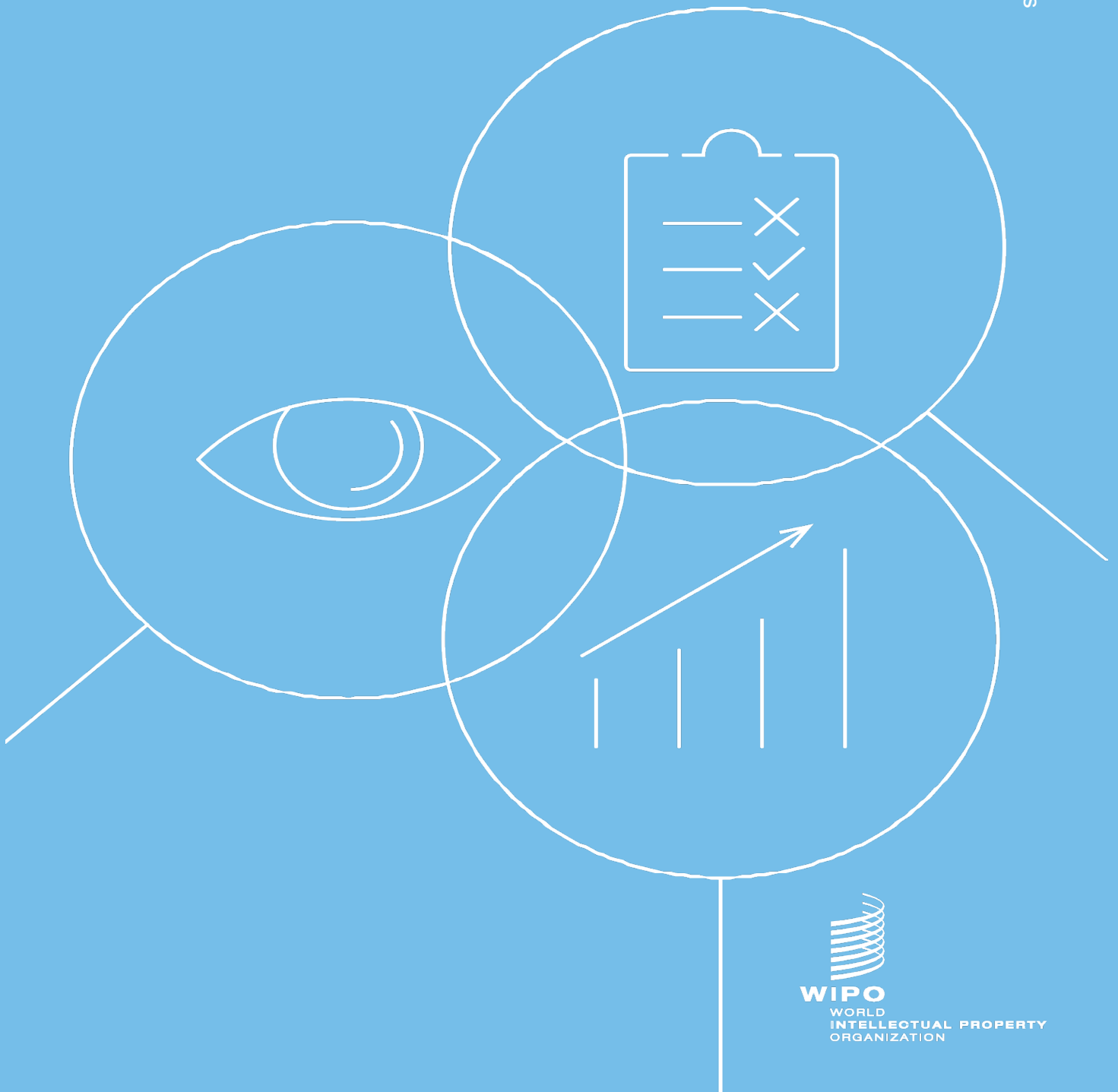


Audit of the Management of Assets, Supplies and Materials

Internal Oversight Reports



IOD Ref: IA 2021-04
March 31, 2022
Internal Audit Section

Note: Parts of the original report were withheld or redacted on grounds of information security.

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LIST OF ACRONYMS

AFMS	Administration, Finance and Management Sector
AIMS	Administrative Integrated Management System
AM	Asset Management
COVID-19	Coronavirus Disease 2019
DEAAD	Diplomatic Engagement and Assemblies Affairs Division
FRR	Financial Regulations and Rules
HRMD	Human Resources Management Department
ICS	Individual Contractor Services
ICT	Information and Communication Technology
ICTD	Information and Communication Technology Department
IOD	Internal Oversight Division
IT	Information Technology
ITSM	IT Service Management
JD	Job Description
OI	Office Instruction
PEMD	Protocol and Event Management Division
PID	Premises Infrastructure Division
PMFP	Property Management Focal Point
PSB	Property Survey Board
PTD	Procurement and Travel Division
SIAD	Security and Information Assurance Division
WIPO	World Intellectual Property Organization

EXECUTIVE SUMMARY

1. The Premises Infrastructure Division (PID) under the Administration, Finance and Management Sector (AFMS) is responsible for maintaining the policy guidance and procedures, recording and keeping up to date all asset-related physical details in the Asset Management (AM) module in the Administrative Integrated Management System (AIMS)¹. In addition, the Division is responsible for managing the collection of works of art² and donations, overseeing the regular annual physical inventory exercise, including assigning and managing the equipment under their responsibility.
2. Further, the Information and Communication Technology Department (ICTD) is responsible for managing the lifecycle of the Information and Communication Technology (ICT) equipment, which includes receiving and assigning the equipment. The Security and Information Assurance Division (SIAD) is responsible for managing the lifecycle of safety and security related equipment while Diplomatic Engagement and Assemblies Affairs Division (DEAAD) is responsible for managing vehicles of the official car fleet.
3. Other business areas are involved in general and at various stages in managing assets, supplies and materials. These areas include the Procurement and Travel Division (PTD), the Department of Program Planning and Finance, and the Property Survey Board (PSB). These areas work together to ensure that the assets, supplies and materials are managed according to the regulatory and administrative framework of the Organization.
4. The Internal Oversight Division (IOD) noted some positive developments in managing selected categories of assets, supplies and materials. Specifically, the efficiency and effectiveness of managing motor vehicles of the official car fleet was enhanced by installing a fleet tracking application in five of the six vehicles. Further, adding a photograph to the product sheets of work of arts, official gifts, and property with a purchase value exceeding 5,000 Swiss francs enhanced the process of identifying and locating them.
5. IOD also noted opportunities to enhance the governance, efficiency and effectiveness of managing selected categories of assets, supplies, and materials in the Organization. These include, reviewing and revising relevant aspects of the current regulatory and administrative framework to reflect Organizational changes and practices. For example, PID needs to update the Property Management Manual and related guidance. Further, the current policies and procedures do not have explicit provisions that govern how decisions are taken on the timing, circumstances and optimal replacement of motor vehicles. In addition, the policies do not cover aspects such as the need to modernize the fleet and progressively move towards using more eco-friendly alternative models. Therefore, it is imperative for the Organization to develop a strategy for a more fit-for-purpose approach to managing the lifecycle of technical and non-technical motor vehicles, most of which have experienced their full estimated useful economic life.
6. Other useful measures include ICTD working with relevant internal stakeholders to develop and implement a process and procedures that help ensure that non-staff members and personnel promptly hand over ICT equipment at the point of separation from the Organization. In addition, the Organization would benefit from ICTD making appropriate changes to the relevant functionalities of the Information Technology (IT) Service Management tool. These changes entail configuring the tool to provide comprehensive, timely, and accurate current and historical data and reports on the full lifecycle of selected ICT equipment, such as laptops and mobile phones. Further, designing and developing compensating controls over ICT equipment

¹ Administrative Integrated Management System (AIMS), the Organization's Enterprise Resource Planning system (ERP).

² Works of art include framed artwork, sculptures, decorative objects, furniture, tapestries/carpets commemorative objects, primitive arts, ceramic/porcelain, and silverware.

such as mobile phones would help provide some reasonable assurance on the existence, accuracy, and completeness of the inventory of mobile phones.

7. Finally, PID and ICTD should work with the other relevant internal stakeholders, particularly the Property Survey Board, to develop a plan with a set timeline for the disposal of unserviceable and obsolete inventories, which have gradually accumulated over the years and are taking up valuable space within the Organization.

8. IOD makes nine recommendations covering governance, strategy, internal control processes, and systems. Management will be addressing these recommendations during the course of 2022 and 2023.