INTERNAL AUDIT DIVISION

REPORT 2019/140

Audit of information and communications technology governance at the Office of the United Nations High Commissioner for Refugees

There was a need to strengthen the information and communications technology governance framework and overall monitoring and compliance activities

23 December 2019
Assignment No. AR2019/166/04

Audit of information and communications technology governance at the Office of the United Nations High Commissioner for Refugees

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of information and communications technology (ICT) governance at the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess the adequacy and effectiveness of ICT governance at UNHCR in ensuring effective alignment of ICT investments with its ICT vision and strategy, Global Strategic Priorities, and operational needs. The audit covered the period from 1 January 2017 to 31 May 2019 and included a review of the following areas: (a) ICT governance framework and strategic planning; and (b) governance of ICT projects.

The audit concluded that there was a need for UNHCR to strengthen the ICT governance framework and overall monitoring and compliance activities.

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

- Revise and consolidate the existing ICT governance guidance in accordance with the requirements of UNHCR's Guidance Management System and complement it with the definition of a prioritization methodology for ICT projects; ensure that the Project Management Life Cycle methodology is consistent with the ICT governance policy; and finalize, formally approve and disseminate the ICT strategy;
- Assess the appropriate positioning of the Portfolio Management Office within UNHCR's organizational structure;
- In the context of the ongoing regionalization process and the "Freedom in a framework" concept, assess the need to establish regional ICT governance structures reporting to the ICT Governance Board to monitor ICT investments at the regional and country levels;
- Identify and implement a tool to support tracking of budgets and expenditures per project; review the usefulness of the ICT projects dashboard; agree on portfolio management performance metrics and report on those metrics; and agree on a broader dissemination of information on ICT projects in the organization;
- Clarify the requirements for project gate reviews and post-project reviews in the Project Management Life Cycle methodology; establish a process to monitor the effective delivery of the required project gate reviews and post-project reviews; and disseminate the results of such reviews to Project Steering Committees and the ICT Governance Board; and
- Ensure consistent usage of a standard documentation repository for ICT projects; issue specific guidance for its maintenance; and implement monitoring controls over record keeping, particularly when there is a change of project manager.

UNHCR accepted the recommendations but has yet to initiate action to implement them.

CONTENTS

Audit of information and communications technology governance 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 information and communications technology (ICT) governance at the Office of the United Nations High Commissioner for Refugees (UNHCR).

2.   ICT governance is broadly defined as the decision rights and accountability framework that encourages desirable behaviour in the use of ICT. In its ICT framework, UNHCR specifies that ICT governance aims at promoting and supporting the effective use of technology-enabled solutions across the organization by aligning ICT services and infrastructure with UNHCR's Global Strategic Priorities (GSP) as well as with operational and management needs. ICT governance is under the overall authority of the ICT Governance Board (ICTGB or Board) chaired by the Deputy High Commissioner (DHC) and composed of four other senior executives and directors, including the Director of the Division of Information Systems and Telecommunications (DIST) who serves also as the Chief Information Officer (CIO). The framework assists UNHCR by assigning roles, responsibilities and accountabilities for the identification, prioritization, implementation, decision-making, and oversight of ICT projects. From April 2017 to April 2019, UNHCR reported in its portfolio some 39 active ICT projects (the number varied throughout the period, with projects being added, cancelled, or closed) and completed seven projects.

3.   DIST plays a key role in the delivery of technological solutions and management of ICT projects. It is responsible for: (a) ensuring, under the guidance of ICTGB, that UNHCR has a well-defined corporate ICT vision and strategy that is aligned with its GSP and supports the organization in achieving its mandate; (b) establishing standards for ICT systems and infrastructure, promoting innovation, and undertaking needs assessments jointly with headquarters divisions, regional bureaux, and field operations to ensure that adequate ICT services are identified and included in plans and budgets; and (c) maintaining a portfolio of ICT projects that will best achieve the organization's goals, as well as ensuring that individual ICT projects are effectively governed in accordance with applicable standards. The departments within DIST contributing most directly to these responsibilities are the Portfolio Management Office (PMO), the ICT Solution Engineering Section, and the Business Relationship Management Service.

4.   As at 30 April 2019, DIST was comprised of 76 staff in the Professional category, 34 staff in the General Services category, and four affiliate workforce staff, all working under the overall leadership of the Director and CIO. From January 2017 to April 2019, DIST spent $136.9 million against annual budgets totalling $174.1 million. OIOS identified approximately $146.6 million of ICT-related acquisitions made in the same period across UNHCR.

5.   Comments provided by UNHCR are incorporated in italics.

II.   AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6.   The objective of the audit was to assess the adequacy and effectiveness of ICT governance at UNHCR in ensuring effective alignment of its investment in ICT with its ICT vision and strategy, GSP, and operational needs.

7.   This audit was included in the 2019 risk-based work plan of OIOS upon the request of DIST to identify gaps in ICT governance which may prevent UNHCR from achieving optimal value from its investment in ICT and the efficient delivery of business activities.

8.　　OIOS conducted this audit from June to October 2019. The audit covered the period from 1 January 2017 to 31 May 2019. Based on an activity-level risk assessment, the audit covered higher and medium risk areas related to ICT governance, which included: (a) ICT governance framework and strategic planning; and (b) governance of ICT projects.

9.　　The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; (d) sample testing of 10 ICT projects using a stratified non-statistical sample selected based on the projects' budgets, duration, strategic importance of systems, ownership by different headquarters divisions, and coverage of different business areas; and (e) obtaining responses to a questionnaire issued to 19 entities (3 headquarters divisions, 2 regional bureaux, 1 regional office and 13 country operations). The questionnaire collected inputs on performance of corporate ICT systems and services, existence of local ICT systems, and the respondents' awareness of and level of their contributions to corporate ICT projects. OIOS obtained an 84 per cent response rate to the questionnaire. Additionally, the audit assessed the areas identified above against UNHCR policies and internationally accepted ICT governance standards considered as good practices[1].

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

III.　AUDIT RESULTS

A.　ICT governance framework and strategic planning

<u>There was a need to enhance the ICT governance policy and strategy, to approve the strategy, and assess the positioning of PMO</u>

11.　　UNHCR is required to establish adequate ICT governance policies, strategies, and structures that highlight the critical role of ICT in supporting the business and provide clear guiding principles on leadership (tone at the top), strategic direction, risk analysis, roles and responsibilities, and prioritization and decision-making on ICT investments.

12.　　UNHCR had established guidance on ICT governance, which included the definition of roles and responsibilities and the creation of specific structures (i.e., ICTGB, PMO, and Project Steering Committees or PSC) to support and oversee the implementation of ICT projects. Nonetheless, OIOS noted the following issues in relation to this guidance and structures, which impacted their effectiveness:

(a)　　ICT governance policy

13.　　The existing institutional guidance on ICT governance did not follow UNHCR's standard formats, and was not consolidated and kept updated by PMO, reviewed by ICTGB and formally approved and disseminated in accordance with the requirements of the UNHCR's Guidance Management System[2]. The 2011 "Governance process for ICT in UNHCR and establishment of ICT Project Office"[3] was partially

---

[1] For example, the Control Objectives for Information and Related Technologies (COBIT®) framework developed by the Systems Audit and Control Association (ISACA).
[2] UNHCR/HCP/2013/1 – Policy on the Development, Management and Dissemination of UNHCR Internal Guidance Material, 1 January 2014
[3] IOM/075-FOM/076/2011, 30 November 2011

superseded by the 2015 Administrative Instruction on ICTGB[4]; yet the guidelines on ICT project governance were overtaken by events even though not officially revoked by additional guidance prepared by PMO and made available on UNHCR intranet. PMO replaced the guidelines on ICT project governance, which provided both a standard methodology for project management and a tool to support project governance, by the Project Management Life Cycle (PMLC) methodology.

14.   The 2019 PMLC (its latest available version) was not fully consistent with the ICT governance policy in terms of roles and responsibilities. For example, although as per the Administrative Instruction on ICTGB, the Board was responsible for reviewing business cases and for prioritizing and approving ICT projects, as per the 2019 PMLC, the project sponsor/DIST management and PSC were to approve project concepts and project proposals at the start-up and initiation phases of projects, respectively, while PSC was to approve all projects and ICTGB was only to endorse (i.e., to support) "large projects" when they were to move into the planning stage. This indicated a dilution of the role of ICTGB in the prioritization and approval of ICT projects. The 2019 PMLC was also unclear in what it considered "small", "large", and "ICTGB" projects, as it lacked the link with the classification of projects which, according to the previous guidelines on ICT project governance, was to be done in accordance with objective risk assessments, resulting in Level 1, 2 or 3 projects (i.e., projects with low, medium or high scale and execution risks, respectively).

(b)   ICT strategy

15.   An ICT strategy is an essential part of the governance framework and should demonstrate how the goals and objectives of the use of ICT resources relate to UNHCR's mission and organizational priorities. Specifically, such a strategy is expected to demonstrate how ICT management decisions are integrated with organizational planning, budget, procurement, financial management, human resources management, and programme decisions. DIST drafted its first five-year ICT strategy in October 2012. From December 2018 to February 2019, DIST drafted an updated three-year strategy through consultation with ICTGB and other stakeholders in the organization. Nonetheless, the strategy was still in draft at the time of the audit and already outdated with 11 months gone into the implementation period. DIST explained that the finalization of the strategy was put on hold due to the significant ongoing organizational change initiatives. In the absence of an approved ICT strategy, it was difficult to assess alignment of ICT initiatives with UNHCR's mission and organizational priorities.

(c)   Approval and prioritization of ICT projects

16.   Eight of the 10 projects reviewed by OIOS had been formally endorsed by ICTGB as required, even though the documentation that supported those approvals differed largely between projects. Five of the eight projects approved were supported by project proposals/business cases, and only one of those business cases had been finalized and formally signed-off by the respective project sponsors and/or business owners. One project was approved by ICTGB through email based on an external service provider's "assessment report" which lacked full details such as the costs of the project and related risks. OIOS was not provided with the business cases or the initial ICTGB approvals for two projects. Aspects related to documentation gaps in ICT projects are discussed later in the present report and addressed in recommendation 6.

17.   All five business cases reviewed had identified the need for the respective projects in relation to the GSP. Nonetheless, projects were approved without an assessment of their potential value creation, and they were not prioritized, as required. There was a lack of consensus between the members of ICTGB regarding prioritization of ICT projects, even though the majority considered that the existence of funding

---
[4] UNHCR/AI/2015/6, 26 March 2015

determined in practice the selection of ICT projects. This was because a prioritization methodology and an ICT strategy were not in place. Criteria such as the total cost of ownership (TCO), potential gains, effective contributions to the GSP, and alignment with the ICT strategy were not being used consistently when presenting or assessing projects. This brought risks of ineffective decision-making and inadequate allocation of limited resources available to ICT projects with potentially lower value for the organization.

(d)   Positioning of PMO

18.   There was a potential conflict with the positioning of PMO within DIST and with the reporting of the Senior Portfolio Management Officer to the CIO, considering the active participation of DIST in the delivery of ICT projects, the CIO's membership in ICTGB, and participation in several PSCs. PMO was responsible for: (a) maintaining the governance model for ICT projects and assessing its implementation; (b) developing templates and toolkits to ensure common project management practices; (c) overseeing and coordinating the portfolio of ICT projects; (d) delivering project reviews; and (e) acting as the secretariat of ICTGB. Since 2019, PMO was also responsible for providing project management services. Given the nature of its functions, the positioning of PMO outside DIST would be consistent with similar positioning of other independent and overarching functions in UNHCR (e.g., Legal Affairs Service and Enterprise Risk Management).

> **(1) The UNHCR Division of Information Systems and Telecommunications should: (a) in coordination with the ICT Governance Board, revise and consolidate the existing ICT governance guidance in accordance with the requirements of UNHCR's Guidance Management System and complement it with the definition of a prioritization methodology for ICT projects; (b) ensure that the Project Management Life Cycle methodology is consistent with the ICT governance revised guidance; and (c) finalize, formally approve and disseminate the ICT strategy within the organization.**
>
> *UNHCR accepted recommendation 1 and stated that: (a) the review and consolidation of the existing ICT governance guidance would be finalized by the third quarter of 2020; (b) the alignment of the PMLC methodology and ICT governance guidance would be achieved by the fourth quarter of 2020; and (c) DIST would finalize and formally endorse the ICT strategy by the fourth quarter of 2020. Enabling actions, targets and metrics would be incorporated in operational reviews and specific project deliverables.* Recommendation 1 remains open pending receipt of: (a) the revised and consolidated ICT governance guidance, including the PMLC methodology aligned with the revised guidance and a prioritization methodology for ICT projects; and (b) the endorsed and disseminated ICT strategy.
>
> **(2) The UNHCR ICT Governance Board should assess the appropriate positioning of the Portfolio Management Office within the UNHCR organizational structure and propose to UNHCR Senior Executive Management any relevant adjustments.**
>
> *UNHCR accepted recommendation 2 and stated that the assessment would be completed by the fourth quarter of 2020.* Recommendation 2 remains open pending receipt of evidence of the assessment carried out on the positioning of the PMO within UNHCR's organizational structure.

There was a need to assess the requirement for regional governance structures

19.   In 2015, ICTGB reduced its composition from 13 to 4 permanent members (DHC, Assistant High Commissioner - Operations, Controller, and CIO) plus a fifth rotating member at the Director level, preferably representing the field, appointed by the Board to serve a one-year term. Rotation in the Board had not been systematically enforced, as the current rotating member was last appointed by the Board in

2016 and had been performing that role since 2017. In OIOS' opinion, rotation could enable the Board to bring in new talent and fresh perspectives.

20.   The current appointee was a Director of a headquarters division. Only two of the five members of the Board interviewed by OIOS believed that it would be important to ensure field representation in ICTGB and/or that there was a need to rethink the role of bureau directors/regional platforms in the context of the ongoing regionalization/decentralization process in the organization. The other three members believed that ICTGB should remain centralized at headquarters to provide coherence, standards, and oversight. In their responses to OIOS' questionnaire, only one of the two regional bureaux stressed the importance of their contribution to headquarters governance structures to ensure that regional priorities were acknowledged, while five other respondents considered that their participation was essential not in ICTGB per se but in ICT projects to validate the impact and usability of new ICT solutions developed at headquarters in their operational environments.

21.   The Joint Inspection Unit had assessed in 2011 the previous ICTGB's composition, including representation from all services and offices away from headquarters, as a good practice[5]. UNHCR's current ICT infrastructure, architecture and core systems were mostly centralized, and there were evident practical constraints in holding regular meetings with a large number of participants in multiple locations and different time zones. Therefore, in OIOS' opinion, the representation of bureaux/other field entities on the Board was desirable but not essential because it was more important to ensure their representation in PSCs/ project teams and/or in new regional governance structures reporting to ICTGB.

22.   The establishment of regional governance structures could be relevant if in the new decentralized structure and in the context of DIST's "Freedom in a Framework" concept[6], regional bureaux and country operations were to operate more independently and autonomously from DIST, with their own ICT budgets and resources. Already in the current structure, DIST did not have an overview of ICT investments made in the field and the Central ICT Management Tool, which is the system for recording applications used organization-wide, was not systematically updated.

> **(3) The UNHCR ICT Governance Board should, in the context of the ongoing regionalization process and the "Freedom in a framework" concept, assess the need to establish regional ICT governance structures reporting to the Board to monitor ICT investments at the regional and country levels.**
>
> *UNHCR accepted recommendation 3 and stated that the assessment of the need to establish regional ICT governance structures to report to ICTGB would be finalized by the fourth quarter of 2020.* Recommendation 3 remains open pending receipt of evidence of the assessment carried out on the need to establish regional ICT governance structures.

B.   Governance of ICT projects

<u>There was a need to enhance reporting on project budgets and expenditures and the ICT projects dashboard to support effective project oversight</u>

23.   To support and facilitate the discharge of oversight responsibilities by ICTGB, which include monitoring the ongoing health of the portfolio of ICT projects and ensuring project methodologies, governance and risk management are followed, PSC and project managers need to ensure that: (a) projects under their oversight are successfully monitored and delivered according to their objectives, benefits,

---

[5] In "Information and Communication Technology (ICT) Governance in the United Nations System Organizations", 2011
[6] With the "Freedom in a Framework" concept, DIST aimed at allowing flexibility to existing ICT standards in a controlled manner.

requirements, timelines and costs; (b) project risks are identified and managed; and (c) issues and deviations are escalated in a timely manner for timely decision-making. Furthermore, it is essential that PMO establishes relevant metrics to monitor and report on the level of performance of the portfolio of ICT projects.

(a)   Monitoring by PSC

24.   Monitoring by PSC was not done frequently and consistently for all projects. The quality of meeting minutes differed (e.g., in some cases they did not specify the meeting participants), and the individual project reporting of costs, schedules and risks to ICTGB was not consistent in scope or terminology. For example, one project reported to ICTGB in its 30th meeting (27 October 2017) only the budget and expenditures for 2017, in the 32nd meeting (5 June 2018) the budgets and expenditures from 2017 through 2021, whereas in the 33rd meeting (28 September 2018), after a revised baseline and release of the project hold, no budget or schedule information was provided. For another project the respective PSC failed to escalate timely significant increases in the project's scope, schedule (nearly one year) and budget ($839,000) to ICTGB. Even though PMO had provided standard reporting templates, as OIOS had noted already in its earlier audit on the Biometric Identity Management System (Report 2016/181), financial monitoring of projects was carried out manually by project managers because the Managing for Systems, Resources and People (MSRP), the UNHCR enterprise resource planning system, did not control expenditures against spending authority at project level and UNHCR did not have an alternative tool to efficiently monitor projects' expenditures and budget execution. This was subject to errors and risk of undetected non-adherence to the projects' budgets, especially when those spanned across different divisions. There was also no effective oversight over PSC monitoring and reporting.

(b)   Monitoring by ICTGB

25.   During the audit period, ICTGB held seven meetings and reviewed 10 projects (on average four projects per meeting). Decisions of the Board involved mostly the approval of project initiation and/ or execution, changes to scope, timeline and/or budget, and project closure. There was also one decision to put a project on hold and another one to cancel a project at the request of the sponsors/business owners. While the Board reviewed the larger projects with some frequency, there were Level 2 and Level 3 projects in the portfolio that had either only been approved by ICTGB and never reviewed again or were never reviewed.

26.   A dashboard prepared by PMO provided an overview of the health of ICT projects. However, the usefulness of the tool was diminished due to the following: (a) the colour scheme depicting project health was inadequate, especially if any of the indicators turned red, in which case, regardless of the level of the change, the indicator would remain in red status. Significant variances would only be brought to the attention of the Board during individual project presentations, if such projects were selected by DIST/PMO to be presented to the Board; (b) its latest version lacked information on project expenditures against budgets; (c) performance metrics on the overall management of the portfolio were only reported to the CIO and not to the Board; (d) it did not display information on how complete the projects were or systematic information on what key deliverables and outputs they had achieved; (e) numerous errors were identified between dashboards (e.g., static information such as projects' numbering, names and start dates changed between successive dashboards) and it was updated only for ICTGB meetings, instead of being a live and constantly updated tool; and (f) it was of restricted distribution, when it would have been relevant for a wider distribution in the organization. Five headquarters and seven field respondents to the OIOS questionnaire stated that they did not have access to sufficient and useful information on ICT projects.

27.   DIST observed that the current dashboard addressed the level of detail requested by ICTGB, without being too technical or excessively lengthy and that any change in the status of a project (degradation

or improvement) were highlighted and discussed. Nonetheless, ICTGB lacked relevant information on the portfolio of projects to fully discharge its oversight and decision-making responsibilities.

> **(4) The UNHCR Division of Information Systems and Telecommunications should: (a) in coordination with the Division of Financial and Administrative Management, identify and implement a tool to support tracking of budgets and expenditures per project; (b) review the usefulness of the ICT projects dashboard; (c) agree with the ICT Governance Board (ICTGB) on portfolio management performance metrics and report on those metrics to the Board; and (d) agree with ICTGB on a broader dissemination of information on ICT projects in the organization.**
>
> *UNHCR accepted recommendation 4 and stated that: (a) DIST, in collaboration with the Division of Financial and Administrative Management, would analyze the options to identify a simple and cost effective mechanism to support tracking of budgets and expenditures for ICT projects. This analysis would be carried out in the context of potential developments in UNHCR's financial management policies and supporting systems; (b) the review of the usefulness of the ICT projects dashboard would be completed by the second quarter of 2020; and for parts (c) and (d), the agreement on the performance metrics, reporting formalities and broader dissemination would be achieved by the third quarter of 2020.* Recommendation 4 remains open pending receipt of evidence of: (a) the implementation of a tool to support tracking of budgets and expenditures per project; (b) the review of the usefulness of the ICT projects dashboard; (c) an agreement with ICTGB on portfolio management performance metrics and respective reporting; and (d) the dissemination of relevant information on ICT projects within UNHCR.

There was a need to ensure the delivery of project gate and post-implementation reviews

28. To support effective monitoring of ICT projects at key stages of their lifecycles, PMO is required to coordinate project gate reviews and report on the results of such reviews to PSC, project sponsors, project managers and ICTGB. At the closure stage of all projects, a project closure report is required to summarize the deliverables, achievement of project benefits, delivery of proposed schedule and budget, and lessons learned.

29. Until 2017-2018, ICT projects were required to undertake the following reviews: (a) Business Idea Justification (PR1), at the start-up stage (level 3 projects); (b) Project Justification (PR2), at the start-up (level 2 projects), initiate (level 1 projects), or analyze stage (level 3 projects); (c) Readiness for Service (PR3), at the build and test stage (level 1, 2 and 3 projects); and (d) Operational Review and Benefits Realization (PR4), at the project closure stage (level 2 and 3 projects). In the 2019 PMLC, the number of gate reviews reduced from four to three (PR1, PR2 and PR3) at revised and renamed project stages, but the requirements for the reviews were not clearly stated per project level.

30. Gate reviews, when performed, were generally found to be of good quality. However, OIOS did not see evidence of gate reviews performed in 7 of the 10 projects that it reviewed. The remaining three projects had gate reviews performed, but none of them performed all the required reviews. Furthermore, OIOS did not see any reference in the ICTGB or PSC meeting minutes to gate reviews, which indicated that the results of the reviews, when available, were not considered by these oversight bodies for decision-making on projects. These issues were due to inadequate monitoring by PMO of the delivery of gate reviews and insufficient guidance in the revised PMLC on the requirements for their realization. As a result, projects did not benefit from intermediate independent reviews which could have contributed to detection of gaps and deviations in the justification, objectives, scope, development, and delivery of the projects.

31.   Closure reports were available for all the three closed projects reviewed. In relation to these reports, they adequately included: assessments of achievements in relation to the projects' objectives stated either in the business cases or in the Project Initiation Documents (PID); information of the project deliverables; and cost performance analysis (i.e., comparison of actuals against budgets); lessons learned and recommendations; and post-project responsibilities. Furthermore, the report on one of the projects included useful information on early running costs and was adequately supported by an intranet benchmark survey, which constituted a good example of engagement with beneficiaries to assess the benefits realization of the project. The report of another project included a quantitative benefit analysis with a comparison of the performance of processes before and after project implementation, information on performance of the project schedule with explanation of the variances, information of the top three successes of the project, and a post-review date. Such good practices could be extended to the closure assessments of other projects. On the other hand, the report of the third project closed did not clearly conclude on the effective benefits realization of the project, which were only defined high-level in the PID, as well as on the achievement of the project's objectives, which were all marked to be "on track" and to be fully assessed by the end of 2020.

32.   OIOS was unsure whether the intended post-assessments would be done, without a process in place to keep track on those commitments, especially considering the high turnover of staff. Furthermore, post-project reviews, even though not generalized, would be a good practice if extended to other projects, especially those with high impact to the organization and/or with high investment. Without sufficient knowledge of the longer-term performance of implemented projects, UNHCR lacked assurance and could not confidently state that project objectives, return on investment, cost savings and benefits claimed in the projects' business cases were achieved and that ICT resources were used optimally.

> **(5) The UNHCR Division of Information Systems and Telecommunications should: (a) clarify the requirements for project gate reviews and post-project reviews in the Project Management Life Cycle methodology; (b) establish a process to monitor the effective delivery of the required project gate reviews and post-project reviews; and (c) disseminate the results of reviews to Project Steering Committees and to the ICT Governance Board.**
>
> *UNHCR accepted recommendation 5 and stated that: (a) the requirements for project gate reviews and post-project reviews would be further clarified in the PMLC methodology by the third quarter of 2020; (b) the process to monitor effective delivery of the required project gate reviews and post-project reviews would be established by the third quarter of 2020; and (c) the results of the above-mentioned reviews would be disseminated to PSCs and ICTGB by the fourth quarter of 2020.* Recommendation 5 remains open pending receipt of evidence of: (a) clear definition of the requirements for project gate and post-project reviews in the PMLC; (b) implementation of a process to monitor delivery of the required project gate reviews and post-project reviews; and (c) dissemination of the results of the reviews to PSCs and to ICTGB.

There was a need to ensure consistent usage of a standard ICT projects' documentation repository and establish specific guidance and controls for its maintenance

33.   In addition to the gaps mentioned in paragraph 16 above regarding unavailability of project proposals/business cases to support the approval and prioritization of projects, OIOS also was not provided with PIDs (that should detail the project scope, deliverables and outcomes) for 4 of the 10 projects reviewed. Project risk assessment matrices that determined the projects' classification (or sizing) and the level of project governance were also mostly unavailable. Gaps in the maintenance of overall project

documentation kept being a systemic issue, as already reported by OIOS in prior audits on individual ICT projects[7].

34.   High turnover of staff cannot be avoided but having an organized documentation repository on ICT projects and specific guidance for its maintenance, as well as monitoring controls over record keeping and version control, would mitigate the risk of inadequate project documentation and facilitate smooth handover to new project staff.

> **(6)** **The UNHCR Division of Information Systems and Telecommunications should ensure consistent usage of a standard documentation repository for ICT projects and issue specific guidance for its maintenance, as well as establish monitoring controls over record keeping, particularly when there is a change of project manager.**
>
> *UNHCR accepted recommendation 6 and stated that the recommendation would be implemented by the third quarter of 2020.* Recommendation 6 remains open pending receipt of: (a) evidence of consistent use of a standard repository of documentation on ICT projects; and (b) the guidance developed to maintain such a repository, including monitoring controls over record keeping.

IV.   ACKNOWLEDGEMENT

35.   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.

<div align="right">

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

</div>

---

[7] Audit of the Biometric Identity Management System at UNHCR (Report 2016/181 of 22 December 2016) and Audit of the proGres version 4 registration and case management system at UNHCR (Report 2018/021 of 29 March 2018).

STATUS OF AUDIT RECOMMENDATIONS

Audit of information and communications technology governance 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: (a) in coordination with the ICT Governance Board, revise and consolidate the existing ICT governance guidance in accordance with the requirements of UNHCR's Guidance Management System and complement it with the definition of a prioritization methodology for ICT projects; (b) ensure that the Project Management Life Cycle methodology is consistent with the ICT governance revised guidance; and (c) finalize, formally approve and disseminate the ICT strategy within the organization.	Important	O	Submission to OIOS of: (a) the revised and consolidated ICT governance guidance, including the PMLC methodology aligned with the revised guidance and a prioritization methodology for ICT projects; and (b) the endorsed and disseminated ICT strategy.	31 December 2020
2	The UNHCR ICT Governance Board should assess the appropriate positioning of the Portfolio Management Office within the UNHCR organizational structure and propose to UNHCR Senior Executive Management any relevant adjustments.	Important	O	Submission to OIOS of evidence of the assessment carried out on the positioning of the PMO within UNHCR's organizational structure.	31 December 2020
3	The UNHCR ICT Governance Board should, in the context of the ongoing regionalization process and of the "Freedom in a framework" concept, assess the need to establish regional ICT governance structures reporting to the Board to monitor ICT investments at the regional and country levels.	Important	O	Submission to OIOS of evidence of the assessment carried out on the need to establish regional ICT governance structures.	31 December 2020
4	The UNHCR Division of Information Systems and Telecommunications should: (a) in coordination with the Division of Financial and Administrative	Important	O	Submission to OIOS of evidence of: (a) the implementation of a tool to support tracking of budgets and expenditures per project; (b) the	30 September 2020

---

[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 in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of information and communications technology governance 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]
	Management, identify and implement a tool to support tracking of budgets and expenditures per project; (b) review the usefulness of the ICT projects dashboard; (c) agree with the ICT Governance Board (ICTGB) on portfolio management performance metrics and report on those metrics to the Board; and (d) agree with ICTGB on a broader dissemination of information on ICT projects in the organization.			review of the usefulness of the ICT projects dashboard; (c) an agreement with ICTGB on portfolio management performance metrics and respective reporting; and (d) the dissemination of relevant information on ICT projects within UNHCR.	
5	The UNHCR Division of Information Systems and Telecommunications should: (a) clarify the requirements for project gate reviews and post-project reviews in the Project Management Life Cycle methodology; (b) establish a process to monitor the effective delivery of the required project gate reviews and post-project reviews; and (c) disseminate the results of reviews to Project Steering Committees and to the ICT Governance Board.	Important	O	Submission to OIOS of evidence of: (a) the clear definition of the requirements for project gate and post-project reviews in the PMLC; (b) the implementation of a process to monitor delivery of the required project gate reviews and post-project reviews; and (c) the dissemination of the results of the reviews to PSCs and to ICTGB.	31 December 2020
6	The UNHCR Division of Information Systems and Telecommunications should ensure consistent usage of a standard documentation repository for ICT projects and issue specific guidance for its maintenance, as well as establish monitoring controls over record keeping, particularly when there is a change of project manager.	Important	O	Submission to OIOS of: (a) evidence of consistent use of a standard repository of documentation on ICT projects; and (b) a copy of the guidance developed to maintain such a repository, including monitoring controls over record keeping.	30 September 2020

APPENDIX I

Management Response

MANAGEMENT RESPONSE

Audit of information and communications technology governance 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 (to be published)
1	The UNHCR Division of Information Systems and Telecommunications should: (a) in coordination with the ICT Governance Board, revise and consolidate the existing ICT governance guidance in accordance with the requirements of UNHCR's Guidance Management System and complement it with the definition of a prioritization methodology for ICT projects; (b) ensure that the Project Management Life Cycle methodology is consistent with the ICT governance revised guidance; and (c) finalize, formally approve and disseminate the ICT strategy within the organization.	Important	Yes	a) & b) – PMO c) - CIO	Q4 2020	a) The review and consolidation of the existing ICT governance guidance will be finalized by Q3 2020. b) The alignment of the Project Management Life Cycle (PMLC) methodology and ICT governance guidance will be achieved by Q4 2020. c) DIST will finalize and formally endorse the ICT Strategy by Q4 2020. Enabling actions, targets and metrics will be incorporated in operational reviews and specific project deliverables.
2	The UNHCR ICT Governance Board should assess the appropriate positioning of the Portfolio Management Office within the UNHCR organizational structure and propose to UNHCR Senior Executive Management any relevant adjustments.	Important	Yes	CIO	Q4 2020	The assessment will be completed by Q4 2020.

---

[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 information and communications technology governance at the Office of the United Nations High Commissioner for Refugees

3	The UNHCR ICT Governance Board should, in the context of the ongoing regionalization process and of the "Freedom in a framework" concept, assess the need to establish regional ICT governance structures reporting to the Board to monitor ICT investments at the regional and country levels.	Important	Yes	CIO	Q4 2020	The assessment of the need to establish regional ICT governance structures to report to ICTGB will be finalized by Q4 2020.
4	The UNHCR Division of Information Systems and Telecommunications should: (a) in coordination with the Division of Financial and Administrative Management, identify and implement a tool to support tracking of budgets and expenditures per project; (b) review the usefulness of the ICT projects dashboard; (c) agree with the ICT Governance Board (ICTGB) on portfolio management performance metrics and report on those metrics to the Board; and (d) agree with ICTGB on a broader dissemination of information on ICT projects in the organization.	Important	Yes	a) PMO & DFAM b) PMO c) PMO d) PMO	Q3 2020	a) DIST, in collaboration with DFAM, will analyze the options in order to identify a simple and cost effective mechanism to support tracking of budgets and expenditures for ICT projects. This analysis will be carried out in the context of potential developments in UNHCR's financial management policies and supporting systems. b) The review of the usefulness of the ICT projects dashboard will be completed by Q2 2020. c) & d) The agreement on the performance metrics, reporting formalities and broader dissemination will be achieved by Q3 2020.
5	The UNHCR Division of Information Systems and Telecommunications should: (a) clarify the requirements for project gate reviews and post-project reviews in the Project Management Life Cycle methodology; (b) establish a process to monitor the	Important	Yes	PMO	Q4 2020	a) The requirements for project gate reviews and post-project reviews will be further clarified in the PMLC methodology by Q3 2020. b) The process to monitor effective delivery of the required project gate reviews and post-project reviews will be established by Q3 2020.

MANAGEMENT RESPONSE

Audit of information and communications technology governance at the Office of the United Nations High Commissioner for Refugees

	effective delivery of the required project gate reviews and post-project reviews; and (c) disseminate the results of reviews to Project Steering Committees and to the ICT Governance Board.					c) The results of the above-mentioned reviews will be disseminated to Project Steering Committees and ICTGB by Q4 2020.
6	The UNHCR Division of Information Systems and Telecommunications should ensure consistent usage of a standard documentation repository for ICT projects and issue specific guidance for its maintenance, as well as establish monitoring controls over record keeping, particularly when there is a change of project manager.	Important	Yes	PMO	Q3 2020	The recommendation will be implemented by Q3 2020.