

RISK ADVISORY

Mobile Device Inventory Control

The Office of the State Auditor (OSA) has issued this Risk Advisory to alert the public, business owners, and governmental agencies in the State of New Mexico of risks related to inventory control weaknesses for mobile devices such as cellular and other smartphone devices, laptop computers, and other mobile technology devices. The OSA strongly advises its stakeholders to develop or review existing internal controls to assess the efficiency and effectiveness of its controls and to develop procedures to aid in the prevention and detection of weaknesses that may lead to waste, fraud, and abuse associated with mobile device management.



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Organizational computing is required for operational needs, this includes at a minimum laptops and other mobile and smartphone devices. As organizational computing needs evolve and grow, particularly due to COVID-19 restrictions that may require telework coupled with the growing trend of maintaining full-time telework or implementing hybrid work policies, it is critical to develop, maintain, and regularly review mobile device management and internal controls. Leaving mobile device inventory unmanaged may result in waste, fraud, and abuse. Assigning and monitoring the use of devices should be adequate enough to ensure team members have a business need, inventory is properly monitored, and service and any other fees are accurate.

Recommendations

- ◆ Review your organization's internal controls to ensure mobile device management is included. If so, review the process to assess the efficiency and effectiveness of the control. Update as needed to account for any weaknesses identified. Consider annual or more frequent review depending on the organizational size and need.
- ◆ If no controls exist, prioritize a risk assessment and develop a necessary policy.
- ◆ Organizations should perform an inventory reconciliation to ensure internal records reflect the current status of all mobile devices.
- ◆ Organizations should perform a billing statement reconciliation of any monthly service fees associated with all mobile devices.
- ◆ Organizations should perform licensing reconciliation - such as software use agreements, for example - to ensure compliance, review entitlement rights, and identify team member business needs.

REPORT GOVERNMENTAL WASTE, FRAUD, OR ABUSE To report potential instances of governmental waste, fraud or abuse contact the Office of the State Auditor. Reports may be made anonymously through our website at www.saonm.org or by calling 1-866-OSA-FRAUD. You may also speak to an investigator by calling 505-476-3800.