million in a timely manner.

(5) The UNHCR Division of Information Systems and Telecommunications should carry out an assessment of the written down value of equipment retired before the end of its useful life and initiate appropriate disposal action.

DIST accepted recommendation 5 and stated it would coordinate with all Field Offices holding such assets in line with the Asset Management policies and year-end closure deadlines. The list of such equipment would be prepared and shared with external agencies for sale/disposal. Recommendation 6 remains open pending confirmation: (a) that the net book value of all the decommissioned VSAT equipment has been accurately assessed; and (b) of the sale of the equipment and receipt of appropriate consideration.

Need to monitor the actual bandwidth utilization by field offices

35. UNHCR guidelines required that DIST should allocate bandwidth to field offices after a needs assessment. The primary variables for this assessment include the size of the office (or the number of staff members/other personnel working there), the devices connected to the network and other services used by the office such as video conferencing. UNHCR field offices were categorized into eight bandwidth groups and were billed accordingly. DIST needed to monitor utilization to ensure that bandwidth adjustments were made so that UNHCR offices used communication channels efficiently and economically.

36. A review of the arrangements in UNHCR indicated that:

- There were inconsistencies in the allocation of bandwidth. For instance, field office Mbandaka, in the Democratic Republic of Congo with one staff member, had the same bandwidth as the field office Goma in the Democratic Republic of Congo with 45 staff members. Similarly, the field office Ulyankulu in Tanzania with three staff members had the same bandwidth as the field office Kasulu in Tanzania that had 35 staff members. The cost of providing VSAT services to each of these offices was \$56,000 per year. There was no evidence that the original bandwidth allocations were made after a proper needs assessment.
- UNHCR lacked an effective monitoring control to ensure that bandwidth adjustments were carried out as required. The review of a report provided by the DIST office in Amman on the top 100 sites by bandwidth utilization indicated that about half of them were not utilizing the bandwidth they paid for.

37. DIST clarified that its monitoring was restricted to incidents such as outages and other technical snags that were dealt with by a small team of two persons for follow-up and resolution. Furthermore, DIST officials explained that the contractual terms with the vendor were such that every change request (such as a reduction or increase to bandwidth) cost \$3,500 and took a few days to implement. This was attributed to lack of resources to conduct the required monitoring.

(6) The UNHCR Division of Information Systems and Telecommunications should establish and implement a plan of action to: (a) ensure that the required needs assessment is conducted prior to bandwidth allocation so that the bandwidth matches operational requirements; and (b) reallocate resources internally to enable effective monitoring of bandwidth use by field offices.

DIST accepted recommendation 6 and stated that it was actively working with the provider to

ensure that the necessary monitoring and control mechanisms are put in place to allow efficient use and reallocation of the VSAT bandwidth. Recommendation 6 remains open pending receipt of evidence that: (a) the allocation and modification of the bandwidth matched operational requirements of field offices; and (b) monitoring of bandwidth was being systematically done.

Action was taken to review the cost effectiveness of the Multi-Protocol Label Switching services contract

38. UNHCR rules required that the cost and quality of services provided by outsourced providers be periodically assessed to ensure their cost-effectiveness. This was very important for ICT services where technology was constantly improving.

39. Over 60 UNHCR field offices used the Multi-Protocol Label Switching (MPLS) services provided by a vendor for internet connectivity. UNHCR offices in Western and Eastern Europe, Asia Pacific, Middle East and North and South America used the MPLS link for internet connectivity. The monthly invoice from the vendor was in excess of \$200,000. However, DIST officials explained that though the vendor services were always assured and reliable, the cost was quite high. They also explained that in most of these countries, reliable local internet service providers existed whose billing rates were competitive.

40. As an example of potential cost savings, OIOS noted that the UNHCR Branch Office in Amman paid \$9,000 per month to the MPLS vendor. However, the ICT Service Centre in Amman paid only about \$1,000 a month for internet services provided by another commercial provider for the same bandwidth. This represented potential savings of \$8,000 per month in one office. Due to failure to monitor MPLS contracts, DIST had not given appropriate consideration to improvements in quality and falling cost of technological services.

(7) The UNHCR Division of Information Systems and Telecommunications should assess the cost effectiveness of using Multi-Protocol Label Switching contracts and where appropriate select more cost effective alternative internet service providers.

DIST accepted recommendation 7 and stated that of the 60 locations, 59 have already been transitioned off MPLS to ISP connections. Only Damascus remains on the MPLS network as reliable alternative ISPs are limited in Syria. Based on action taken by DIST, recommendation 7 has been closed.

IV. ACKNOWLEDGEMENT

41. OIOS wishes to express its appreciation to the Management and staff of UNHCR 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 planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

Recom. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	The UNHCR Division of Information Systems and Telecommunications should establish governance arrangements for the Connect and Collaborate project that are consistent with UNHCR ICT project management governance policies and practices.	Critical	O	Receipt of results of the review of ICT governance policy, arrangements and processes.	30 September 2014
2	The UNHCR Division of Information Systems and Telecommunications should review the end user support requirements for the Connect and Collaborate project and ensure that appropriate arrangements are established.	Important	O	Receipt of evidence confirming the establishment of an end user support system for the new infrastructure.	Date not provided
3	The UNHCR Division of Information Systems and Telecommunications should establish a plan of action to ensure that equipment valued at \$1 million stored in the Geneva warehouse is put to effective use in the first phase of the roll-out.	Important	O	Receipt of evidence confirming that the stored ICT equipment in the Geneva warehouse has been put to effective use in UNHCR offices with the exception of stock retained as spares to replace faulty parts and for emergency deployments.	30 September 2014
4	The Division of Information Systems and Telecommunications should put in place an action plan to: (a) ensure that the engagement of consultants is supported by a business case; (b) record all the statements of work established for external consultants in a register, including details	Important	C	Action taken	Implemented

¹ 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.

² 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.

³ C = closed, O = open

⁴ Date provided by the UNHCR Division of Information Systems and Telecommunications in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

Recom. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
	of the corresponding purchase orders, vouchers and reference to service delivery; and (c) store all the consultants reports in a dedicated folder.				
5	The UNHCR Division of Information Systems and Telecommunications should carry out an assessment of the written down value of equipment retired before the end of its useful life and initiate appropriate disposal action.	Important	O	Confirmation: (a) that the net book value of all the decommissioned VSAT equipment has been accurately assessed; and (b) of the sale of the equipment and receipt of appropriate consideration.	30 September 2014
6	The UNHCR Division of Information Systems and Telecommunications should establish and implement a plan of action to: (a) ensure that the required needs assessment is conducted prior to bandwidth allocation so that the bandwidth matches operational requirements; and (b) reallocate resources internally to enable effective monitoring of bandwidth use by field offices.	Important	O	Receipt of evidence that: (a) the allocation and modification of the bandwidth matched operational requirements of field offices; and (b) monitoring of bandwidth was being systematically done	30 September 2014
7	The UNHCR Division of Information Systems and Telecommunications should assess the cost effectiveness of using Multi-Protocol Label Switching contracts and where appropriate select more cost effective alternative internet service providers.	Important	C	Action taken	Implemented

APPENDIX I

Management Response

Management Response

Audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNHCR Division of Information Systems and Telecommunications should establish governance arrangements for the Connect and Collaborate project that are consistent with UNHCR ICT project management governance policies and practices.	Critical	Yes	CIO & Dir. DIST	On-going to C&C project closure	The Division of Information Systems and Telecommunications (DIST) has established governance arrangements for the Connect and Collaborate (C&C) project consistent with the UNHCR ICT project management with the identification of a new Project Owner, re-establishment of the Project Steering Committee and monthly project reviews. DIST is currently reviewing the ICT governance policy arrangements and processes. The review is envisioned to be completed by the end of 3rd quarter 2014.
2	The UNHCR Division of Information Systems and Telecommunications should review the end user support requirements for the Connect and Collaborate project and ensure that appropriate arrangements are established.	Important	Yes	Chief ICT Customer Services	On-going, end Q2-2014 for initial support model	The end user support requirements for the C&C project have been comprehensively reviewed. A full production support mechanism is being put in place to coincide with the deployment of C&C.
3	The UNHCR Division of Information Systems and Telecommunications should establish a plan of action to ensure that	Important	Yes	Head, ICT Service Centre	Q3-2014	The Division of Information Systems and Telecommunications (DIST) has established a plan of action in

⁵ 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.

⁶ 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.

Management Response

Audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	equipment valued at \$1 million stored in the Geneva warehouse is put to effective use in the first phase of the roll-out.					<p>depleting the stock in the Geneva warehouse. In February 2014 there were 154 C&C items remaining representing 1.2M\$. As of 22 May, there are 85 items remaining representing 563K\$.</p> <p>DIST expects to further deplete this stock with the on-going deployment of C&C. However, some stock will be retained as spares to replace faulty parts and for emergency deployments.</p>
4	The Division of Information Systems and Telecommunications should put in place an action plan to: (a) ensure that the engagement of consultants is supported by a business case; (b) record all the statements of work established for external consultants in a register, including details of the corresponding purchase orders, vouchers and reference to service delivery; and (c) store all the consultants reports in a dedicated folder.	Important	Yes	Dep. Dir ICT Operations, Dep. Dir, ICT Business Relationship Management	On-going	<p>a. The rationale behind the sourcing of IT skills was specified in Request for Proposal (RFP) 375 – Frame Agreements (FA) for IT Business Applications Skills; and further explained in the submission of the FA to the Committee on Contracts (CoC) for approval.</p> <p>Engagement of consultants through the FA are initiated with a Statement Of Work (SOW), wherein project context, terms of reference/scope of work are stated.</p> <p>b. DIST has put in place procedures to ensure that all the statements of</p>

Management Response

Audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>work established for external consultants will be recorded in a register with all relevant details including the corresponding purchase orders, vouchers and reference to service delivery.</p> <p>c. DIST engaged in two types of service contracts, Fixed Cost and Time and Material.</p> <p>Fixed cost contracts are paid based on work delivered and validated by the project managers; while Time and Material are paid based on timesheets validated by responsible staff member.</p> <p>DIST administrative unit scans and stores the validated invoices and timesheets in J drive.</p>
5	The UNHCR Division of Information Systems and Telecommunications should carry out an assessment of the written down value of equipment retired before the end of its useful life and initiate appropriate disposal action.	Important	Yes	Head ICT Service Centre	Q3-2014	<p>The Division of Information Systems and Telecommunications (DIST) will coordinate with all Field Offices holding such assets in line with the Asset Management policies and year-end closure deadlines.</p> <p>The list of such available equipment</p>

Management Response

Audit of the planning, delivery and monitoring of information systems services provided by the Division of Information Systems and Telecommunications in the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						is currently being prepared and will be shared with external agencies.
6	The UNHCR Division of Information Systems and Telecommunications should establish and implement a plan of action to: (a) ensure that the required needs assessment is conducted prior to bandwidth allocation so that the bandwidth matches operational requirements; and (b) reallocate resources internally to enable effective monitoring of bandwidth use by field offices.	Important	Yes	Dep. Dir ICT Operations	Q3-2014	The Division of Information Systems and Telecommunications (DIST) is actively working with the provider to ensure the necessary monitoring and control mechanisms are in place to allow efficient use and reallocation of the VSAT bandwidth.
7	The UNHCR Division of Information Systems and Telecommunications should assess the cost effectiveness of using Multi-Protocol Label Switching contracts and where appropriate select more cost effective alternative internet service providers.	Important	Yes	Dep. Dir. ICT Operations	Complete	Of the 60 locations, 59 have already been transitioned off MPLS to ISP connections. Only Damascus remains on the MPLS network as reliable alternative ISPs are limited in Syria.