



INTERNAL AUDIT DIVISION

REPORT 2018/039

Audit of acquisition and management
of information and communications
technology assets in the Department
of Field Support

Some controls needed to be strengthened to
enhance asset management

15 May 2018
Assignment No. AT2017/615/02

Audit of acquisition and management of information and communications technology assets in the Department of Field Support

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of acquisition and management of information and communications technology (ICT) assets in the Department of Field Support (DFS). The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the acquisition and management of ICT assets in DFS. The audit covered the period from July 2014 through April 2017 and included a review of risk areas relating to strategic planning and risk management, needs assessment procedures, and regulatory framework.

The audit showed that some controls needed to be strengthened to enhance asset management. OIOS made five recommendations. To address issues identified in the audit, DFS needed to:

- Review ICT assets that were past their useful life and prioritize the replacement of high-risk assets; monitor high-risk assets that could not be replaced due to funding issues; and establish procedures to identify high-risk assets on an ongoing basis for timely replacement;
- Monitor missions' performance against key performance indicators for efficient ICT inventory management in the field; and ensure that missions fulfil their responsibility to identify and redeploy surplus ICT assets to other missions wherever needed;
- Assess the risks of software license exposure at the mission level and implement controls over such licenses;
- Address the delays in disposal of written off ICT assets and ensure their timely disposal; and
- Improve the existing configuration management database at the United Nations Global Service Centre to include the centralized management platforms for managing critical ICT assets in field missions.

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

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Audit of acquisition and management of information and communications technology assets in the Department of Field Support

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the acquisition and management of information and communications technology (ICT) assets in the Department of Field Support (DFS).

2. The Information and Communications Technology Division (ICTD) of DFS was established by General Assembly resolution 61/279. The Division delivers voice, video, high-speed data systems, network services and field-specific systems and applications for DFS-supported field operations. Currently, DFS supports 16 field missions to whom ICTD also provides guidance on planning and acquisition of ICT goods and services.

3. The Office of Information and Communications Technology (OICT) in the Department of Management (DM) sets the global standards for ICT architecture, hardware and software. In accordance with the memorandum dated 23 January 2008 from the Assistant Secretary-General, Office of Central Support Services (OCSS), ICT assets are classified as "special requirements" which by their nature lend themselves to centralized procurement for reasons of standardization, economies of scale, and global multi-year master agreements. ICTD/DFS approves missions' requests for local procurement authority for the purchase of hardware and software within prescribed limits. When those limits are exceeded, the procurement of ICT assets is performed by the Procurement Division in DM.

4. According to ST/SGB/2010/2, the mandate of DFS for ICT is to provide global information and communications technology services to field operations in close cooperation with other Secretariat entities and supporting OICT in: (i) establishing ICT architecture and standards; (ii) planning and implementing major infrastructure improvements for field operations; (iii) implementing and supporting Organization-wide applications and shared field applications; (iv) providing centralized ICT project management support; (v) coordinating disaster recovery and business continuity planning for the field; (vi) reviewing and approving ICT field budget submissions; and (vii) maintaining strategic oversight of the enterprise data centres and major communications facilities, including review and approval of strategic directions. DFS ICTD resources for the years 2014/15, 2015/16 and 2016/17 are summarized in Table 1.

Table 1: DFS ICT resources (thousands of \$)

Component	2014/15 expenditure	2015/16 appropriation	2016/17 estimates
A. Communications	2,400.2	2,071.1	2,722.8
B. Information technology	17,076.2	14,484.0	15,558.4
C. Information and systems security	821.1	821.5	821.5
Gross requirements	20,297.5	17,376.6	19,102.7

5. In the year 2011/12, DFS transferred some functions concerning acquisitions from Headquarters to the United Nations Global Service Centre (UNGSC) which are located in Brindisi, Italy and Valencia, Spain. The redeployed functions included ICT asset management functions relating to the technical strategic deployment stocks which were transferred from ICTD/DFS at Headquarters to the assets management section of the Communications and Information Technology Service at UNGSC to achieve greater efficiency and effectiveness in the management of the strategic deployment stocks, and reducing the response time to mission queries on all aspects of equipment standards, stock management and rotation.

ICT infrastructural assets were housed in data centres and various warehouses at the UNGSC locations. ICT end user assets were located in various offices at UNGSC. Mission ICT assets were managed locally and overseen by the Property Management Units at UNGSC and Headquarters.

6. The Galileo inventory management system is an application used to manage United Nations-owned equipment as part of the supply chain process within the United Nations field support operations. The application was physically hosted in UNGSC. In December 2015, the Umoja Steering Committee formally endorsed the Galileo Decommissioning Project as one of the high priority projects for Umoja 2016-2017. DFS embarked on decommissioning Galileo and transitioning to Umoja Foundation for the field which commenced with preparing, cleansing and enriching Galileo data for conversion and migration to Umoja.

7. In July 2016, DFS embarked on an inventory optimization project to address the weaknesses in asset management identified by the Board of Auditors. The project's objectives were to: (i) maximise effective and efficient utilization of DFS assets deployed in field missions to ensure full economic benefit and service potential; (ii) optimize property holdings (inventory/assets) based on re-evaluation of requirements through identification of surplus, redistribution, and write off and disposal of aged, obsolete and unserviceable equipment; (iii) set up the foundation for realistic requirement formulation, demand forecasting, enhanced acquisition planning and strengthened global asset management including result-driven UNGSC clearing house processes; and (iv) increase the level of accuracy and completeness of data in property records in support of the International Public Sector Accounting Standards (IPSAS) and the Galileo Decommissioning Project. It was imperative that activities relating to the inventory optimization project were linked with the plan for decommissioning of Galileo.

8. While the Galileo Decommissioning Project was in progress at the time of the audit, the system of record for ICT assets at field locations and UNGSC was Galileo, except for ICT real estate assets which were migrated to Umoja in 2014. DFS's ICT assets were migrated to Umoja in 2015.

9. Comments provided by DFS are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

10. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the acquisition and management of ICT assets in DFS.

11. This audit was included in the 2017 risk-based work plan of OIOS due to the risks associated with acquisition and management of ICT assets which could potentially affect the achievement of the business objectives of DFS and field missions.

12. OIOS conducted the audit from May 2017 to January 2018. The audit covered the period from July 2014 through April 2017. Based on an activity-level risk assessment, the audit covered risk areas relating to strategic planning and risk management, needs assessment procedures, and regulatory framework.

13. The audit methodology included: (a) interviews with key personnel; (b) review of relevant records, documentation and processes including the safeguarding of ICT assets; and (c) physical verification and sample testing of ICT infrastructure and end-user assets at UNGSC locations.

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

III. AUDIT RESULTS

A. Strategic planning and risk management

High-risk ICT assets were past their useful life

15. Planning for ICT asset acquisition should incorporate a lifecycle approach that allows for risk-based decisions on when to replace an ICT asset. The useful life of ICT assets as defined by the Organization falls between four to seven years.

16. In October 2016, ICTD established an asset risk analysis framework that included conducting a risk analysis and business impact analysis on ICT assets. This framework included a focus on the risks and consequences in using assets that had passed their useful life as of 30 June 2016, or would pass useful life as of 30 June 2017, and their impact on the successful delivery of business processes, services and applications. ICTD was aware of the need to replace ICT assets that had passed their useful life but was faced with funding challenges.

17. OIOS reviewed the lifecycle of DFS ICT assets for useful life expectancy and assets currently in use. DFS considered assets that provided critical support for communications, security and data storage to be of high-risk. High-risk assets were noted in the following categories:

- Computer servers
- Network routers
- Network switches
- Firewalls
- Satellite modems
- Network security systems
- Surveillance systems
- Data storage

18. DFS had a large number of assets in use past their useful life, including many in the high-risk category. In Valencia, there were 292 high-risk assets in use past their useful life, of which 8 had passed their useful life 5 to 8 years ago. In Brindisi, OIOS found 113 high-risk assets past their useful life of which 16 exceeded their useful life by 5 to 17 years. To mitigate the risk, DFS had entered into contracts to maintain some of the assets no longer supported, and in some cases, DFS could have an asset fixed or replaced within 24 hours. However, the use of outdated assets several years beyond their useful life still posed a risk to the provision of essential and critical ICT services.

(1) DFS should: (a) review ICT assets that are past their useful life and prioritize the replacement of high-risk assets; (b) monitor high-risk assets that could not be replaced due to funding issues; and (c) establish procedures to identify high-risk assets on an ongoing basis for timely replacement.

DFS accepted recommendation 1 and stated that UNGSC has already taken steps to implement this recommendation, including the review of assets past useful life, prioritization of replacement of high-risk assets and monitoring those that could not be replaced. Additionally, IPSAS mandatory annual impairment reviews also support the ongoing risk analysis for high-risk assets. Recommendation 1 remains open pending receipt of documentation showing the review of ICT assets conducted by UNGSC, including the IPSAS annual impairment reviews.

B. Needs assessment procedures

Inadequate controls over management of ICT assets in field missions

19. According to the DFS Directive 'Property Management for the Financial Year 2017' dated February 2017, the inventory optimization project in June 2016 aimed to optimize property holdings based on re-evaluation of requirements through identification of surplus, redistribution, write-off and disposal of aged, obsolete and unserviceable equipment. Missions were required to implement corrective actions, address underperformance in asset management, and catalyse rapid processing in optimizing field missions' inventory holdings by 31 March 2017.

20. DFS had established policies and procedures to control ICT assets in field missions. However, OIOS review of mission reports on ICT assets in the field and in warehouses showed that many missions had ICT assets in use well past their useful life, yet some of the same types of assets remained unissued in warehouses for many months. Also, most missions had not achieved the expected key performance indicator (KPI) thresholds in managing their ICT inventory. Missions were required to identify and redeploy surplus ICT assets for inter-mission transfer, if needed. However, some slow-moving equipment had not been used for 12 months or longer. Furthermore, the mission reports showed zero surplus of ICT assets even though there were surplus assets in warehouses that remained unissued. Some of these items were on the shelf well past their useful life.

21. The inability of the missions to meet the established KPIs for efficient ICT asset management could lead to inefficient use of resources and potential disruption in ICT services.

(2) DFS should: (a) monitor missions' performance against key performance indicators for efficient ICT inventory management in the field; and (b) ensure that missions fulfil their responsibility to identify and redeploy surplus ICT assets to other missions wherever needed.

DFS accepted recommendation 2 and stated that to address the issue regarding missions' performance, it was taking continuous measures for identifying underperformance through the quarterly performance monitoring and reporting regime, identifying root causes and required management actions, and promulgating an annual directive and work plan on property management. To address the issue regarding missions fulfilling their responsibility to identify and redeploy surplus ICT assets to other missions wherever needed, DFS stated that it conducted the Inventory Optimization Project in 2016/17 led by UNGSC. UNGSC has reported the successful completion of the project and factors lessons learned into inventory and asset management activities. Surplus for redistribution should be identified based on the available holdings, as well as current and future requirements. The availability of overstock and ageing assets alone is not sufficient to determine that there are surplus assets. Recommendation 2 remains open pending receipt of evidence that: (a) missions' performance against KPIs are being monitored; and (b) missions have fulfilled their responsibility to redeploy surplus ICT assets to other missions wherever needed.

Software license tracking needed to be implemented at the mission level

22. The Control Objectives for Information and Related Technologies (COBIT) recommend that installed software should be monitored and tracked to identify personal or unlicensed software or any software instances in excess of current license agreements. Errors and deviations should be reported, acted on and corrected. A central software license library should be established for capturing actual usage,

detecting non-licensed software and the use of rogue software on the network. This also should be done to leverage economies of scale by managing duplication of software across the organization.

23. OIOS review of the practices and controls in place for software licenses at UNGSC Brindisi and Valencia noted the following good practices:

- There were controls to prevent users from installing unlicensed software;
- Software licenses at the two locations were recorded in SharePoint upon purchase and tracked;
- Licenses were consolidated for AutoCAD software, resulting in cost savings and reduced redundancy; and
- A review was in progress to consolidate Adobe software licenses to reduce costs and redundancy.

24. However, controls for software licenses only existed at UNGSC locations; there was no indication of monitoring at the mission level to ensure consolidation of licenses in field missions.

(3) DFS should assess the risks of software license exposure at the mission level and implement controls over such licenses.

DFS accepted recommendation 3 and stated that the Software Assets Management Working Group comprising of DFS, OICT and other offices is currently working on establishing a Secretariat-wide policy as well as the integration of software assets and management process into Umoja as part of Umoja Extension II enhancements. Recommendation 3 remains open pending receipt of evidence that controls over software licenses have been implemented at the mission level.

C. Regulatory framework and operational procedures

Delays in disposal of written off assets

25. According to the DFS directive ‘Property Management for the Financial Year 2017’ dated February 2017, all written off property (except for commercial sale) should be disposed of within three months. Also, Administrative Instruction ST/AI/2015/4 dated 4 June 2015 requires that items of tangible property that are surplus to operational requirements, unserviceable or obsolete shall be promptly identified, written off and disposed of in accordance with the Financial Regulations and Rules. Missions were required to set up a dedicated team to deal with backlog in write-off and disposal.

26. OIOS reviewed a sample of DFS assets for the period January 2015 to June 2017 and found that some assets tagged for disposal were kept for considerable lengths of time awaiting disposal, even though they had been written off as far back as October 2015. This was due to limited resources available in DFS to perform disposal processes. DFS was aware of the backlog in write-off and disposal and had addressed some of it in its annual property management work plan. However, there was still a backlog in written off assets awaiting disposal.

27. The delay in disposal of assets may expose the Organization to environmental risks and result in obsolete equipment occupying valuable storage space that could be utilized more productively.

(4) DFS should address the delays in disposal of written off ICT assets and ensure their timely disposal.

DFS accepted recommendation 4 and stated that changes to the write-off and disposal process and approval limits were introduced through the revision of the delegation of authority issued by the

Assistant Secretary-General, OCSS to the Under-Secretary-General of DFS and further sub-delegated to the Director/Chief of Mission Support. The revised delegation of authority was operationalized through dedicated guidelines and thematic facsimiles from DFS during the second half of 2016. The process improvement is evident through the performance trends during the 2016/17 financial year. The KPI write off process timeline ranged from 87 days during the 2015/16 financial year to 64 days during the 2016/17 financial year. The disposal by commercial sale timeline decreased from 350 days during the 2015/16 financial year to 293 days during the 2016/17 financial year. Recommendation 4 remains open pending receipt of evidence that written off ICT assets past their required dates of disposal have been disposed of.

Physical verification of ICT assets at UNGSC was adequate

28. The Department of Peacekeeping Operations Property Manual and the DFS Standard Operating Procedures on monitoring of KPIs for property management require the Property Control and Inventory Unit to conduct 100 per cent physical verification of all property, plant and equipment held by missions at least once a year.

29. OIOS reviewed the property management records in DFS and noted that the annual physical verification exercise for all missions was up to date and had been completed with no major discrepancies. In addition, OIOS reviewed a sample of 145 ICT assets at UNGSC in Valencia and Brindisi across all UNGSC buildings, warehouses, and data centres. The review covered ICT infrastructure assets, ICT end user assets, and ICT assets in inventory including ‘attractive’ items such as iPads and cell phones. The review showed that all of the sampled assets were properly tagged and stored as per requirements, and the asset information matched the data in Galileo. Based on the sample reviewed, OIOS concluded that the processes for physical verification of ICT assets at UNGSC Valencia and Brindisi were adequate.

Chargeback and cost recovery by UNGSC was adequate

30. UNGSC provided ICT services to 12 entities of the United Nations utilizing its ICT assets at the service centers in Brindisi and Valencia. OIOS noted that:

- The chargeback methodology had been approved by senior management, and customers were involved in costing discussions;
- Service catalog and rate plans were established;
- Costing and pricing was consistent across the customer base;
- Monthly performance reports indicated compliance with service level agreements;
- Customer satisfaction surveys were undertaken annually, which indicated overall high ratings of customer satisfaction; and
- Invoices were generally paid for in a timely manner.

31. OIOS therefore concluded that chargeback and cost recovery at UNGSC was adequate.

Configuration management database needed to be rolled out to missions

32. COBIT recommends that configuration procedures be established to support management, and logging of all changes to ICT assets (both hardware and software) be managed through a configuration repository in order to have an accurate record of the current configuration of the entity’s infrastructure. The configuration data should be periodically reviewed to verify and confirm the integrity of the current and historical configuration.

33. UNGSC had implemented a configuration management database (CMDB) for its Brindisi and Valencia locations. OIOS noted the following:

- UNGSC had selected an appropriate CMDB tool;
- Roles and responsibilities had been defined;
- Standard configurations and descriptions had been established; and
- The CMDB covered 19 services and was certified under ISO 20000 (the global standard that describes the requirements for an information technology service management system).

34. However, configuration management had not been addressed at the mission level. This exposed the Organization to possible inefficiencies in supporting critical ICT activities and processes. *DFS stated that it had been pursuing a light footprint operation concept in field missions by centralizing ICT services in UNGSC. In the longer term, field missions may need to keep only network devices and personal computers (PCs). Additionally, most of critical network devices in field missions, such as firewalls, will be managed by UNGSC via centralized management platforms, as well as software packages to be installed on PCs. While field missions are trying to reduce their operational footprint, it may not be appropriate to introduce a CMDB in field missions as this requires dedicated operators, hardware platforms, and software license(s). It would be reasonable, therefore, to improve the CMDB in UNGSC to include the centralized management platform.*

(5) DFS should improve the existing configuration management database at UNGSC to include the centralized management platforms for managing critical ICT assets in field missions.

DFS accepted recommendation 5 and stated that it will take the necessary action to implement the recommendation. Recommendation 5 remains open pending receipt of evidence that the CMDB has been improved to include the centralized management platforms for managing critical ICT assets in field missions.

Controls over ICT real estate assets and leased equipment were working satisfactorily

35. OIOS physically reviewed a sample of DFS ICT real estate assets (such as pre-fabricated buildings, telecommunications towers, and electrical substations) at UNGSC Brindisi and Valencia, and checked the data recorded in Umoja. The review showed that the ICT assets were accurately categorized and recorded in Umoja, and properly capitalized and recorded against the correct asset accounts. Leased assets and equipment verified were found to be in accordance with the related contracts, service level agreements and warranties, and were properly recorded in Umoja. Performance reports showed that the leased equipment was properly maintained by vendors and functioning adequately. OIOS therefore concluded that the controls over ICT real assets were working satisfactorily.

IV. ACKNOWLEDGEMENT

36. OIOS wishes to express its appreciation to the management and staff of DFS, UNGSC and DM 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 acquisition and management of information and communications technology assets in the Department of Field Support

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1.	DFS should: (a) review ICT assets that are past their useful life and prioritize the replacement of high-risk assets; (b) monitor high-risk assets that could not be replaced due to funding issues; and (c) establish procedures to identify high-risk assets on an ongoing basis for timely replacement.	Important	O	Receipt of documentation showing the review of ICT assets conducted by UNGSC, including the IPSAS annual impairment reviews.	31 December 2019
2.	DFS should: (a) monitor missions' performance against key performance indicators for efficient ICT inventory management in the field; and (b) ensure that missions fulfil their responsibility to identify and redeploy surplus ICT assets to other missions wherever needed.	Important	O	Receipt of evidence that: (a) missions' performance against KPIs are being monitored; and (b) missions have fulfilled their responsibility to redeploy surplus ICT assets to other missions wherever needed.	31 December 2019
3.	DFS should assess the risks of software license exposure at the mission level and implement controls over such licenses.	Important	O	Receipt of evidence that controls over software licenses at the mission level have been implemented.	31 December 2019
4.	DFS should address the delays in disposal of written off ICT assets and ensure their timely disposal.	Important	O	Receipt of evidence that written off ICT assets past their required dates of disposal have been disposed of.	31 December 2019
5.	DFS should improve the existing configuration management database at UNGSC to include the centralized management platforms for managing critical ICT assets in field missions.	Important	O	Receipt of evidence that the CMDB has been improved to include the centralized management platforms for managing critical ICT assets in field missions.	31 December 2019

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

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

³ C = closed, O = open

⁴ Date provided by DFS in response to recommendations.

APPENDIX I

Management Response



UNCLASSIFIED

Immediate

TO: Gurpur Kumar, Deputy Director, Internal Audit Division
A: OIOS

DATE:

MAY 08 2018

REFERENCE: 2018.UNHQ.AR-BOIMEMO.73257.2

THROUGH:
S/C DE:

FROM: Lisa Bittenheim, Assistant Secretary-General
DE: for Field Support

A handwritten signature in black ink, appearing to be the initials 'LB' followed by a stylized flourish.

SUBJECT: **Draft report on an audit of acquisition and management of information and**
OBJET: **communications technology assets in the Department of Field Support (Assignment**
No. AT2017/615/02)

1. I refer to your memorandum, dated 9 April 2018, regarding the above-mentioned audit. We note that OIOS has substantially taken into account our comments provided earlier. We have, however, updated Appendix I to reflect our comments and the individual responsible for the implementation of the recommendations with the deadline.
2. Thank you for the opportunity to comment on the draft report. We stand ready to provide any further information that may be required.

cc: Cynthia Avena-Castillo

Management Response

Audit of acquisition and management of information and communications technology assets in the Department of Field Support

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	DFS should: (a) review ICT assets that are past their useful life and prioritize the replacement of high-risk assets; (b) monitor high-risk assets that could not be replaced due to funding issues; and (c) establish procedures to identify high-risk assets on an ongoing basis for timely replacement.	Important	Yes	Director, LSD and Director, GSC	Fourth quarter, 2019	The Department of Field Support's (DFS') comments are reflected in the report. In addition, the Department of Management is currently reviewing the remaining useful lives of the fully depreciated assets in the field missions, including information and communications technology assets.
2	DFS should: (a) monitor missions' performance against key performance indicators for efficient ICT inventory management in the field; and (b) ensure that missions fulfil their responsibility to identify and redeploy surplus ICT assets to other missions wherever needed.	Important	Yes	Director, LSD	Fourth quarter, 2019	DFS' comments are reflected in the report. It is important to note that surplus for redistribution should be identified based on the available holdings, as well as current and future requirements. Surplus assets must meet the criteria for transferability in terms of condition and remaining useful life. The availability of overstock and ageing assets alone is not sufficient to determine that there are surplus assets.
3	DFS should assess the risks of software license exposure at the mission level and implement controls over such licenses.	Important	Yes	Director, ICTD and Department of Management	Fourth quarter, 2019	The Software Assets Management Working Group, comprising of DFS, the Office of Information and Communications Technology, as well as other offices, is currently working on establishing a Secretariat-wide

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 acquisition and management of information and communications technology assets in the Department of Field Support

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						policy which will comprise guidelines and a framework for software management, as well as the integration of software assets and management process into Umoja as part of Umoja Extension 2 enhancements. The working group is still in the initial stages and the controls for oversight, monitoring of software products and licenses are expected to be in place by the end of the fourth quarter of 2019.
4	DFS should address the delays in disposal of written off ICT assets and ensure their timely disposal.	Important	Yes	Director, LSD	Fourth quarter, 2019	DFS' comments are reflected in the report. Moreover, DFS addresses disposal delays through continuous guidance provided in the form of corrective actions formulated in the quarterly property management performance reports, supplemental closing instructions for preparation of IPSAS reports, as well as in the DFS directives on property management.
5	DFS should improve the existing configuration management database at UNGSC to include the centralized management platforms for managing critical ICT assets in field missions.	Important	Yes	Director, GSC	Fourth quarter, 2019	DFS will take the necessary action to implement the recommendation.

TO: Mr. Gurpur Kumar, Deputy Director, Internal Audit Division
A: Office of Internal Oversight Services

DATE: 10 May 2018

THROUGH: Christian Saunders, Assistant Secretary-General, OCSS and
S/C DE: Officer-in-Charge, Office of the Under-Secretary-General for Management

FROM: Mario Baez, Chief, Policy and Oversight Coordination Service
DE: Office of the Under-Secretary-General for Management

SUBJECT: **Draft report on an audit of acquisition and management of information and communications
OBJET: technology assets in the Department of Field Support (Assignment No. AT2017/615/02)**

1. We refer to your memorandum dated 9 April 2018 regarding the above-subject draft report and provide you with comments from the Department of Management (DM) below.

Paragraph 28

The Department of Peacekeeping Operations Property Manual and the DFS Standard Operating Procedures on monitoring of KPIs for property management require the local Property Control and Inventory Unit ~~in~~ OCSS to conduct 100 per cent physical verification of all property, plant and equipment held by missions at least once a year.

2. The Property Control and Inventory Unit in OCSS does not conduct the physical verification for all missions. This is done by local property management units. Thus, OIOS is requested to revise the paragraph as shown above.
3. Thank you for providing us with the opportunity to give comments on the draft report.