



INTERNAL AUDIT DIVISION

REPORT 2018/042

Audit of the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees

There was a need to review and update the mobile and fixed line telephony policy, reinforce controls over the allocation of telecommunication devices and the use of data roaming, set up an appropriate mechanism for timely verification of calls, and address shortcomings in the monitoring of the use of official phones

15 May 2018
Assignment No. AR2017/166/02

Audit of the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess whether the UNHCR Division of Information Systems and Telecommunications (DIST) was managing and overseeing the use of telecommunication devices and telecommunication expenditure control and billing in a cost-effective manner and in compliance with UNHCR's policies. The audit covered the period from 1 January 2016 to 31 December 2017 and included a review of: (a) the regulatory framework over telecommunications; (b) inventory and allocation of telecommunication devices; (c) responsibilities of staff members, supervisors and administration; and (d) contracts with telecommunication service providers.

DIST had established adequate arrangements for monitoring service delivery against contract terms for mobile and fixed line telephony and successfully initiated cost saving measures in mobile telephony which resulted in expenditure reduction in 2017. However, there was a need for DIST to: (a) review and update the UNHCR mobile and fixed line telephony policy; (b) improve controls over the allocation of telecommunication devices; (c) strengthen controls over the use of data roaming; (d) put in place a mechanism for timely verification of calls; and (e) establish effective arrangements for monitoring the use of official phones including recovery of cost for private usage.

OIOS made five recommendations. To address issues identified in the audit, DIST needed to:

- Review and update guidance on use of fixed line and mobile phones taking into consideration the developments in the telecommunication environment, focusing in particular on the provision of efficient, secure and cost-effective communications;
- Strengthen controls over the allocation of telecommunication devices and periodically review the need for mobile phone and data cards, including where reassigned staff members have been given mobile connections or have been allocated multiple devices;
- Put in place procedures for monitoring of usage and subscription optimization and ensure that staff members sign responsible usage forms and are advised to adopt appropriate measures to control costs that may arise due to mobile data roaming services while traveling abroad;
- Review and amend the procedures relating to verification of calls made on UNHCR's mobile phones of the Swiss service provider to ensure that calls that are not verified or certified within a three-month period are treated as private calls and recovery made accordingly, and implement measures to clear the backlog of unverified calls and, in this process, recover any outstanding costs for private calls; and
- Ensure that supervisors verify on a random basis calls made by users, including those which are self-certified in call statements by users, seek the recovery of \$15,142 for private usage identified by OIOS and review the 2016 and 2017 invoices for private use not reported by staff members.

DIST accepted the recommendations and has initiated action to implement them.

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Audit of the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at 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 arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees (UNHCR).
2. Fixed line and mobile telephones are provided to assist UNHCR authorized users in the performance of their official duties and must be used in an efficient, lawful, safe, cost-effective, responsible and ethical manner. UNHCR has a set of policies aimed at creating a framework for effective and efficient use of telecommunication devices to, *inter alia*: provide guidelines for the phone acquisition and acceptable usage; inform UNHCR staff of their rights and responsibilities associated with the use of phone services; and to prevent the misuse of resources.
3. The Division of Information Systems and Telecommunications (DIST) is responsible for ensuring that UNHCR's global operations have access to reliable data and information and communication systems and for ensuring that UNHCR takes advantage of cost effective telecommunications solutions which will facilitate the execution of UNHCR's mandate.
4. Expenditures related to telecommunication (telephone rentals, long distance and local call/messages) amounted to \$11.2 million in 2015, \$12.3 million in 2016 and \$30.0 million in 2017. The increase in expenditures in 2017 followed the consolidation of multiple communications related accounting codes into a single code under the 2017 Chart of Accounts.
5. Comments provided by UNHCR are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess whether DIST was managing and overseeing the use of telecommunication devices and telecommunication expenditure control and billing in a cost-effective manner and in compliance with UNHCR's policies.
7. This audit was included in the 2017 risk-based work plan of OIOS because of the risks associated with inadequate arrangements for the use of telecommunication devices and telecommunication expenditure control and billing which could lead to inadequate tracking, theft or loss of devices, inadequate controls over telecommunication expenditure, and lack of cost efficiency in service delivery by telecommunication service providers.
8. OIOS conducted this audit from November 2017 to February 2018. The audit covered the period from 1 January 2016 to 31 December 2017. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing, which included: (a) adequacy of the regulatory framework for telecommunication; (b) inventory and allocation of telecommunication devices; (c) responsibilities of staff members, supervisors and administration; and (d) review of contracts with telecommunication service providers.

9. The audit methodology included: (a) interviews of key personnel; (b) review of relevant documentation; (c) analytical reviews of data, including financial data from Managing for Systems, Resources and People (MSRP), the UNHCR enterprise resource planning system; (d) testing of issuance procedures for telecommunication devices; and (e) review of itemized bills for telecommunication expenditures.

10. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Regulatory framework

There was a need to review and update the UNHCR mobile and fixed line telephony policy

11. According to Chapter 2 of the UNHCR Manual, DIST is responsible for developing and maintaining a set of Information and Communications Technology (ICT) policies, standards and guidelines designed to establish controls for addressing risks associated with mobile and fixed line telecommunications. UNHCR has issued the following policies on telephony: a ‘Headquarters Mobile Phone and Smart Phone Policy’ and a ‘Field Office Mobile Phone and Smart Phone Policy’, issued in April and December 2010 respectively. UNHCR does not have a separate policy on fixed line telephony.

12. A policy on telecommunications can be instrumental in supporting the systematic planning, development and use of various communication systems and devices. However, DIST had not reviewed the existing policies since their issuance in 2010, although technology had evolved significantly as efficient and cost-effective telecommunication solutions had emerged in a competitive environment. For example, the outdated 2010 policies mentioned the use of a type of telephone which was in vogue at the time the policy was released but no longer extensively in use. The policies also stated that “the use of a mobile phone for accessing the internet is not allowed” which was consistent with the fact that cost of mobile data was very high at the time the policy was released in 2010. However, this was no longer the case and staff were routinely accessing the internet to enable them read emails, download data or attend to other official duties. The monthly data limits mentioned in these policies were in megabytes (MB) and thus no longer relevant. Without regular reviews, the risk is that policies might not remain relevant or accurate and might not meet best practice guidelines. As such, DIST may not be able to take advantage of cost reductions and service efficiencies as a result of new technological upgrades and provision of better services which arise as a consequence of the fast paced developments in the telecommunication industry.

13. The current policy set out procedures to be followed in case of loss or theft of mobile phones. However, additional measures may be required in view of the increased use of mobile devices for accessing proprietary and confidential material such as official email and UNHCR systems. It is necessary that adequate arrangements are put in place to secure potentially confidential information on the devices. This includes establishing passwords, ensuring that idle devices are automatically locked, and remotely locking devices suspected of being left unlocked in an unsecured location. This is particularly important as in 2016 and 2017 there were six instances of loss of a mobile phone at UNHCR.

<p>(1) The UNHCR Division of Information Systems and Telecommunications should review and update guidance on use of fixed line and mobile phones taking into consideration the developments in the telecommunication environment, focusing in particular on the provision of efficient, secure and cost-effective communications.</p>
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UNHCR accepted recommendation 1 and stated that an updated guidance was in early draft and had been included in the “Policy Pipeline” for 2018. Recommendation 1 remains open pending the issuance of the updated guidance on use of fixed line and mobile phones.

B. Inventory and allocation of telecommunication devices

There was a need for improved controls over the allocation of telecommunication devices

14. The UNHCR Headquarters Mobile and Smart Phone Policy states that DIST is responsible for maintaining phone accounts (with its Swiss service provider) for official mobile phones and Subscriber Identity Module (SIM) cards issued at headquarters in Geneva. In field locations, the respective Administration/Telecommunications Unit has this responsibility. Inventory control and adequate oversight at all times is important to help minimize misuse and damage and also prevent theft since staff who have been allocated with a mobile device can only be held accountable for what is in their possession as long as the Organization keeps appropriate inventory records. Phone allocations should be done on the basis of applicable criteria such as: staff who need to be reachable immediately; staff on call; those undertaking frequent or prolonged travel; and those who require accessible communications for operations or decision making duties. Furthermore, staff who have changed their post or duties or left the Organization, including on secondment, should return their official mobile phones. Supervisors should conduct an annual review of the continuing need for phone allocations and authorized use.

15. OIOS reviewed the inventory and allocation of telecommunication devices in Iraq, Argentina, Brazil and Sudan and assessed that adequate arrangements were in place for managing mobile and fixed line phone allocation and inventory. At headquarters in Geneva, as of October 2017, DIST had allocated 532 devices (491 mobile phones/SIMs and 41 data cards). Review of call data and usage disclosed that:

- For 94 mobile phone connections no (or negligible) costs were incurred for calls from November 2016 through to October 2017, indicating in view of the prolonged non-usage that the criteria for allocating mobile connections to the concerned staff members had most likely not been met. UNHCR incurred expenditures of CHF 30,856 (\$33,072) for mobile phone connections to these 94 staff members, for seven months from April to October 2017.
- Of the 47 data cards allocated, only a few recorded noticeable activity, indicating that the allocation of data cards also needed to be reviewed.
- 52 staff members who were either assigned to other duty stations outside of Geneva or had been seconded to other United Nations organizations were still using the UNHCR mobile phone and data card of the Swiss service provider. The requirement to return their devices and SIM cards had therefore not been enforced, leading to avoidable costs to the Organization.
- One staff member was using four mobile SIM/data cards, and four others were using three SIM/data cards. Allocating multiple cards to the same staff member may not be necessary and could represent avoidable cost to the Organization.

16. As a result, UNHCR continued to incur expenditures on mobile phone connections to staff members, where strong functional justification was lacking. This occurred because management had not regularly reviewed zero, under or over usage of mobile communications costs, and had not adequately enforced the UNHCR requirements concerning allocation of mobile devices. Consequently, UNHCR was exposed to the risk of waste of resources and incorrect allocation of devices.

(2) The UNHCR Division of Information Systems and Telecommunications should strengthen controls at UNHCR Headquarters in Geneva over the allocation of telecommunication devices and periodically review the need for mobile phone and data cards, including where

reassigned staff members have been given mobile connections or have been allocated multiple devices.

UNHCR accepted recommendation 2 and stated that additional controls would be put in place. DIST would review all current SIM card allocations from Geneva and recover those not in use or no longer required. Recommendation 2 remains open pending receipt of evidence of strengthening of controls over the allocation of telecommunication devices and review of current SIM card allocations.

C. Responsibilities of staff members, supervisors and administration and telecommunication units

UNHCR needed to strengthen controls over the use of data roaming

17. Roaming charges are legitimate fees that consumers are contractually obligated to pay and represent charges levied when a subscriber travels and leaves the 'home' network area and 'roams' onto the network or coverage area of another provider. As such, when the mobile phones of the Swiss service provider are roaming, it means that the subscribers are able to use their mobile phones outside of the coverage area. The data roaming service charges vary in different countries and regions. Normally, the charges are based on data throughput, and are usually much higher than those of local mobile internet services. In line with these general principles, UNHCR's policy instructions require that staff members take great care in accessing internet and data while roaming, as such charges can be prohibitively high.

18. OIOS review showed that staff members paid little attention to these instructions leading to significant roaming costs, which could and should have been avoided. Many staff members who lived in France incurred substantial data roaming costs, as their telephones switched automatically to French service providers. OIOS reviewed mobile phone bills for the period covered by the audit and highlighted subscribers who incurred excessively high roaming data and calling charges amounting to about CHF 25,762 (\$27,574). Some examples of indiscriminate use of data roaming/internet and mobile costs are noted hereunder:

- Four staff members used data roaming extensively within Europe. Since available data packages were not used, high roaming costs were incurred, aggregating to CHF 11,267 (\$12,055).
- During the period of four months in 2016 (May, June, August and December), a staff member travelled to several locations outside Switzerland and incurred charges of CHF 5,840 (\$6,259) on data roaming.
- One staff member had a mobile phone of the Swiss service provider assigned to him although he was posted to a country in Africa. He spent CHF 1,323 (\$1,415) on data in June 2016, which could have been avoided had an appropriate pack been chosen upfront.
- One staff member was on mission from April 2016 to May 2017, initially in an African country for six of the seven months reviewed, and then in another country on the African continent for one month. Throughout this period, the staff member continued to use the mobile phone of the Swiss service provider for calls and data roaming and spent CHF 7,332 (\$7,845) mainly on data roaming, a substantial part of which could have been saved. Since the staff concerned was on mission for prolonged periods, and this was presumably known in advance, it would have been prudent to obtain a local SIM for mobile communications.

19. DIST stated that since mid-2017 it had instituted a practice of automatic purchase of data packs. In its review, OIOS confirmed that in the latter half of 2017, the overall invoice amounts had reduced by 12-15 per cent due to purchase of data packs. DIST's internal review, which OIOS found very useful, also

highlighted that user education and subscription optimization by DIST were key factors for ensuring cost-savings.

20. The DIST review also noted that from May 2016 to May 2017, UNHCR paid CHF 42,159 (\$45,186) for usage of data within Switzerland. This occurred because subscriptions had previously been created without data options, i.e. simple mobile phone usage. Following the DIST review, in June 2017, all these subscriptions were updated to include data by default.

21. OIOS was of the view that additional guidance on responsible usage of telecommunication devices was needed. In addition, there was a need to put in place a mechanism for staff to sign responsible usage forms. The 'Information Sheet' for headquarters mobile subscribers had not been updated since June 2007. UNHCR also lacked procedures for effectively monitoring and controlling usage and expenditures on mobile devices. Consequently, users incurred high roaming charges resulting in waste of resources to UNHCR.

(3) The UNHCR Division of Information Systems and Telecommunications should: (a) put in place procedures for monitoring usage and subscription optimization; and (b) ensure that staff members sign responsible usage forms and are advised to adopt appropriate measures to control costs that may ensue due to mobile data roaming services while traveling abroad.

UNHCR accepted recommendation 3 and stated that DIST would introduce new forms and information sheets. Recommendation 3 remains open pending the issuance of procedures for monitoring of usage and subscription optimization and the introduction of the responsible usage forms to be signed by staff members.

There was a need to put in place an appropriate mechanism for timely verification of calls

22. As per UNHCR's guidance on the use of telecommunication devices, staff are required to verify all costs related to official or personal usage within a month of receiving itemized bills and reimburse the Organization for any personal usage either through a payroll deduction or depositing the equivalent of the cost incurred to UNHCR's bank account. The process is manual and involves sending portable digital format files to subscribers, who then indicate private calls in the document for recovery.

23. OIOS review of the arrangements for verification of calls showed that there were long backlogs of unverified calls and UNHCR did not have an effective mechanism in place for dealing with the mounting numbers. No action was taken when staff did not verify their itemized bills for personal usage. For example: in the October 2016 bill, 85 or 16 per cent out of 518 subscribers had not verified their calls; in January 2017, it was 98 or 16 per cent out of 537 users; in March 2017, it was 126 or 23 per cent out of 544 users; and in July 2017, it was 154 or 28 per cent out of 544 staff. For staff members who do not verify or self-certify their call statements, the calls made are assumed to be official and paid for by UNHCR. In the United Nations Office at Geneva, and some other United Nations duty stations, any calls that are not verified within a given period of time are considered as personal by default and recoveries are made.

24. The current procedures at UNHCR were manual and, therefore, tedious and time consuming. DIST staff lacked the time and resources to ensure adequate follow up. The existing arrangements whereby unverified calls were considered official was also prone to abuse.

(4) The UNHCR Division of Information Systems and Telecommunications should: (a) review and amend the procedures relating to verification of calls made on mobile phones of the Swiss service provider to ensure that calls that are not verified and or certified within a three-month period are treated as private calls and recovery made accordingly; and (b)

implement measures to clear the backlog of unverified calls and, in this process, recover any outstanding costs for private calls.

UNHCR accepted recommendation 4 and stated that the implementation of this recommendation was dependent on the issuance of the Administrative Instruction on “Cost recovery of the Telecom Services”. Recommendation 4 remains open pending amendment of the procedures to ensure that mobile calls that are not verified and or certified within a three-month period are treated as private calls and recovered accordingly and the implementation of measures to clear the backlog of unverified calls, followed by recovery of costs for private calls.

There was a need to implement effective arrangements for monitoring the use of official phones, including recovery of cost for private usage

25. Staff members are personally responsible for timely reimbursement of charges for non-official calls. Supervisors are responsible for ensuring that staff members indicate all personal calls on the monthly invoice.

26. For headquarters, payment arrangements for fixed line telephony were functioning effectively and satisfactory procedures were also in place for reimbursement of private usage. However, UNHCR had not established appropriate controls to monitor mobile phone expenditures and the efficient use of the devices. OIOS reviewed the extent of reimbursements for private usage in 2016 and 2017 for the Swiss service provider mobile billing and noted that only about 10 per cent of the total invoiced amounts were reimbursed. This figure could increase if all staff members verify their calls. Examples of cases where staff members did not consistently identify private usage and therefore had not refunded the Organization for private costs included the following:

- UNHCR staff provided with the Swiss service provider mobile phones have the facility of paying for tickets on public transport buses and trams by sending an SMS to a designated number. The cost of such tickets shows up in the next month’s invoice. Since all such travel is private, staff members should reimburse UNHCR for these costs. Similarly, staff members can buy videos and music from the Swiss service provider online website and charge such purchases to the Swiss service provider telephone number. OIOS review identified that 12 staff members purchased public transport tickets, online videos and music, but did not reimburse UNHCR for such private purchases. OIOS assessed that these staff members had not reimbursed costs aggregating to CHF 3,614 (\$3,874).
- In January 2017, one staff member used the official mobile for calls that appeared to be private in nature, but had made no reimbursements to UNHCR. The cost of such calls aggregated to CHF 423 (\$453). The same staff member made a large number of calls while on roaming from an African country to several numbers in Switzerland and another European country that did not appear to be official.
- Upon noticing that one number was being called repeatedly by a staff member in several months, OIOS requested for all the invoices for 2016 and 2017 and received invoices for 22 months. On review it emerged that the staff member made 4,041 private calls at a cost of CHF 3,091 (\$3,312) with his official mobile phone. Overall, 70 per cent (4041/5800) of the numbers called during the period tested appeared to be private. Forty-two per cent of the overall cost of calls (excluding internet) could be regarded as private, of which the staff member had reimbursed CHF 252 (\$270). For the 22 months tested, the staff member had not reimbursed UNHCR CHF 2,838 (\$3,042) for private telephone calls and CHF 635 (\$680) for use of internet.
- A staff member posted to an African country incurred costs of CHF 1,073 (\$1,150) on internet in several other countries, which did not appear to have any connection with his official work.

Another staff member posted to another African country used a significant amount of data and made private calls costing CHF 1,393 (\$1,493). Both had continued to use the mobile phone of the Swiss service provider.

- From February to June 2016, a staff member made multiple calls to private numbers in North America, Central America and Europe at a cost of CHF 511 (\$547) and did not make any reimbursements for these calls.
- A staff member travelled whilst on annual leave in 2016 on several occasions and incurred data roaming charges of CHF 3,642 (\$3,903), which did not appear to have any connection with official work, and did not identify the charges as private.

27. Non-verification of private usage by staff members meant that private usage cost could not be recovered through payroll deduction. The above issues occurred because the supervisors in the various Regional Bureaux and Divisions were not adequately supervising and monitoring the use of mobile devices allocated within their sphere of responsibilities. Consequently, UNHCR was paying for personal use, which was contrary to the instructions and resulted in a financial loss to the Organization. In addition, this indicated that UNHCR was not adequately monitoring the use of official ICT resources to ensure that traffic was analyzed and exceptions reported to management for action.

(5) The UNHCR Division of Information Systems and Telecommunications should: (a) ensure that supervisors make arrangements to verify on a random basis calls made by users, including those which are self-certified in call statements by users; (b) seek the recovery of CHF 14,129 (\$15,142) for private usage identified by OIOS; and (c) review the 2016 and 2017 invoices for private use not reported by staff members.

UNHCR accepted recommendation 5 and stated that: a) the updated Administrative Instruction would include provisions for the supervisor to review monthly statements. Random checks would be introduced as part of the cost recovery process; b) DIST would contact the staff members and request confirmation of the official nature of the calls identified by OIOS or reimbursement; and c) DIST would investigate the feasibility of a 24-month review of all the statements and would propose how best to close this audit recommendation. Recommendation 5 remains open pending: a) issuance of the updated administrative instruction including procedures for supervisors to review monthly statements; b) recovery of the private usage identified; and c) review of 2016 and 2017 invoices for unreported private usage.

D. Contract with service providers and recording of telephony expenditures

Satisfactory arrangements were in place for fixed line and mobile service telephony for service delivery against contract terms

28. Contracts with service providers serve as a basis for delivery of services and a standard against which service provider's performance can be measured. This ensures that the Organization is receiving value for money and service providers can be held accountable for their actions if delivery is not as per the contract. OIOS review of the contracts with the Swiss mobile service provider and the fixed line telephony providers indicated that DIST had generally established adequate arrangements for monitoring service delivery against contract terms for products and services.

IV. ACKNOWLEDGEMENT

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

STATUS OF AUDIT RECOMMENDATIONS

Audit of the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees

Rec. 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 review and update guidance on use of fixed line and mobile phones taking into consideration the developments in the telecommunication environment, focusing in particular on the provision of efficient, secure and cost-effective communications.	Important	O	Submission to OIOS of the updated guidance on use of fixed line and mobile phones.	31 December 2018
2	The UNHCR Division of Information Systems and Telecommunications should strengthen controls at UNHCR Headquarters in Geneva over the allocation of telecommunication devices and periodically review the need for mobile phone and data cards, including where reassigned staff members have been given mobile connections or have been allocated multiple devices.	Important	O	Submission to OIOS of evidence of strengthening controls over the allocation of telecommunication devices and the review of current SIM card allocations.	31 December 2018
3	The UNHCR Division of Information Systems and Telecommunications should: (a) put in place procedures for monitoring usage and subscription optimization; and (b) ensure that staff members sign responsible usage forms and are advised to adopt appropriate measures to control costs that may ensue due to mobile data roaming services while traveling abroad.	Important	O	Submission to OIOS of a copy of the procedures for monitoring of usage and subscription optimization and the responsible usage forms to be signed by staff members.	31 December 2018
4	The UNHCR Division of Information Systems and Telecommunications should: (a) review and amend the procedures relating to verification of calls made	Important	O	Submission to OIOS a copy of the amended procedures to ensure that mobile calls that are not verified and or certified within a three-month	31 December 2018

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 UNHCR

STATUS OF AUDIT RECOMMENDATIONS

Audit of the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
	on mobile phones of the Swiss service provider to ensure that calls that are not verified and or certified within a three-month period are treated as private calls and recovery made accordingly; and (b) implement measures to clear the backlog of unverified calls and, in this process, recover any outstanding costs for private calls.			period are treated as private calls and recovered accordingly and the implementation of measures to clear the backlog of unverified calls, followed by recovery of costs for private calls.	
5	The UNHCR Division of Information Systems and Telecommunications should: (a) ensure that supervisors make arrangements to verify on a random basis calls made by users, including those which are self-certified in call statements by users; (b) seek the recovery of CHF 14,129 (\$15,142) for private usage identified by OIOS; and (c) review the 2016 and 2017 invoices for private use not reported by staff members.	Important	O	Submission to OIOS of evidence of a) issuance of the updated administrative instruction for including a provision for supervisors to review monthly statements; b) recovery of the private usage identified; and c) review of 2016 and 2017 invoices for unreported private usage.	31 December 2018

APPENDIX I

Management Response

Management Response

Audit of the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNHCR Division of Information Systems and Telecommunications should review and update guidance on use of fixed line and mobile phones taking into consideration the developments in the telecommunication environment, focusing in particular on the provision of efficient, secure and cost-effective communications.	Important	Yes	Deputy Director, DIST Customer Support Service	Q4 2018	An updated guidance (e.g. Administrative Instruction on “Cost Recovery of Telecom Services”), to be issued by DIST in collaboration with DFAM, is in early draft and is included in the “Policy Pipeline” for 2018.
2	The UNHCR Division of Information Systems and Telecommunications should strengthen controls over the allocation of telecommunication devices and periodically review the need for mobile phone and data cards, including where reassigned staff members have been given mobile connections or have been allocated multiple devices.	Important	Yes	Deputy Director, DIST Customer Support Service	Q4 2018	In addition to the Administrative Instruction above, additional controls will be put in place within DIST. DIST will review all current SIM card allocations from Geneva headquarter and recover those not in use or no longer required.
3	The UNHCR Division of Information Systems and Telecommunications should: (a) put in place procedures for monitoring usage and subscription optimization; and (b) ensure that staff members sign responsible usage forms and are advised to adopt appropriate measures to control costs that may ensue due to mobile data roaming services while traveling abroad.	Important	Yes	Deputy Director, DIST Customer Support Service	Q4 2018	In line with the publication of the Administrative Instruction, DIST will introduce new forms and information sheets. Where feasible, this will be done in advance of the AI publication.

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 the arrangements for the use of telecommunication devices and telecommunication expenditure control and billing at the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4	The UNHCR Division of Information Systems and Telecommunications should: (a) review and amend the procedures relating to verification of calls made on mobile phones of the Swiss service provider to ensure that calls that are not verified and or certified within a three-month period are treated as private calls and recovery made accordingly; and (b) implement measures to clear the backlog of unverified calls and, in this process, recover any outstanding costs for private calls.	Important	Yes	Deputy Director, DIST Customer Support Service	Q4 2018	The implementation of this recommendation is dependent on the issuance of the Administrative Instruction on “Cost recovery of the Telecom Services”.
5	The UNHCR Division of Information Systems and Telecommunications should: (a) ensure that supervisors verify on a random basis calls made by users, including those which are self-certified in call statements by users; (b) seek the recovery of CHF 10,486 (\$11,239) for private usage identified by OIOS; and (c) review the 2016 and 2017 invoices for private use not reported by staff members.	Important	Yes	Deputy Director, DIST Customer Support Service	Q4 2018	<ul style="list-style-type: none"> a) Updated Administrative Instruction will include provisions for the supervisor to ensure the review of the monthly statements. Random checks will be also introduced as part of the cost recovery process. b) DIST will contact the staff members and request confirmation of the official nature of the calls identified by OIOS or reimbursement. c) DIST will investigate the feasibility of a 24-month review of all the statements and will propose how best to close this audit recommendation.