

FOLLOW-UP TO THE RECOMMENDATIONS OF THE BOARD OF AUDITORS ON THE ACCOUNTS FOR 2003 - UPDATE October 2006

UN Board of Auditors' recommendations (as per 2003 Report)		Estimated time for completion	Actions taken to date or to be taken within an agreed timeframe
MAIN RECOMMENDATIONS			
12 (c)	Correct its assets database in a timely manner and improve assets reporting by field offices (para. 67); Asset Management Unit (AMU)	Ongoing	The increasing number of countries using PS has improved the timely and regular updating of asset management data. In the 2 nd quarter of 2006, the compliance rate was 82.5%. However, many countries are still struggling with the legacy of old, obsolete assets which are fully depreciated and no longer in working condition- this is especially the case for old vehicles. By the end of September 2006, 17 countries had sold old/obsolete vehicles, spare parts and dead stocks (in total 227 vehicles) for US\$ 1.8 million. The countries are now in the process of updating their databases accordingly. AMU update October 2006
12 (d)	Take further steps to obtain and verify in a timely manner all subproject monitoring reports from implementing partners (para. 74); Finance Section	Ongoing	As explained at the Standing Committee, UNHCR will address the problem by strengthening the implementing partners audit system. In addition, DFSM will alert Bureaux should there be any worrying developments. UNHCR has taken steps in this regard and is of the opinion that this recommendation should be closed. Finance update as at October 2006
12 (h)	Improve its coordination with other United Nations organizations on information and communication technology (ICT) strategy and development (para. 138); DIST	Implemented	The strategy has been updated for the period 2006-2008 and can now be forwarded to the Board. As this is a routine procedure, the item should now be considered as implemented. Update as at October 2006
12 (i)	Review the coordination with software users for its information and communication technology developments and validate the calendar for field office deployment of its new information system after the shortcomings the Board identified have been solved (para. 175). MSRP/DIST	Implemented	As regards coordination with software users, the MSRP Governance Board has met regularly. The new strategy foresees improved IT governance to embrace all aspects of software development. As regards Field roll-out, the plan has been approved by the MSRP Governance Board and the Senior Management Committee. The Field roll-out is under way and the detailed planning is routinely discussed with the Bureaux concerned. Item closed. Update as at Feb. 06/ validated Oct.06
OTHER RECOMMENDATIONS			
21	The Board reiterates the recommendation that UNHCR, in conjunction with the United Nations Secretariat, review the funding mechanism for end-of-service and post-retirement benefits liabilities. Controller's Office	Deferred to 2004 report para 12 (a)	Answered in 2004 report, para 12(a).
33	The Board recommends that UNHCR consider disclosing items in the financial report in terms of best governance principles. Controller's Office	Deferred to 2004 report para 20	Answered in 2004 report, para 20.
76	The Board reiterates its recommendation that UNHCR continue to assess the qualifications of those implementing partners whose accounting systems and internal controls are not adequate. NGO Liaison Unit	Under implementation Feedback by 2 nd half 2007	UNHCR provided the Auditors with copies of the report on "strengthening UNHCR's capacity to manage national NGOs that implement UNHCR programmes" and the self assessment tools in April 2006. NGO unit update of April 2006

FOLLOW-UP TO THE RECOMMENDATIONS OF THE BOARD OF AUDITORS ON THE ACCOUNTS FOR 2003 - UPDATE October 2006

119	<p>The Board recommends, and UNHCR agrees with the Board's recommendation, that UNHCR continue its efforts (a) to improve the precision of the statistical inputs, (b) to obtain as much data as possible through refugee registration and (c) to have refugees registered and photographed promptly.</p> <p>DOS/PGDS</p>	<p>Implemented</p>	<p>UNHCR is requesting the closure of this recommendation. The efforts to improve statistics and registration are ongoing and have been streamlined into UNHCR's regular activities. In 2006, DOS has launched the Operational Data Management Learning Programme (ODMLP) to improve the data management capacity of staff members. In-house training on data collection and use of statistics for informed decision-making was conducted as well as two regional Standards & Indicators training workshops. In collaboration with CRED (Centre for Research on Epidemiology of Disaster, Brussels), data audit missions were conducted in Thailand, Ghana and Egypt (Cairo). The main purpose of the missions was to come up with recommendations and guidelines in order to improve data collection and quality as well as reporting procedures. In a collaborative approach. As of October 2006, Project Profile has reached 47 countries and approximately 2.5 million refugees and other persons of concern already have "active" registration records in <i>proGres</i>. Photographs are part of the registration records.</p> <p>Update as at October 2006</p>
122	<p>The Board recommends that UNHCR (a) identify the expenditures related to its registration activities, with a view to setting related objectives and to monitoring their implementation. b) was closed. DOS</p>	<p>Deferred to 2004/para 251 and implemented</p>	<p>Response has been provided in the 2004 Audit recommendation (#251).</p> <p>Update as at October 2006</p>
125	<p>The Board recommends that UNHCR devote the necessary efforts and resources to implement its project "Profile" within the planned time frame.</p> <p>DOS/Project Profile</p>	<p>Implemented</p>	<p>Please see reply to 119 above. Preparation is under way to mainstream Project Profile into Field Information and Coordination Support Section (FICSS) of DOS and Applications Development and Support Section (ADOS) of DIST as of end 2006. This will ensure continuity of the project's goal within the regular registration support activities.</p> <p>Update as at October 2006</p>
131	<p>The Board recommends that UNHCR closely monitor the management of its premises in the field and endeavour to further comply with the Secretary-General's "United Nations House" initiative. Controller's Office</p>	<p>Implemented Ongoing</p>	<p>A copy of the results of UNHCR's premises was provided to Auditors in April 2006. A database of UNHCR's premises globally is now available on GroupWise. This guides the Headquarters Committee on Contracts' (HQCC) whenever a request for renewal of lease is submitted, and provides the basis for negotiations on entering UN House arrangements in countries wherever this is feasible. UNHCR is working on achieving more progress on this issue.</p> <p>Update as at October 06</p>
142	<p>(b) benchmark them with other organizations of the United Nations system, in order to ascertain that its strategy properly delineates key alignment issues and objectives, the contribution of each project to these objectives, expected costs and benefits, as well as the main risks and technical challenges involved. DIST</p>	<p>Implemented</p>	<p>The IT strategic plan has been updated for the period 2006-2008 and is now a routine process. UNHCR participates in various working groups of the ICT network where strategic and business planning values are being refined. Within the ICT Strategic Plan a number of initiatives were elaborated and within the goals the timeframes have been specified. These initiatives have been approved by the ICT Governance Board and funded within the corresponding budget year.</p> <p>Update as at Oct.06</p>
149	<p>The Board recommends, that UNHCR review its cooperation with UNDP, with a view to achieving savings through greater synergy between the two similarly sourced major software developments. MSRP/DIST</p>	<p>Implemented</p>	<p>With regard to the Travel and Expenses (T&E) project, there is a significant design and development effort ongoing with IFAD in Rome. At present the T&E project has been put on hold due to budget constraints. Access to UNDP PeopleSoft HR environment was granted in February 2006. UNDP solutions are being scrutinized for re-use in UNHCR as the build work proceeds rapidly. As UNHCR's development is more complex with international staff payroll, it is likely that UNDP will benefit more from UNHCR's build applications when they do their development. During the Design Phase workshops,</p>

FOLLOW-UP TO THE RECOMMENDATIONS OF THE BOARD OF AUDITORS ON THE ACCOUNTS FOR 2003 - UPDATE October 2006

			the participation of 5-6 colleagues from UNDP NY and Copenhagen enabled UNHCR to learn from UNDP's experience. DIST Update as at April 06/TR AQ 5
151	UNHCR agreed with the Board's recommendation that it optimize the use of resources by cooperating with other UN agencies towards (a) reducing in the long term the diversity of solutions for systems that are not specific to its core mission, and (b) benefiting from lessons learned in such fields as data and communication security policies. DIST	Ongoing	Deliberations in the ICT Network Group on the applications inventory are ongoing. Access to the UNDP PeopleSoft HR environment was granted in February 2006. UNDP solutions are being scrutinized for re-use in UNHCR as the build work proceeds rapidly. (Please see response to para 149 above.) DIST update as of October 06
154	The Board recommends that UNHCR (a) adopt with the other organizations of the UNsystem a common methodology for determining the total cost of ownership of ICT, in order (b) to determine the variations in cost in different parts of the organization, (c) to assess whether or not outsourcing of ICT activities may be a viable option, and to evaluate ICT projects, their benefits, costs and risks, based on best practices. DIST	Under implementation	(a) and (b) The ICT Network has set up a task force to develop a common methodology for determining total cost of ownership. (c) A draft policy for project evaluation covering benefits, risk and cost has been prepared and approved by senior management (ICT Governance Board). DIST update as at Oct 06
160	UNHCR agreed with the Board's recommendation to improve the consistency of its data standards and policies, in conjunction with other United Nations entities. DIST	Ongoing	This item is a systemwide issue and is being dealt with in the context of the ICT Network of the High Level Committee on Management DIST update as at October 2006
165	The Board recommends that UNHCR research, in conjunction with other United Nations entities, opportunities for cooperation and rationalization in ICT procurement. DIST	Under implementation	The ICT network has set up a task force to look at common procurement. UNHCR is participating in common procurement agreements set up by the ICT Network. While no joint procurement of software has been conducted so far, UNHCR has initiated an agreement with Microsoft, Novell and Adobe resulting in better prices for the UN family for software products as well as for support and maintenance. For telecoms, no joint procurement has taken place. DIST update as at October 06
167	The Board recommends that UNHCR join other organizations of the United Nations system project peer reviews, towards limiting in the long term the cost of the multiplicity of solutions answering similar strategies and needs. MSRP/DIST	Ongoing (related to para 138 under 12-h)	UNHCR continues to participate in ICT Network and other fora. (Please see response to para 138 under recommendation 12(h) above.)
183	The Board recommends, and UNHCR agrees with the Board's recommendation, that UNHCR extensively review its Management Systems Renewal Project security policy on such items as access rights management and fraud prevention. MSRP/DIST	Implemented and ongoing	With the current implementation of the Oracle/PeopleSoft Human Resources system further opportunities are being utilized to automate this function. A revised and newly issued Delegation of Financial Signing Authority and associated matrices is now the basis for granting user access rights. The matrices are regularly reviewed by Finance Section, who ensures that the appropriate internal controls are in place for each office using the MSRP Financials and Supply Chain system. Update as October 2006

FOLLOW-UP TO THE RECOMMENDATIONS OF THE BOARD OF AUDITORS ON THE ACCOUNTS FOR 2003 - **UPDATE October 2006**

192	<p>The Board recommends that UNHCR develop, document and implement a plan against the risk of internal corruption and fraud, including fraud-awareness initiatives, in coordination with the Administration of the United Nations and other funds and programmes to obtain the benefit of best practices, where available.</p> <p>IGO/DHRM</p>	<p>Under implementation</p>	<p>UNHCR has delayed issuing a final plan in anticipation of the United Nations Fraud Policy scheduled to be finalized by the end of 2005 but still pending towards the end of 2006. UNHCR is in the process of discussing at the Senior Management level a possible development of a plan of its own. Feedback may be given by the first half of 2007.</p> <p>IGO and Audit Coordination update as at October 2006</p>
-----	---	-----------------------------	--