



Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

AUDIT REPORT

Communications and information technology operations in UNTSO

**Internal controls over the communications and
information technology operations need
improvement**

30 September 2009

Assignment No. AP2009/674/03

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

OFFICE OF INTERNAL OVERSIGHT SERVICES - BUREAU DES SERVICES DE CONTRÔLE INTERNE
INTERNAL AUDIT DIVISION - DIVISION DE L'AUDIT INTERNE

TO: Major General Robert Mood, Chief of Staff and Head of
A: Mission
United Nations Truce Supervision Organization (UNTSO)

DATE: 30 September 2009

REFERENCE IAD: 09- 02929

FROM: Fatoumata Ndiaye, Acting Director
DE: Internal Audit Division, OIOS

SUBJECT: **Assignment No. AP2009/674/03 – Audit of Communications and Information Technology operations in UNTSO**
OBJET: **operations in UNTSO**

1. I am pleased to present the report on the above-mentioned audit.
2. Based on your comments, we are pleased to inform you that we will close recommendations 2 and 5 in the OIOS recommendations database as indicated in Annex 1. In order for us to close the outstanding recommendations, we request that you provide us with the additional information as discussed in the text of the report and also summarized in Annex 1.
3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as high risk (i.e., recommendation 1) in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Ms. Cecilia McGill, Chief of Mission Support, UNTSO
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Ms. Susanne Frueh, Executive Secretary, Joint Inspection Unit Secretariat
Mr. Seth Adza, Chief, Audit Response Team, Department of Field Support
Mr. Moses Bamuwanye, Chief, Oversight Support Unit, Department of Management
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INTERNAL AUDIT DIVISION

FUNCTION

“The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization” (General Assembly Resolution 48/218 B).

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EXECUTIVE SUMMARY

Communication and information technology section operations in UNTSO

The Office of Internal Oversight Services (OIOS) conducted an audit of the Communication and Information Technology Section (CITS) operations in the United Nations Truce Supervision Organization (UNTSO). The overall objective of the audit was to assess the adequacy and effectiveness of internal controls over Communication and Information Technology (CIT) operations. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

Generally, controls in CIT operations were functioning well. However, OIOS identified opportunities for improvement as follows:

- The Mission did not perform the formal assessment of the impact of integration of UNTSO (CIT) support services with those of the United Nations Disengagement Observer Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL);
- The Mission had not established guidelines for the allocation and retrieval of cellular devices;
- Although a programme manager's approval was required for official telephone calls, the calls made from one extension were settled by the Mission without the approval of the concerned programme manager;
- The various sections and units of the Mission had not submitted to the CITS a list of their priority applications and information to be recovered in the event of a disaster;
- A lack of periodic review of access rights to UNTSO information technology systems resulted in two staff members performing the incompatible functions of requisitioner, certifying officer and receipt and inspection officer; and
- The CITS did not properly plan and conduct the physical inventory of its assets, resulting in several items valued at \$260,000 not being verified during the physical inventory conducted in December 2008.

OIOS made five recommendations to address the control weaknesses identified in order to strengthen the communication and information technology services in UNTSO.

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I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the Communication and Information Technology Section (CITS) operations at the United Nations Truce Supervision Organization (UNTSO). The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

2. The objective of UNTSO is to observe and maintain the unconditional ceasefire and assist the parties to the 1949 Armistice Agreements in supervision of the application and observance of the terms of those agreements. UNTSO military observers are attached to the peacekeeping forces in the United Nations Disengagement Observer Force (UNDOF) in the Golan Heights in the Israel/Syria Sector and the United Nations Interim Force in Lebanon (UNIFIL) in the Israel/Lebanon Sector. UNTSO also maintains liaison offices in Cairo, Beirut, and Damascus.

3. The Mission is headed by the Chief of Staff, at the Assistant Secretary-General level, and has an authorized staffing strength of 260 including 119 international and 141 national staff. CITS is headed by the Chief at the FS-7 level and comprises 12 international and 13 national staff. It provides Communication and Information Technology (CIT) services to UNTSO Headquarters in Jerusalem and its outstation in Tiberias. CITS also provides services to the offices of the United Nations Special Coordinator (UNSCO) for the Middle East Peace Process based at UNTSO Headquarters in Jerusalem on a cost sharing basis. As at 31 December 2008, the Section was responsible for assets valued at \$5,643,906.

4. Comments made by UNTSO are shown in *italics*.

II. AUDIT OBJECTIVES

5. The main objective of the audit was to assess the adequacy and effectiveness of internal controls over the CIT operations.

III. AUDIT SCOPE AND METHODOLOGY

6. The audit scope covered the period from 1 January to 31 December 2008.

7. The audit methodology comprised: (a) a review of relevant documentation; (b) analysis of data; and (c) interviews with key personnel in CITS.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Integration of CIT support services

8. As of April 2008, UNTSO started integrating its support services for the Observer Group Golan-Tiberius (OGG-T) with the United Nations Disengagement Force (UNDOF)'s support services in Damascus. As well, the Mission started integrating its support services for the Observer Group Lebanon (OGL) with the United Nations Interim Force in Lebanon (UNIFIL). The purpose of the integration is to reduce duplication of efforts and to improve the quality of services provided by UNTSO. The following CIT services will be impacted by the ongoing integration, but the Mission did not provide OIOS with evidence showing that it had identified risks of integration and assessed their impact on its operations:

- (a) Network services such as call forwarding/conference calls will not be available to UNTSO users in different locations in Israel and Syria;
- (b) Digital Enhanced Cordless Telephone services will not be available to UNTSO users in OGG-T; and
- (c) The policy on cellular and local call services at UNDOF and UNTSO differs as these calls are free in UNDOF, but they are charged in UNTSO.

9. UNTSO and UNDOF are holding discussions to address the challenges associated with the integration of services, but no formal assessment had been performed.

Recommendation 1

(1) The UNTSO Office of Mission Support should formally identify and document the risks of integrating its support services with those of UNDOF and UNIFIL in order to manage them effectively and to develop necessary mitigating measures.

10. *UNTSO management accepted recommendation 1 and stated that CITS will identify and document the risks associated with integration of its support services with those of UNDOF and UNIFIL and work with these missions to manage and mitigate those risks. Recommendation 1 will remain open pending verification of documentation on the formal identification of the risks of integrating UNTSO's support services with those of UNDOF and UNIFIL and the related mitigating measures developed.*

B. Telephone billing and allocation of cellular devices

Lack of guidelines for allocating and retrieving cellular phones

11. UNTSO uses cellular phone services of five providers in Israel, Jordan, Lebanon, Syria and Egypt. The Cell Phone Allocation Committee (CPAC) established in UNTSO in June 2008 is mandated to issue, implement and maintain guidelines to ensure optimum distribution of cellular devices in UNTSO.

12. In an effort to reduce charges paid to providers and related administrative costs, the CPAC proposed retrieving eight out of 79 cellular phone lines from staff. Two of the eight lines were allocated to staff that had left the Mission on reassignment and on temporary duty outside the Mission area. As the CPAC had not established the guidelines for cell phone allocation and retrieval, there is no assurance that the proposal for retrieving the eight mobile phone lines would be implemented.

Recommendation 2

(2) The UNTSO Office of Mission Support should establish guidelines for optimum distribution of cellular phones and lines to staff members.

13. *The UNTSO management accepted recommendation 2 and stated that cellular telephones and blackberry devices distribution and usage policy was approved by the Chief of Mission Support in UNTSO on 23 July 2009. UNTSO provided OIOS with a copy of the policy. The Cellular Phone Allocation Committee can act based on these policies for optimum distribution. Based on the action taken by UNTSO Management, recommendation 2 has been closed.*

Official telephone call charges were processed without approval

14. Telephone bills with official calls require the approval of the concerned programme managers before they can be settled by the Mission. OIOS' review of a sample of nine bills relating to two months in 2008 including discussions with the Telephone Billing Unit (TBU) revealed that there was no approval of official calls made from one manager's extension. When this issue was brought to UNTSO's attention, the procedure for the approval of telephone bills was enhanced to prevent any self approved bills.

C. Business continuity and disaster recovery

The CITS Disaster Recovery and Business Continuity (DRBC) Plan has not been tested

15. Paragraph 16 of the GA report A/62/477 requires missions to have disaster recovery and business continuity plans to ensure that suitable ICT facilities are available to restore critical data and infrastructure as and when required in the most cost-effective and operationally viable manner. In this connection, the CITS developed its DRBC Plan in April 2008 and set up a Tier 1 in-mission, on-site data centre in the Main Building at UNTSO Headquarters in Jerusalem. This data centre mirrors the capability of the primary data centre located in the CITS Building within UNTSO Headquarters compound. However,

the DRBC Plan was yet to be approved by management. In addition, the CITS had not received from various sections and units a prioritized list of applications that would need to be recovered in the event of a disaster. The priority list would enable testing of the plan with particular focus on recovery of critical information for various sections.

Recommendation 3

(3) The UNTSO Office of Mission Support should require its various sections and units to submit to the Communication and Information Technology Section (CITS) their respective priority lists of applications and information that need to be recovered in event of a disaster to enable testing of the CITS Disaster Recovery and Business Continuity Plan.

16. *UNTSO management accepted recommendation 3 and stated that a series of actions will be taken to finalize the CITS Disaster Recovery and Business Continuity Plan by 31 October 2009.* Recommendation 3 remains open pending verification of the report of the second annual testing of the DRBC Plan by UNTSO CITS.

D. Access rights to IT systems

There was no periodic review of access rights to various IT systems

17. UNTSO maintains 22 IT systems with a total of 129 access rights granted to various mission staff members. Based on discussions with IT System Administrators and Focal Points, OIOS noted the following issues with respect to access rights:

- (a) There were no regular reviews conducted for access rights to 17 IT systems granted to 84 users in the Mission, resulting in a lack of determination of staff members' continued need for access to systems and information therein;
- (b) Only one staff member had access to the ID Card system; and
- (c) Two of the 16 users with access rights to the Mercury Procurement system also performed the incompatible functions of a requisitioner, certifying officer and receipt and inspection officer. In OIOS' view, this indicates conflict of interest and makes it possible for a user to certify his/her own requisition for goods/services and to receive and inspect goods/services.

Recommendation 4

(4) The UNTSO Office of Mission Support should periodically review access rights to all information technology systems with a view to determining continued need for such rights and to address any potential conflict of

interest where requisitioners are able to certify their own requisitions as well as receive and inspect goods or services.

18. *The UNTSO management accepted recommendation 4 and stated that a semi-annual review of access rights to all IT systems will be conducted and documented by 30 September 2009. Recommendation 4 remains open pending verification of the results of the review to be conducted by the Mission in September 2009 and the related actions taken.*

E. CITS asset management

Inventory of CITS assets was not verified and updated

19. UNTSO CITS has various categories of assets valued at \$5,643,906 as at December 2008. During the physical inventory exercise conducted by CITS, 97 assets worth \$259,338 could not be verified. During the random check of CITS inventory, OIOS found two items (out of the 97 items) in the office of the Chief of Staff. The Asset Manager indicated that failure to verify the assets may have resulted from users' absence during the verification process. In OIOS' view, this is an indication of poor asset management and the failure of the CITS to adequately plan and conduct physical inspections.

Recommendation 5

(5) The UNTSO Office of Mission Support should account for all Communications and Information Technology assets and reconcile the discrepancy of \$259,338 that UNTSO identified during its physical inventory exercise.

20. *UNTSO management accepted recommendation 5 and stated that the discrepancy of the amount mentioned was for assets not physically verified by CITS in 2008. Most of the assets have since been physically verified through persistent follow up. UNTSO provided to OIOS the list of assets indicating that 90 items of CITS assets worth \$255,313 have since been verified. The list provides the location of the assets and the users. The remaining seven assets worth \$4,025 were not verified and the list has been submitted to the Security Section for investigations. Based on the action taken by the UNTSO management, recommendation 5 has been closed.*

V. ACKNOWLEDGEMENT

21. We wish to express our appreciation to the Management and staff of UNTSO for the assistance and cooperation extended to the auditors during this assignment.

STATUS OF AUDIT RECOMMENDATIONS
Assignment No. AP2009/674/03 – Audit of Communications and Information Technology in UNTSO

Recom. no.	Recommendation	Risk category	Risk rating	C/O ¹	Actions needed to close recommendation	Implementation date ²
1	The UNTSO Office of Mission Support should formally identify and document the risks of integrating its support services with those of UNDOF and UNIFIL in order to manage them effectively and to develop necessary mitigating measures.	Strategy	High	O	Verification of documentation on the formal identification of the risks of integrating UNTSO's support services with those of UNDOF and UNIFIL and the related mitigating measures developed.	31 December 2009
2	The UNTSO Office of Mission Support should establish guidelines for optimum distribution of cellular phones and lines to staff members.	Operational	Medium	C	Action completed.	23 July 2009
3	The UNTSO Office of Mission Support should require its various sections and units to submit to the Communication and Information Technology Section (CITS) their respective priority lists of applications and information that need to be recovered in event of a disaster, to enable testing of the CITS Disaster Recovery and Business Continuity Plan.	Information Resources	Medium	O	Verification of the report of the second annual testing of the DRBC Plan to be conducted by UNTSO in October 2009.	31 October 2009
4	The UNTSO Office of Mission Support should periodically review access rights to all information technology systems with a view to determining continued need for such rights and to address any potential conflict of interest where requisitioners are able to certify their own requisitions as well as receive and inspect goods or services.	Operational	Medium	O	Verification of the results of the review to be conducted by the Mission in September 2009 and the related actions taken.	30 September 2009
5	The UNTSO Office of Mission Support should account for all Communication and Information Technology assets and reconcile the discrepancy of \$259,338 that UNTSO identified during its physical inventory exercise.	Operational	Medium	C	Action completed.	1 June 2009

1. C = closed, O = open