



INTERNAL AUDIT DIVISION

OFFICE OF INTERNAL OVERSIGHT SERVICES

AUDIT REPORT

Human resources management at UNAMI

26 June 2007

Assignment No. AP2006/812/02

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OIOS · BSCI

TO: Mr. Ashraf Jehangir Qazi
A: Special Representative of the Secretary-General
United Nations Assistance Mission for Iraq

DATE: 26 June 2007

REFERENCE: AUD-7-5:7 (07-10287)

FROM: Dagfinn Knutsen, Acting Director
DE: Internal Audit Division, OIOS



SUBJECT: **Assignment No. AP2006/812/02: Audit of human resources management at**
OBJET: **UNAMI**

1. I am pleased to present the report on the above-mentioned audit, which was conducted from February to April 2006.

2. Based on your comments, we are pleased to inform you that we will close recommendation 3 in the OIOS recommendations database as indicated in Annex 2. OIOS is reiterating recommendation 20, and requests that you reconsider your initial response concerning this recommendation. In order for us to close the remaining recommendations, we request that you provide us with the additional information as discussed in the text of the report and also summarized in Annex 2.

3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as critical (i.e., recommendations 2, 5, 10, 15, 19, 20, 21 and 22), in its annual report to the General Assembly and semi-annual report to the Secretary-General.

4. IAD is assessing the overall quality of its audit process and kindly requests that you consult with your managers who dealt directly with the auditors and complete the attached client satisfaction survey form.

cc: Mr. Philip Cooper, Director, ASD/DPKO
Mr. Milan Trojanovic, Chief Administrative Officer, UNAMI
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS
Mr. Manohar Ragibommanahally, Chief Resident Auditor, UNAMI

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

Audit of human resources management at UNAMI

OIOS conducted an audit of human resources management focusing on attendance and leave recording at the United Nations Assistance Mission for Iraq (UNAMI) from September to November 2006. The main objectives of the audit were to determine if UNAMI Management has put in place adequate and reliable internal controls that: provide reasonable assurance that attendance and leave transactions are properly authorized and approved; and attendance and leave data are completely and accurately recorded and maintained. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

The major findings of the audit are as follows:

- There was lack of clarity the policy for in reimbursing the recreational leave allowance (RLA) which allowed the contingent personnel to collect the RLA while they spent the seven days of leave in the mission area, and were provided with accommodation and food rations;
- Internal controls over the legends used to complete the attendance reports by various sections without authorization by Personnel Section were inadequate;
- UNAMI did not apply the overtime policy for locally-recruited staff as provided by the United Nations Development Program (UNDP), the lead agency in Kuwait but instead used the Department of Peacekeeping Operations (DPKO) policy that is intended for international staff. As a result, locally recruited staff were overcompensated for overtime hours worked;
- There was no annual review of Attendance Record Cards (ARC) by the Chief Civilian Personnel Officer (CCPO) and staff were not called upon to initial their ARCs as required by the policy in the Human Resources Handbook;
- There was excessive and recurrent use of overtime in Personnel Section (PS) for work that would otherwise be performed as part of normal duties during the work day;
- Four drivers in the Transport Section worked overtime for more than 40 hours a month on 13 occasions in violation of the Compensatory Time Off (CTO) policy, which could lead to fatigue and pose a threat to the safety of the drivers and their passengers;
- Certain staff members entitled to night differential were underpaid because of the incorrect computation of hours worked;

- Attendance reports submitted to the Finance Section by the Personnel Section for July 2006 which OIOS tested were altered and the alterations were reflected in the payroll without authorization by the Personnel Section;
- The Mission approved and granted CTO/time-off to staff members who were entitled to a 28-day cycle Occasional Recuperation Break (ORB) in lieu of UN official holidays worked. The CTO/time-off was used by staff members in combination with ORB and AL in violation of the policy on ORB;
- Confidential medical reports were filed unsealed in personnel files and personnel staff corresponded with physicians treating staff members inquiring about the physician's diagnosis and treatment in breach of confidentiality requirements, although a medical doctor was on board at UNAMI; and
- Staff members traveling through Kuwait from Iraq on ORB/AL spent between two and 11 days in Kuwait in transit before their ORB/AL was formally charged.

OIOS issued recommendations to UNAMI concerning the need to seek guidance on the application of the RLA for the UN Guard Unit; strengthening controls in the monitoring and recording of attendance, overtime and night differential; monitoring and controlling the movement of staff from Iraq through Kuwait/Amman on ORB/AL; ensuring the authenticity of attendance data submitted to Finance Section for payment of entitlements; and ensuring confidentiality of information maintained in staff members' medical records.

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I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of Human Resources Management at the United Nations Assistance Mission for Iraq (UNAMI) from September to November 2006. The audit focused on attendance recording and leave and their effects on payment of salaries and allowances applicable to UNAMI.

2. UNAMI started operations in August 2003. The Mission operates on a biennial budget period and for the year 2006 allotments totaled \$65,141,750. UNAMI has an authorized staff strength of 1,240 which includes 302 military and 938 civilian personnel. As at 31 October 2006, 65 per cent of personnel were on board, reflecting a vacancy rate of 35 per cent. The Mission's resources are to be used to assist the efforts of the Iraqi people and government in developing institutions for representative government, and in promoting national dialogue and unity.

3. The Personnel Section (PS), headed by the Chief Civilian Personnel Officer (CCPO), is responsible for the personnel function at UNAMI. These responsibilities include recruiting international and national staff, processing attendance leading to the payment of Mission Subsistence Allowance (MSA), special allowance for Iraq (ISA), hazard pay (HP), administering/processing leave, Occasional Recuperation Break (ORB), Compensatory Time Off (CTO), sick leave, etc. Salaries for international staff are administered by UN Headquarters while the Mission pays MSA, ISA, HP and administers and approves leave, ORB and CTO. Attendance recording and monitoring are administered separately for international and national staff by the respective units in PS, each headed by a Personnel Assistant (PA).

4. The audit reviewed attendance reporting for the months of June and July 2006. Other specific cases required reviews covering prior periods as necessary. During June and July 2006 a total of \$3,309,248.76 was disbursed in MSA, ISA and HP as follows:

Table 1: Disbursements of MSA, ISA and HP for June and July 2006

	Source	Category	June 2006 (\$)	July 2006 (\$)	Totals (\$)
MSA + ISA	Regular Budget	Civilian	970,948.24	930,612.36	1,901,560.60
		MILOBS*	50,647.00	47,550.00	98,197.00
	DSS** Budget	Civilian	522,594.00	479,411.40	1,002,005.40
Hazard	Regular Budget	Civilian	110,059.40	99,276.92	209,336.32
	DSS Budget	MILOBS	49,442.08	48,707.36	98,149.44
Total			1,703,690.72	1,605,558.04	3,309,248.76

*MILOBS–Military Observers; **DSS–Department of Safety and Security

5. The payments shown above accounted for 5 per cent of the total allotments for 2006.

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6. Comments made by UNAMI are shown in *italics*.

II. AUDIT OBJECTIVES

7. The major objectives of the audit were to determine if UNAMI Management has implemented internal controls that: provide reasonable assurance that attendance and leave transactions are properly authorized and approved; and attendance and leave data are completely and accurately recorded and maintained. Specific audit objectives were to:

- (a) Assess the adequacy of controls over attendance and leave entitlements;
- (b) Verify the extent of reliance on internal controls in attendance and leave entitlements;
- (c) Assess the reliability and integrity of attendance and leave records; and
- (d) Ascertain the mode of transmitting attendance and leave information to Payroll.

III. AUDIT SCOPE AND METHODOLOGY

8. The audit was limited to examining issues relating to attendance and leave monitoring and reporting, leading to the processing and payment of allowances and involved an assessment of procedures established by UNAMI to provide fair and transparent administration of leave and ORB. OIOS specifically covered the PS's attendance reporting activities from June to July 2006. The audit did not cover areas such as recruitment and performance evaluation. Audit activities included interviewing staff and management, assessing the application of established rules and regulations, reviewing available documentation and verifying the system used for computing allowances.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Adequacy and reliance on internal controls

The leave cycle

9. Through ST/SGB/2004/16 dated 17 December 2004, and effective January 2005, the date on which annual leave in excess of 60 days for 100 series staff and 30 days for 300 series staff would be forfeited was changed from 1 January to 1 April of any year. Staff members are required to utilize any excess leave days by 31 March of every year. OIOS noted that the Attendance Record Cards (ARCs) at UNAMI still reflected the original cycle of January to December. Ensuring that ARCs reflect the current leave cycle will enhance the

monitoring of leave days by PS and allow it to alert staff when they are about to exceed the maximum leave days allowed for carry over. During the exit conference, the CCPO stated that the ARCs are designed and sent to missions by the Department of Peacekeeping Operations (DPKO). UNAMI will therefore need to consult DPKO in order to re-design the ARCs to conform to the prevailing leave cycle, as this may apply to other missions.

Recommendation 1

(1) The UNAMI Administration should coordinate with the Department of Peacekeeping Operations to reformat the Attendance Record Card to conform to the current leave cycle which runs from April through March.

10. *The UNAMI Administration accepted recommendation 1 and stated that it is already implemented. With the implementation of the Matrix system in UNAMI effective April 2007, ARCs are now printed for the current established leave cycle that runs from April to March. However, OIOS verified the ARCs and noted that the mission had just commenced the reformatting of the ARCs and the exercise is ongoing. Recommendation 1 will remain open pending receipt of documentation from UNAMI showing that all ARCs are in the format that corresponds to the current leave cycle of April to March.*

Recreational leave allowance for UN Guard Unit

11. UNAMI has 223 Fijian personnel assigned to the UN Guard Unit (UNGU) stationed in Iraq. According to paragraph 3 of Annex A of the Memorandum of Understanding (MOU), these contingent personnel will receive directly from UNAMI a daily allowance of \$1.28 and a recreational leave allowance (RLA) of \$10.50 per day for up to seven days of leave taken during each six month period. The UNGU personnel located in Iraq claim RLA while drawing rations and continuing to remain in their camp premises because security concerns and extended travel time make it impractical for UNGU personnel to move anywhere in or outside Iraq to spend their leave.

12. OIOS found that the Mission was reimbursing RLA for all the Fijian contingent personnel, who were likely to complete their six-month tour of duty on the understanding that contingent personnel would have taken their seven days of leave regardless of the place where leave is spent and or if UNGU personnel were eligible to draw rations. Between November 2004 and April 2007, there were six rotations during which 1,037 contingent personnel received a total of US\$10,888 of RLA. In OIOS' view it is not clear what conditions need to be met before contingent personnel can claim reimbursement of RLA. This raises the issue of whether leave taken implies absence from the duty station and secondly, whether the UNGU personnel are entitled to draw rations during the seven day period when they receive an allowance.

13. The Chief Logistics Officer (CLO) stated that he was not aware of any instructions/guidelines issued by DPKO or the Mission regarding eligibility to receive the RLA. An 11 October 2006 e-mail from OIOS to the Officer-in-

Charge, Contingent Owned Equipment (COE) Unit, LSD/DPKO seeking clarification on the criteria for administering the policy on RLA was not answered. The COE Manual/MOU is also silent on eligibility for the RLA. As there is a recurring cost involved at UNAMI and in other missions, it would be advisable for DPKO to issue guidelines for administering the policy on RLA.

Recommendation 2

(2) The UNAMI Administration should seek clarification from the Department of Peacekeeping Operations on the guidelines that should be followed in administering the recreational leave allowance.

14. *The UNAMI Administration accepted recommendation 2 and stated that it would be implemented by 1 June 2007. A fax would be sent to PMSS requesting guidelines on the administration of recreational leave allowance to the Fijian Guards personnel in Baghdad. Recommendation 2 remains open pending receipt of a copy of the fax to DPKO and the eventual clarification by DPKO on the policy to be followed in the reimbursement of RLA to Fijian Guards.*

Legends to attendance reports

15. A review of attendance reports for national and international staff submitted to PS revealed that there was no uniformity in the legends used to complete the reports. Some sections introduced new legends to the attendance reports without PS concurrence. These included the following legends which were not included on the attendance report legend list: P for “24 hours duty”; O for “needs day off”; DO for “day off”; NR, MR – no explanation. In the absence of an approved list of legends on the attendance reports, it would be difficult for PS to track the staff members’ status and eligibility for entitlements. The CCPO informed OIOS that some section chiefs were sensitive about this issue, but he agreed with OIOS’ finding.

Recommendation 3

(3) The UNAMI Administration should inform all Section Chiefs that any changes/additions to the attendance report list of legends should be approved by the Personnel Section and that only attendance reports adhering to the approved list of legends would be processed for payment of entitlements.

16. *The UNAMI Administration accepted recommendation 3 and indicated that it would be implemented by 1 June 2007. An information circular would be issued to inform all section chiefs on the need to adhere to the approved legends stipulated in the mission-wide attendance report format. OIOS confirmed that Administrative Circular number 13/2007 was issued on 8 June 2007 containing the approved list of legends to be used in attendance reports. Any changes/additions to the attendance report list of legends should be approved by the*

Personnel Section. Based on OIOS' verification of documentation provided by the Mission, recommendation 3 has been closed.

Staff members do not sign the attendance reports

17. OIOS' review of the monthly attendance reports for June and July 2006 showed that out of 100 reports submitted for international staff, staff members signed off against their names in only 16 reports before they were signed by the attendance monitor, certified by the supervisor and then verified and certified in PS. In the remaining 84 reports, although staff members did not sign against their names, the reports were signed by the attendance monitor, certified by the supervisor and then verified and certified in PS. None of the 145 attendance reports submitted for national staff in June and July 2006 was signed by individual staff members but they were signed by the attendance monitors, certified by the supervisor and then verified and certified in PS. However, it should be noted that there is no provision or requirement for individual staff to sign the attendance reports to verify that the information is correct, posing the risk that staff members may be marked present when they are away.

18. As there are five UNAMI offices located in three countries, staff movements are frequent and difficult to track because of the security situation. The entitlements are different in the three countries and depend on staff members' attendance. As such, upon receipt of the attendance records and before finalizing the report for submission to the Finance Section (FS) for processing, PS spends time calling staff members to clarify their movements. OIOS believes that staff members' signatures on the monthly attendance report would indicate agreement with the reported information and reduce the time taken by PS to clarify and make corrections. It would also reduce the number and volume of adjustments that are made in the subsequent months by both PS and FS. A copy of the authorization of absence should be attached to attendance reports for staff members who may be away from the mission area. Staff members' signatures on the attendance report would indicate their presence while their absence would be justified by the approved leave or attached MOP. The CCPO agreed with OIOS' findings.

Recommendation 4

(4) The UNAMI Administration should require that: (i) individual staff members sign the monthly attendance reports as confirmation of the attendance information shown on the reports; and (ii) the approved authorization of leave or official business be attached to the reports for staff members who are away before submission to the Personnel Section for processing.

19. *The UNAMI Administration accepted recommendation 4 and indicated that the information circular with guidelines will be issued to ensure that individual staff members sign the monthly attendance reports as confirmation of attendance shown in the report. The following procedures will also be implemented: (a) in a consolidated attendance report form, all staff members*

who physically report to work during the entire month must individually be required to sign on the consolidated attendance report prepared for the section/office/unit; (b) staff members who are aware that they would not be physically present at the end of the month either on approved leave or official business outside the mission area should, upon their return or at their earliest convenience, sign their attendance sheets at the Personnel Section – Attendance Unit; (c) copies of the leave request or MOP reflecting the period of absence should be attached to the individual attendance report forms and forwarded to the Personnel Section (National or International Attendance Unit as appropriate) at the end of the month; and (d) to ensure that salaries of national staff are processed for payment at the end of the month, the Finance Section would be required to process payments of salaries of all staff members; however, payment would be subject to the receipt of a signed monthly attendance report on an individual basis. Other entitlements such as hazard pay and transportation allowance would be processed on the basis of the consolidated list prepared by the Personnel Section. The target date for full implementation is 15 June 2007. Recommendation 4 remains open pending receipt of a copy of the information circular regarding the above.

Incorrect application of the overtime policy

20. Paragraph 1 of the DPKO/HRH on leave states that for locally-recruited General Service Staff, the overtime policy is set in accordance with local practice followed by the lead agency at the duty station that is responsible for conducting salary surveys. At UNAMI, the lead agency is the United Nations Development Program (UNDP), whose overtime policy grants credits at one-and-a-half times for every hour of overtime work done regardless of the day of the week. However, UNAMI decided that the UNDP policy would not be applied and instead incorrectly applied the policy covering international Field Service staff as outlined in ST/AI/2000/3, to locally recruited staff at UNAMI.

21. Section 7 paragraph 2 of the UNDP policy on overtime states that compensation for overtime is calculated on the basis of one-and-a-half times the normal rate. There is no provision for compensation at different rates on the sixth and seventh day of the work week. Paragraph 7 of DPKO/HRH on CTO/Overtime provides different accrual rates for the sixth (one-and-a-half times) and seventh day (double time) and normal day (one-and-a-half times) of the work week for international staff. OIOS' review of attendance records and interviews with staff revealed that UNAMI had incorrectly applied to locally recruited staff the DPKO/HRH policy meant for international Field Service staff. As a result, in 65 cases between January and November 2006, staff members in Transport and Personnel Sections, who worked on the seventh day or on a holiday were overcompensated at double the normal rate instead of the one-and-a-half times rate as shown in the following table:

Table 2: Overcompensation of overtime hours worked

	Index number	Actual hours worked (a)	Incorrect Hours granted (b) = 2x(a)	Correct hours (c) = 1.5x(a)	Extra hours granted (d) = (b)-(c)	Days off equivalent (e) = (d)/8 hours
1	859339	17	34	25.5	8.5	1.06
2	304482	80	160	120	40	5
3	87981	9.5	19	14.25	4.75	0.56
4	707117	24	48	36	12	1.5
5	389436	44.5	89	66.75	22.25	2.78
6	291222	47	94	70.5	23.5	2.93
7	308663	54	108	81	27	3.38
8	292374	51.5	103	77.25	25.75	3.18
9	293103	66.5	133	99.75	33.25	4.16
		Total extra hours/days off granted			197	24.55

22. Likewise on three occasions, 22 and 29 August and 17 September 2006, a staff member (87981) worked from 1700 hours to 1800 hours and was credited one hour each day at the straight time rate instead of one-and-a-half time rate used by UNDP, the lead agency. This demonstrated a lack of consistency in the application of the overtime policy for national staff at UNAMI. Thus as a result of UNAMI's incorrect application of the overtime policy, there has been overcompensation as well as under-compensation granted to staff members for overtime worked. There is a need for overtime hours worked to be recomputed using the correct multiplication factor.

Recommendations 5 and 6

The UNAMI Administration should:

(5) Apply the guidelines issued by United Nations Development Programme, the lead agency in Kuwait, in implementing and monitoring overtime for UNAMI locally recruited staff in accordance with paragraph 1 of the DPKO Human Resource Handbook on leave and Compensatory Time Off/Overtime; and

(6) Review all overtime, recalculate and adjust the overtime hours worked and the corresponding compensatory time off granted against the leave entitlements of locally recruited staff for the year 2006 to date.

23. *The UNAMI Administration accepted recommendation 5 and stated that CTO is computed automatically in Matrix in accordance with the established criteria applicable to all DPKO missions. The Mission added that it will ensure that the guidelines issued by UNDP in Kuwait on overtime for locally recruited staff are monitored and, where appropriate, implemented. Consequently, a*

review of the non-provision of funds for payment of overtime should be made to ensure that UNAMI national staff members are not treated differently from their colleagues in the UN agencies in Kuwait. The target date for full implementation is 15 June 2007. Recommendation 5 remains open pending receipt of documentation from UNAMI showing that the UNDP guidelines on overtime for locally recruited staff is applied to UNAMI local staff.

24. *The UNAMI Administration accepted recommendation 6 and stated that a thorough review and recalculation of all overtime records would be made and corrections or adjustments made. Subsequently, the corrected data would be entered in the Matrix system which would facilitate the accurate and timely updating of records. The target date for full implementation is 1 July 2007.* Recommendation 6 remains open pending receipt of a copy of the report on the review of all overtime from January 2006 to date, including the recalculation and adjustment made to the overtime hours worked and corresponding compensatory time off granted against the leave entitlements of locally recruited staff.

Time-off in lieu of UN Holiday worked

25. Paragraph 1 of the DPKO/HRH policy on CTO/Overtime states that there is no entitlement to overtime compensation or other Compensatory Time Off (CTO) arrangements for international staff serving in special missions, as ORB replaced all previous ad hoc local CTO arrangements at such missions. In accordance with Staff Regulation 1.3(b), staff members are at all times at the disposal of the Secretary-General for the performance of official functions, and are required to work beyond normal working hours as required by the needs of service. ST/AI/2001/21 provides for staff to be granted regular periods of recuperation in the form of ORB, and paragraph 5.2 states that “internal guidelines and practices followed locally before the issuance of this instruction to afford CTO and/or rest and recuperation to staff members serving at special missions shall be discontinued”. Paragraph 5 of the DPKO policy on ORB further states that there is no entitlement to any overtime, CTO or time-off in lieu for international civilian staff members serving in special missions.

26. OIOS selected and reviewed attendance for 29 staff members serving in Iraq where ORB is applicable. The sample was restricted to staff members serving in Iraq because staff members serving in Kuwait and Jordan are not entitled to ORB. The review showed that in all the 29 cases, staff members had taken a total of 38 days that were granted as days-off/time-off in lieu of UN holiday worked and combined with ORB and AL in violation of the provisions of ST/AI/2001/21. The CAO issued Administrative Circular No. 46/2005 on 28 October 2006 regarding hours of work which reiterated that staff are urged to “show a presence” at the office on weekends and official holidays. In addition, paragraph 5.1 of the circular states that in instances where staff members are required to work on an official holiday, for the full day, authorization may be granted for a day-off in lieu, provided approval has been obtained in advance by the supervisor from the CCPO. Paragraph 5.1 of the CAO’s circular contradicts the DPKO/HRH policy on CTO/Overtime. In addition, the CAO’s circular 51/2005 was issued on 27 November 2005 allowing staff members to be granted a day-off in lieu of UN holiday worked with authorization.

27. Based on OIOS' observation, UNAMI sought clarification from the Personnel Management and Support Services (PMSS) regarding the entitlement to overtime compensation/CTO for international staff serving in UNAMI. PMSS upheld OIOS' finding, which resulted in UNAMI issuing a circular dated 20 March 2007 discontinuing the practice of granting staff members a day-off in lieu of UN holiday worked. The circular supersedes the CAO's circular 51/2005 of 27 November 2005.

B. Recording and maintaining complete and accurate leave and attendance records

Night differential

28. Staff Rule 103.13 provided in ST/SGB/2002/1 dated 1 January 2002 sets out the conditions governing night differential. Although the rule refers to staff members at headquarters, the same rule is applied at UNAMI. Thus, for any regular hours worked between 6 pm and 9.30 am, night differential at the rate of 10 per cent of the aggregate of staff members' salary or wage is paid, provided that no such differential shall be paid for any part of the tour of duty that begins between 6 a.m. and 9.30 a.m. OIOS found that for 18 security staff in Iraq, the requests for night differential hours worked were incorrectly recorded and underpaid for the month of July 2006. After the supervisor completed the form and submitted it to PS, the figures were submitted to the FS for payment without review, correction or clarification from the originating office. The hours worked and corresponding hours paid for the 18 staff members are shown in the table below.

Table 3: Staff members underpaid night differential for the month of July 2006

	Index number	Night differential hours worked	Night differential hours paid	Underpaid hours
1	217790	13	12	1
2	891372	13	12	1
3	290847	13	12	1
4	383059	54	48	6
5	881709	81	72	9
6	248687	87	78	9
7	860703	94.5	84	10.5
8	264727	87	78	9
9	377060	94.5	84	10.5
10	892997	75	66	9
11	858114	70	60	10
12	110400	84	72	12

13	904843	90	78	12
14	858825	62	54	8
15	433622	42	36	6
16	864853	28	24	4
17	297137	28	24	4
18	863722	28	24	4

29. OIOS believes that provision should be made on the night differential request form allowing staff members to sign against the hours worked before it is forwarded to PS for processing. In addition, PS should be meticulous in reviewing the proposed payments before signing them, and liaise with the sections concerned to ensure that correct information is forwarded to FS for payment.

30. The work schedule for the Security Section in Kuwait provides for only one staff member to be on duty at any given time. The schedule is divided into three shifts i.e. A, B and C. Thus, there can only be one person on duty during each shift. However, analysis of the attendance report for July 2006, and the corresponding requests for night differential revealed that on 2nd July 2006, two staff members one belonging to shift B and one to shift C were on duty at the same time from 2000 hours to 2359 hours. They both claimed an equal number of hours of night differential for the same day. As night differential applies only to national staff in Security and Communications Sections, UNAMI should review their attendance for 2006 and reimburse those underpaid.

Recommendations 7 and 8

The UNAMI Administration should:

(7) Review all cases of night differential for 2006 and re-submit all cases where staff members were under-paid for payment to the Finance Section, and if there are any cases of overpayment, recover them as applicable; and

(8) Ensure that before the request for payment of night differential is submitted to the Personnel Section for approval/payment, each staff member should sign it to indicate agreement with the hours worked. The Personnel Section should review the hours worked to ensure that the correct figures are forwarded to the Finance Section to avoid overpayment or underpayment.

31. *The UNAMI Administration accepted recommendation 7 and indicated that clearly defined guidelines to determine actual hours worked would be established to ensure standard and thorough review of all cases of night differentials from 2006 to date. In cases of discrepancies, resubmission would be made to Finance Section for adjustments. Recommendation 7 remains open pending receipt of documentation from UNAMI showing the review of all cases*

of night differential, and the list of cases re-submitted to Finance Section for payment or recovery action, as applicable.

32. *The UNAMI Administration accepted recommendation 8, indicating that measures would be in place to ensure that: (a) attendance records on night differential are verified and signed by each staff member; (b) leave monitors and supervisors would be accountable for the verification of the actual number of hours worked; and (c) the Personnel Section scrutinizes the figures presented by the leave monitors and certifies the accuracy of the figures before submission to the Finance Section.* Recommendation 8 remains open pending receipt of documentation from UNAMI showing the implementation of measures to ensure the validity and accuracy of night differential.

Uncertified sick leave data recorded in the FPMS

33. According to Staff rule 106 (c), a staff member may take uncertified sick leave of not more than three consecutive working days at a time for up to seven working days in a calendar year. For 300 series appointments, three working days may be taken as uncertified sick leave in a six-month period without submission of a medical certificate. OIOS reviewed the FPMS database to determine whether any staff members had used more than seven days of uncertified sick leave (for 100 series staff) or 6 days (for 300 series staff) a year. OIOS noted seven cases where staff members’ uncertified sick leave totaled seven days or more. The data was matched with the information on the ARCs and the sick leave reports in the file. The results of the analysis are shown in the following table.

Table 4: Inaccurate uncertified sick leave data for 2005 and 2006

Index number	Year	Number of days reflected		
		FPMS	ARC	Sick leave reports
136733	2005	9	4	4
260735	2005	7	3	3
858872	2006	8	2	2
615471	2006	7	6	6
858114	2005	12	4	4
925787	2006	7	4.5	3.5
129218	2005	13	2	2

34. The analysis showed that there is a mismatch between the data in the FPMS, on the ARCs and the sick leave reports on file. As UNAMI did not use the FPMS in 2005, the data was entered manually by PS in 2006 when the system became operational. Although OIOS’ analysis of these records found that the staff members had taken fewer days than shown in the FPMS, there is a risk that data for staff members who have taken more uncertified sick leave days may reflect fewer days or none at all. This can lead to PS approving more uncertified sick leave days, if they are to rely on the FPMS data, currently being migrated to

Matrix. Matrix is the new electronic attendance recording and monitoring system currently implemented in all DPKO missions. In order to ensure that records are accurate, PS needs to review all the data migrated to the Matrix to ensure that it tallies with the ARCs and have supporting leave reports on file.

Recommendation 9

(9) The UNAMI Administration should review all the data relating to uncertified sick leave migrated to Matrix to ensure that the information recorded tallies with the ARCs and the sick leave reports on file.

35. *The UNAMI Administration accepted recommendation 9 and indicated that implementation was ongoing. UNAMI further stated that henceforth, only uncertified sick leave as recorded in the Matrix system would be used in the manual ARCs maintained by the Human Resources Assistants, as a working document only.* In OIOS' opinion, the Mission's response did not address the risk that data currently in Matrix (migrated from FPMS) is not accurate, as shown in the discrepancies in Table 4. There is a need to review all data migrated from FPMS and match it to the sick leave reports on file, in order to ensure its accuracy. In the absence of this review, data migrated to Matrix will be/is inaccurate and cannot be relied upon. Recommendation 9 remains open pending receipt of documentation from UNAMI showing that the Mission has conducted a review of all data relating to uncertified sick leave migrated to Matrix.

Annual review of ARCs by CCPO and staff members

36. Paragraph 6 of the DPKO/HRH policy on Time and Attendance Recording requires that the CCPO annually review the ARCs and the staff member should initial the closing balance on the ARC. OIOS' review of the ARCs and interviews with the PAs in charge of international and national attendance recording revealed that this has not been done at UNAMI since the inception of the Mission in August 2003. Review of the ARCs by the CCPO and the staff members can ensure that the correct number of days is carried over to the next leave cycle. Failure to adhere to this requirement can lead to inaccuracies in leave balances which will affect the MSA and other leave entitlements and the organization through leave encashment at the time of separation. When asked why the review of the ARCs had not been conducted, the PA, International Attendance Unit stated that her tenure with UNAMI started in February 2006 and thus she had not completed a year at the time of audit. She indicated however, that the review of the ARCs will be done at the end of the leave year i.e. March 2007.

37. OIOS also selected 56 index numbers for national staff members in order to review their ARCs for the period July to December 2006 to determine the accuracy of the information recorded. Of the 56 ARCs, 53 contained incorrect information regarding the staff member's name, nationality and type of appointment. The name, nationality and type of appointment of one international staff member (index number 717851) were replicated on all the 53 ARCs. Two ARCs contained correct information and one ARC did not show the nationality

and type of appointment. The staff member processing national staff attendance and the Supervisor was not aware of this error and stated that it was an oversight. The ARC had been copied and used without editing the information at as highlighted above. Incorrect information regarding a staff member's nationality and type of appointment can result in the incorrect payment of entitlements.

Recommendations 10 and 11

The UNAMI Administration should:

(10) Annually review all attendance record cards and arrange for each staff member to review and initial them as provided for in paragraph 6 of the DPKO Human Resources Handbook policy on time and attendance recording; and

(11) Correct all the attendance record cards that show the incorrect appointment type and nationality of the staff member as this is misleading and can lead to incorrect payment of entitlements.

38. *The UNAMI Administration accepted recommendation 10 and indicated that implementation was on-going. UNAMI also stated that ARCs will be reviewed annually and staff members will be requested to sign the ARCs upon reviewing the data. As no staff member had signed their ARCs since the inception of UNAMI, this recommendation will remain open until OIOS receives documentation indicating that the CCPO has reviewed all ARCs and that all staff members who have completed a leave cycle have initialed the closing balance on their ARCs.*

39. *The UNAMI Administration accepted recommendation 11 and stated that as UNAMI was using a manual system and errors were common. However, as the Mission is switching to Matrix soon, these errors will be corrected and prevented in the future. UNAMI indicated the target date for full implementation as 15 June 2007. In OIOS' opinion, the Mission's response did not address the issue of the incorrect appointment type and nationality of staff members indicated in their attendance record cards. Recommendation 11 remains open pending receipt of documentation from UNAMI showing that all ARCs have been reviewed and those bearing the incorrect appointment type and nationality of the staff members have been corrected.*

C. Authorizing and approving leave and attendance

Special leave without pay

40. Paragraph 13 of the DPKO/HRH policy on special leave indicates that missions may approve requests for Special Leave Without Pay (SLWOP) in line with the relevant staff rules and guidance provided in respect of local staff for a period of up to one month. SLWOP for local staff in excess of one month should be approved by PMSS. Although the Mission forwarded one case (index number 861178) to PMSS for approval of more than one month of SLWOP, in three

cases (index numbers, 878745 – 10 May to 9 July 2006, 248687 – 10 October to 16 November 2005, 858114 – 13 March to 30 April 2005) of SLWOP in excess of one month, there was no approval by PMSS on file.

41. The CCPO stated that in cases of SLWOP where staff members extend their SLWOP and eventually resign, there is no need for them to seek approval of the SLWOP extension from PMSS. However, the FPMS database showed that the above staff members were still on board at the time of the audit.

Recommendation 12

(12) The UNAMI Administration should review the cases of special leave without pay that exceeded the one month delegated authority for the Mission and ensure that approval of PMSS is obtained.

42. *The UNAMI Administration accepted recommendation 12 and stated that the Mission has already undertaken the review and obtained approval from PMSS for those cases in excess of the one month delegated authority to the Mission.* Recommendation 12 remains open pending receipt of documentation from UNAMI showing the list of cases of SLWOP exceeding the one-month delegation of authority and PMSS' approval of these cases.

Exhaustion of sick leave entitlements

43. Paragraph 2 of the DPKO/HRH policy on sick leave – exhaustion of entitlements states that, where a staff member, local or international, is on extended sick leave and it is anticipated that the staff member may exhaust his/her entitlements to sick leave at full pay, the case must be referred to PMSS for review. In addition, paragraph 4 of the DPKO/HRH policy on sick leave – exhaustion of entitlements states that once a staff member holding a 300 series appointment exhausts all sick leave, any further absence is charged to annual leave. After exhausting all entitlement to annual leave, the staff member is placed on SLWOP. However, if the staff member is being considered for award of a disability benefit, the Mission may request that the staff member be placed on special leave with half pay, which must be approved by the Office of Human Resources Management (OHRM). OIOS noted that a national staff member (index no. 669930), holding an ALD 300 series contract had been on extended sick leave with full pay since 15 November 2005 until December 2006. The staff member sustained an injury on duty on 15 November 2005, while holding a three month contract that was due to expire in December 2005.

44. Records on file indicate that at the end of December 2005, the staff member (669930) had a negative sick leave balance of 32 days. There is no documentation on file showing that the case was referred to OHRM requesting SLWOP for the staff member or approval for special leave with half pay, but the staff member remained on full pay status as the contract of the staff member continued to be renewed every six months. Although the Mission has communicated with the Medical Services Division (MSD) there is no documented communication with OHRM or PMSS. Also, for the period 25

August to 31 December 2006, there was no approved sick leave report on file, but UNAMI continued to pay the staff member salaries in full. In March 2007, the Advisory Board for Compensation Claims (ABCC) informed UNAMI that the MSD only approved sick leave from 15 November 2005 through 31 May 2006 as being directly related to the service-incurred injury. Thus the sick leave taken after 1 June 2006 is not related to that injury and is not covered under the provisions of Appendix D to the staff rules. OIOS noted that UNAMI had withheld salary payments to the staff member effective January 2007 and was making arrangements to recover salaries paid from June to December 2006 which amount to approximately \$6,102 net.

45. During the exit conference, the CCPO explained that the staff member in question did not submit her initial sick leave request on time. However, as stated in the preceding paragraphs, the very first sick leave submitted by the staff member following the injury drove the staff member's entitlement into the negative balance by the end of December 2005. No action was taken to address the issue at the time in accordance with paragraphs 2 and 4 of the DPKO/HRH policy on leave.

46. In another case, a staff member (index no. 390097) with a six month contract had used sick leave in excess of his entitlements for the period. The Supervisor of NSU informed OIOS that to cover the excess sick leave days taken the staff member had agreed not to take any annual leave until the extra sick leave days are recovered. A hand-written note on the file showed that staff member cannot take leave until recovery of the extra sick leave days. It also indicated that the staff member had used 71 sick leave days as of end of September 2006, against an entitlement of 46 days. However, his annual leave balance on the ARC was 27.5 days as at the end of September 2006. There was no documentation on file to show that this case had been referred to PMSS in line with Paragraph 2 of the DPKO/HRH policy on sick leave. The agreement explained by the Supervisor, NSU wherein the staff member agreed not to take any annual leave until the excess sick leave was recovered, was not documented.

Recommendation 13

(13) The UNAMI Administration should forward all cases involving the exhaustion of sick leave to Headquarters for review, and in the case of the staff member with index number 390097, excess sick leave should be immediately recovered from the annual leave credit balance.

47. *The UNAMI Administration accepted this recommendation and stated that sick leave computations of the staff member with index number 390097 have been redone and necessary corrections made.* Recommendation 13 remains open pending receipt of documentation showing: (a) that all cases of exhaustion of sick leave have been submitted to PMSS for guidance and approval; (b) UNAMI's action to recover salaries paid to the staff member with index number 669930; and (c) PMSS' advice as well as documentation/computation showing regularization of annual leave for the staff member with index number 390097.

Control and monitoring of overtime

48. According to Paragraph 2 of the DPKO/HRH policy on leave/compensatory time-off/overtime, the Director of Administration/Chief of Administration (DOA/CAO) is responsible for ensuring that appropriate mechanisms are in place to control and monitor overtime worked by both national and international staff members. ST/AI/2000/3 paragraph 4.2 requires the head of administration at each established Mission to initiate a review of overtime credits three times per year. Paragraph 3 of the policy reinforces the foregoing requirement which will enable management to identify excessive overtime patterns and take action to rectify the situation. The Supervisor of NSU advised that a review of overtime credits is carried out quarterly and staff members concerned are informed of the impending expiration of their overtime credits and are afforded an opportunity to use overtime credits in excess of 40 hours as CTO. However, OIOS was advised that there were no reports prepared concerning these reviews. The Supervisor indicated that such reports were not prepared in a prior Mission where she had served. Without such reports, it was not possible to determine whether overtime patterns were being monitored.

49. Paragraph 2 of the policy indicates that overtime is to be performed in exceptional circumstances only and is not to be incurred on a regular and recurrent basis. OIOS identified excessive and recurrent use of overtime in PS for work that would otherwise be performed as part of normal duties during the work day. The reasons given to justify the overtime were not convincing to validate the overtime taken and to confirm that the work could not be performed during normal working hours. Some of the justifications for overtime work were vague and inadequate (e.g. clearing work load; filing; assembling copies of Amman staff signed contracts for dispatch; to complete staffing table; etc.) A detailed extract of justification for overtime work is shown in Annex 1 of this audit report.

50. As at 31 August 2006, PS was operating at full strength except for one P3 post and one FS post. Therefore there was little justification for excessive overtime work in the Section. If PS continues to approve overtime work at this rate and for the reasons cited and reflected in Annex 1, the CAO needs to reassess the quantity and quality of resources in the Section and review the work distribution.

51. Requests for overtime are initiated, justified, verified, approved and implemented within PS through the approval of CTO/leave requests against the overtime hours worked. In five cases, although overtime requests had been addressed to the CCPO, they were initiated, justified, and approved by the Supervisor, NSU and were not signed by the CCPO. In another 31 cases, overtime requests had been initiated, addressed to, justified, and approved by the CCPO. In one case the time in and time out were overwritten but nevertheless approved by the Supervisor of NSU. The reasons for overwriting were not explained. Thus, the integrity and validity of such documents are questionable. In OIOS' view, there are no controls of overtime in the PS and this weakness needs to be addressed.

52. Overtime does not normally result in the payment of cash, but allows staff members to accumulate hours of work that are converted into CTO in addition to earned leave. OIOS could not verify the arrival and departure times of staff using the Security Section's data as the Chief Security Advisor did not provide the requested data. The following table illustrates the overtime hours worked by the national staff in PS and MOVCON from January to October 2006 together with the corresponding CTO days that will accrue.

Table 5: Days-off equivalent of overtime hours worked by staff in Personnel and Movement Control Sections from January to October 2006

Index number	Total hours worked (a)	Days off entitlement (b) = (a)/8
389997	40	5
859339	66	8.25
548295	147	18.375
395858	138	17.25
304482	193	24.125
87981	75	9.375
707117	88	11
		93.375

Recommendations 14 and 15

The UNAMI Administration should:

(14) Subject overtime to strict management control by ensuring that overtime requested by and granted to national staff in Personnel Section is justified; and

(15) Review and document the overtime patterns for all Mission staff every four months to identify excessive overtime patterns and take necessary managerial action to rectify the situation.

53. *The UNAMI Administration accepted recommendation 14 and stated that all overtime requests will be scrutinized.* In OIOS' opinion, the Mission's response is not sufficient to address the recurrent and excessive use of overtime in Personnel Section. Recommendation 14 remains open pending receipt of documentation from UNAMI showing implementation of specific guidelines indicating that work that is expected to be performed by staff members as part of their normal duties should not be treated as overtime at the expense of the Organization.

54. *The UNAMI Administration accepted recommendation 15, stating that with the implementation of the Matrix system in the Mission, an up-to-date record of overtime hours is available for the identification of excessive overtime hours.* In OIOS' opinion, the Mission's response is not sufficient to address the

condition of excessive and recurrent overtime patterns. The Personnel Section has to prepare a report every four months to be reviewed by management in order to identify and rectify the excessive and recurrent use of overtime. The data in the Matrix will not be useful to management unless a report is generated and presented to management to enable them to make informed decisions regarding the control and monitoring of overtime. No such report has been prepared since the inception of the Mission. Recommendation 15 will remain open pending receipt of documentation showing that mechanisms have been put in place to prepare such a report regularly.

Staff members worked overtime for more than 40 hours in a month

55. As mentioned above, the UNDP policy on overtime, which is also applicable to national staff at UNAMI, states that in the interest of staff health and safety and for the efficiency of the service, a staff member may not be required to work more than 40 hours of overtime during any one month, except where unusual exigencies of service exist. This requirement is reinforced in Paragraph 11 of the DPKO/HRH policy on Leave. The PA processing national staff attendance informed OIOS that for more than one year, drivers in the Transport Section had always exceeded the 40 hours maximum in one month and that such overtime has been processed for CTO. The PA explained that it is inevitable for the drivers to exceed the 40 hours of overtime per month because of work exigency. The PA further advised that there was no documentation concerning the Transport Section's requests for exemption to the rule and PS' approval.

56. To corroborate this information, OIOS reviewed the overtime work performed by six drivers at UNAMI-Kuwait for the period April to November 2006. The review showed that of the six drivers in the Transport Section, there were 13 cases in which four drivers worked for more than 40 hours of overtime per month as shown in the table following:

Table 6: Overtime exceeding 40 hours per month

Index number	Overtime hours per month (April to November 2006)						
	April	May	June	July	August	October	November
389436		43		45	50		
291222						43	41
293103	41		45.5	50.5		51.5	45
390332	50.5		44	47			

NB: No driver worked more than 40 hours in September 2006

57. The Deputy Chief Transport Officer (CTO) was not aware that drivers had exceeded the 40 hours requirement and informed OIOS that he did not know that overtime should not exceed 40 hours during any given month. He had not kept records of the hours worked by the drivers. The overtime form is submitted to PS immediately after the work has been performed. He further stated that he has experienced a shortage of drivers since 2005, and although he requested additional drivers in the previous budgets, this was not approved. The Deputy

CTO advised that his request for additional drivers in the 2007 budget has been approved and three more drivers will be recruited, which will ease the pressure. OIOS believes that overworked drivers are subject to fatigue which can put them and their passengers at risk.

58. In OIOS' view where because of exigencies of work, working more than 40 hours of overtime in a month cannot be avoided, there should be a request for exemption to the rule and approval granted by the Administration. In addition, the issue should be brought to the attention of the CAO who should subject overtime to strict management control.

Recommendation 16

(16) The UNAMI Administration should take steps to address the shortage of drivers in the Transport Section and ensure that overtime is subject to strict management control and the number of overtime hours worked does not exceed 40 hours per month.

59. *The UNAMI Administration accepted recommendation 16 indicating that a schedule of duty drivers is to be established to address the accumulation of overtime. The target date for implementation was indicated as 10 June 2007.* In OIOS' opinion, the Mission's response did not address the shortage of drivers in the Transport Section. A schedule of duty drivers has been in effect in UNAMI and is established and circulated every month by the Deputy Chief Transport Officer. But this has not addressed the situation of driver shortage, which leads to excessive and recurrent overtime exceeding 40 hours a month. Recommendation 16 remains open pending receipt of documentation showing that the shortage of drivers in the Transport Section has been addressed and that no driver is required to work more than 40 hours a month.

D. Transmittal of leave and attendance reports to Finance Section

Unauthorized corrections made to attendance reports

60. The PS has sole authority for transmitting attendance reports and it instructs FS on the respective entitlements (MSA, ISA, HP, salaries and other allowances) to be paid to staff. FS cannot alter staff pay entitlements without PS' approval. Occasionally, FS is privy to information that PS may not have already received regarding travel claims, etc. In such instances, FS is expected to advise PS to institute the changes and submit an addendum or amended report for action.

61. OIOS interviewed the FS staff members responsible for preparing the payroll for both international and national staff and learned that the FS staff member in charge of the national staff payroll does not institute any changes without the express written authority of PS. When errors are noted, the report is sent back to PS for correction before the payroll is processed. Likewise, the FS staff member who prepares the payroll for international staff informed OIOS that

when errors are noted in the report received from PS, it is returned to PS for corrections before changes are made to the payroll. OIOS then conducted a review of the July 2006 MSA report submitted by PS to FS. It was noted that out of the 254 staff members, eight corrections were made with regard to the attendance and movement of four staff members. These were overwritten in pencil on the original report submitted by PS.

62. The PS confirmed that they were not aware of the corrections made by FS to the July 2006 MSA report. The PA processing international staff attendance further explained that PS usually prepares a draft report and submits it to FS. When errors are noted, it is returned to PS where corrections are made by overwriting the same report, a new copy printed and resubmitted to FS. Thus the corrections made were not tracked. OIOS commends the cooperation between FS and PS. However, PS should be the authority to make the corrections and submit the corrected report to FS as an addendum to the original report, capturing only the corrections made. This will enable PS to own the report and the corrections as the only authority for payment of allowances. In OIOS' view, the errors in the report submitted to FS were identified because of the scrupulous review by the FS staff member processing the payroll. Although the rigorous review of FS staff averted the potential overpayment/underpayment, there is need to ensure that PS has access to the documents that would enable them to prepare accurate MSA reports. Where it is not possible to obtain this information on time, any corrections should be brought to the attention of PS which should give written authority before FS implements them in the payroll. During the exit conference, the CCPO agreed with the audit findings and the need to tighten controls over the authentication of leave and attendance information by the CCPO before the report is transmitted to Payroll.

Recommendations 17 to 19

The UNAMI Administration should:

(17) Ensure that the Personnel Section receives all documents necessary to prepare accurate attendance reports;

(18) Instruct the Chief Civilian Personnel Officer to submit corrections to initial attendance reports in the form of exception reports capturing only the corrections made to the original report, as an additional control; and

(19) Ensure that Finance Section does not implement corrections to attendance reports without the express written authority of the Personnel Section.

63. *The UNAMI Administration accepted recommendation 17, indicating that an information circular will be issued to clearly identify all the documents that must be attached to attendance reports. UNAMI provided 15 June 2007 as the target date for full implementation of the recommendation. Recommendation 17 remains open pending receipt of a copy of the information circular indicating*

the documents needed by the Personnel Section to enable them to prepare accurate MSA reports within the deadline and the offices/sections that need to forward such documents to the Personnel Section.

64. *The UNAMI Administration accepted recommendation 18, indicating that the additional control mechanism would be studied for implementation. Target date for full implementation was indicated as 1 July 2007.* In OIOS' opinion, the Mission's response did not address the concerns raised by the audit. The Mission, on further discussions with OIOS, explained that the PA processing monthly MSA reports will indicate that the initial MSA report submitted to the Finance Section as a draft and will be initialed on all pages. After corrections are made, the report will be labeled as final and copies of both the draft and final reports will be kept in the Personnel Section files as audit trail of corrections proposed by the Finance Section and implemented/authorized by the Personnel Section. Recommendation 18 remains open pending receipt of documentation from UNAMI showing the implementation of control measures outlined above.

65. *The UNAMI Administration accepted recommendation 19, indicating that the CCPO will provide the Chief Finance Officer with a memo regarding corrections to attendance reports by staff members in the Finance Section and that no corrections should be made without the express authorization of the Personnel Section. The target date for full implementation was indicated as 10 June 2007.* Recommendation 19 remains open pending receipt of a copy of the memo.

E. Other issues

Staff members traveling through Kuwait on ORB/AL

66. At UNAMI, all staff members stationed in Iraq have their duty station as either Amman or Kuwait and their exit point from Iraq is through either of these locations. Staff members arriving in Kuwait from Iraq en-route to ORB or AL tend to stay longer in Kuwait before departure to their ORB/AL destinations. As their duties are specifically in Iraq, their stay in Kuwait or Amman would not be productive to the Mission. OIOS reviewed the movement of personnel (MOP) from Iraq into Kuwait during June and July 2006. All MOPs for staff who had indicated their purpose of travel as ORB and/or AL were selected and reviewed. There were 45 trips/MOPs involving 44 staff members.

67. OIOS verified with staff members' ARCs to determine the actual starting date of their ORB/AL. Analysis of the data showed that in 10 cases (23 percent) staff members had spent between zero and two days in Kuwait before their ORB/AL was charged. In 28 cases (63 percent) staff had spent three to five days in Kuwait before their ORB/AL was charged. In six cases (14 percent), staff spent six to 11 days in Kuwait before their ORB/AL was charged. When staff members are in Kuwait, not working and not on ORB/AL, there is no mechanism to determine their functions/activities (personal/official) because their supervisors are in Iraq.

68. UNAMI Information Circular 103/2006 dated 19 October 2006, states that it is reasonable for staff to spend one day in Kuwait for their travel documents to be stamped and returned to them. Thus, ORB/AL should be charged from the second working day that the staff members spend in Kuwait. To determine which day to start charging ORB, PS may use the daily reports prepared by the Movement Control Section for guidance on the actual arrival date of staff members into Kuwait/Amman en-route to ORB/AL. PS may also wish to request staff members to submit copies of their passport stamps indicating their departure/arrival in Kuwait/Amman. During the exit conference, the CCPO advised that it was beyond the control of PS and it was up to the Supervisor's in Iraq to determine the functions of their staff members whenever they transit Kuwait/Amman en-route to ORB/AL. As at the time of reporting by audit, the CAO had issued a circular on 15 February 2007 stating that the first day of ORB for international staff stationed in Iraq should commence upon arrival in Amman or Kuwait.

Recommendation 20

(20) The UNAMI Administration should review all cases of movement of personnel through Kuwait/Amman on ORB/AL. Any working days/time spent in Kuwait/Amman without documented authorization for official duties in Kuwait/Amman should be charged to their annual leave.

69. *The UNAMI Administration did not accept recommendation 20, stating that staff traveling through Kuwait/Amman are instructed to earmark days in Kuwait/Amman for administrative purposes, since those two locations are considered administrative duty stations for all UNAMI staff. Furthermore, the travel modalities to and from Iraq are limited, often resulting in delays of flights, causing the staff to be stranded in one of those two locations.* In OIOS' opinion, the Mission's response did not address OIOS' concern with the time spent by staff members in Kuwait/Amman during their outward bound journeys on ORB/annual leave and not their inward bound journeys – which can be considered to be earmarked for 'administrative purposes'. Furthermore, the MOPs reviewed by OIOS indicated travel to Kuwait/Amman for ORB/annual leave, and not for administrative purposes as indicated in the Mission response. Spending time in Kuwait/Amman for administrative purposes may only be considered for staff members returning from ORB/annual leave and not for staff members departing the mission area for ORB/annual leave. Also, the initial concern of staff spending time in Kuwait/ Amman without reporting or only partially reporting to the office was first raised by the Chief of Administrative Services to OIOS. Therefore, OIOS is reiterating recommendation 20 and requests the Mission to reconsider its initial response to this recommendation.

Confidential medical reports on file

70. Medical reports are required to be kept confidential as they contain personal information regarding illnesses, diagnosis, treatment and health conditions of staff members. Access to the medical reports is therefore to be restricted to medical personnel only. UNAMI did not have a Medical Unit from

inception until September 2006 when the Chief Medical Officer (CMO) came on board. OIOS' review of files, and interviews with the PA in charge of attendance and official status files showed that all medical reports are kept in the file, unsealed. The PA processing national staff attendance explained that she needs the reports because she has to determine the doctors' recommended sick leave starting date of the leave requested by staff. She also explained that she receives the sick leave reports from staff after the fact and as such she requires the medical reports to determine the exact dates to be charged. Although PS maintained the medical reports before the arrival of the CMO in September 2006, they were not kept in sealed envelopes.

71. Even after the CMO reported to UNAMI in September 2006, the PS staff continued to maintain the medical reports on personnel attendance and official status files. The file for staff member with index number 392499 contained correspondence from the PS to the doctor treating this individual requesting the diagnostic notes and recommended medical treatment. OIOS believes that when need arises, the CMO should correspond directly with the physicians treating the staff member. For reasons of confidentiality, it would be inappropriate for the PS staff to have access to the medical reports. During the exit conference, the CCPO stated that he would instruct his staff to hand over such records to the CMO.

Recommendations 21 and 22

Effective immediately, the UNAMI Administration should:

(21) Remove all medical reports from staff members' attendance and official status files, put this information in envelopes and place them under the custodianship of the UNAMI Chief Medical Officer. All subsequent medical reports should be submitted directly to the UNAMI Chief Medical Officer together with the recommended sick leave slips for approval within his/her delegated authority; and

(22) Ensure that correspondence with physicians treating staff members is handled by the UNAMI Chief Medical Officer and not Personnel Section staff.

72. *The UNAMI Administration accepted recommendation 21 and stated that, initially, when no Medical Officer was assigned to UNAMI, the Personnel Section was the only section which could deal with confidential medical documents. However, when the Chief Medical Officer was recruited on 2 September 2006, the Personnel Section immediately took the following action: (a) medical reports were removed from personnel files and forwarded, in sealed envelopes, to the CMO; and (b) all sick leave reports and medical reports (in sealed envelopes) were forwarded to the CMO for review and certification or submission to MSD, as appropriate.* OIOS' audit, conducted from September to November 2006, showed that staff members' unsealed medical reports were still in their personnel file. Also, although UNAMI issued Administrative Circular 032/06 in December 2006 outlining the procedures to be followed in the submission of medical reports, the circular did not address the medical reports

that were still on personnel files or the submission of sick leave reports for certification. Recommendation 21 remains open pending receipt of documentation showing that: (a) all medical reports have been removed from all personnel files; (b) such medical reports have been confirmed as received by the CMO; and (c) an instruction has been issued directing all staff members to send sick leave reports to the CMO for certification.

73. *The UNAMI Administration accepted recommendation 22, indicating that the Personnel Section is no longer exchanging correspondence with physicians treating staff members. Similarly, all staff members are aware that medical matters are dealt with by the Chief Medical Officer only.* Recommendation 22 remains open pending receipt of documentation from UNAMI showing that all Personnel Section staff have been instructed to stop communicating directly with physicians treating staff members and that the only authorized Mission official who can seek confidential medical information from these physicians, other than the patients themselves, is the Chief Medical Officer.

V. ACKNOWLEDGEMENT

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

ANNEX 1

JUSTIFICATION FOR OVERTIME WORK IN PERSONNEL SECTION

Index	Date	Hours worked	Justification provided
389997	08 July 2006	20	Filing various documents
859339	07 - 8 Aug 2006	6.5	Issue expiring contracts; treat the pending work like the PF4s and P5s requested by Finance; do some files cleaning in order to have more time to deal with the DSS report for June 2006
859339	30 June; 1 July 2006	9	Prepare and organize the filing of the LOAs issued (as above)
859339	29 April; 1, 6, 13 May; 3, 10, 12, 13, 14, 16, 17, 19, 20, 23, 24 June 2006	151.3	Issue ALD, FT and IC contracts expiring 30/6/06; prepare interviews, finalize minutes; process P5s etc (paraphrased)
859339	03 Jun 2006	4	Prepare requests for extensions of appointments of NS in order to extend the contracts expiring on 30 June 2006
395858	4, 11, 12 and 13 Sept. 2006	13.3	To complete reports for NY
395858	05 Sept. 2006	2.5	To complete salary scales and database update
395858	29 Aug 2006	1	To assemble copies of all Amman staff signed contracts for pouch
395858	22 Aug 2006	1	To work on headcount automation with Michael Marano
395858	21 Aug 2006	4	To complete work relating to contracts
395858	20 Aug 2006	3.5	To complete work relating to attendance
395858	20, 22, July; 6, 7 and 9 Aug. 2006	21.55	To complete staffing table
395858	23 Jul 2006	2.5	To complete pending arrival and departure faxes and other reports
395858	28, 29, 30, 31 May; 1, 25 and 28 Jul. 2006	18.55	To complete reporting for budget
395858	24 Jun. 2006	8	To complete data entry in IMIS
395858	13 May 2006	9	To complete the MSA report for April
304482	08 Apr. 2006	10.5	Meeting with GM of Immigration Dept to discuss privilege and immunities of UNAMI s/m
304482	24, 25, 31 Mar. - 1 Apr. 2006	30.5	Working on the residence permits for NS and IS staff
304482	03-04 Mar. 2006	20	To do the handover
304482	4, 18, 21, 23-25 Feb. 2006	41	Interviews and finalization of minutes for interviews.
87981	30 Sept.; 21, 23 Oct. 2006	14.5	Clearing work load, assisting OIC in clearing work load
87981	7, 13-14 Oct. 2006	7	To provide copies of selected MOPs required by Audit
87981	22 Aug, 11-17 Sept. 2006	4.15	To work on headcount weekly report
87981	13, 16 Sept. 2006	8.5	Filing and handover of MOP; handover from another s/m
87981	29 Aug. 2006	1	Assemble copies of Amman staff signed contracts for dispatch

STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	C/O ¹	Actions needed to close recommendation	Implementation date ²
1	O	Submission to OIOS of documentation showing that all ARCs for the current leave cycle run from April 2007 to March 2008 and that the ARCs for the previous leave cycle have been closed at March 2007	Already implemented
2	O	Submission to OIOS of documentation sent to DPKO seeking policy guidelines on the reimbursement of RLA to Fijian Guards, and the eventual response/clarification from DPKO, together with any action taken by the mission to address OIOS' concerns	1 June 2007
3	C	Action completed	1 June 2007
4	O	Submission to OIOS of a copy of the issued information circular emphasizing the responsibilities of staff members to sign the monthly attendance report and leave monitors and the Personnel Section in processing attendance reports with complete signatures and appropriate documentation for staff leave days/absences	15 June 2007
5	O	Submission to OIOS of documentation showing that the UNDP (Kuwait) policy on overtime for locally-recruited staff shall be followed in accordance with paragraph 1 of the DPKO Human Resource Handbook on leave and Compensatory Time-Off/Overtime	15 June 2007
6	O	Submission to OIOS of a report on the review of all overtime from January 2006 to date. The report should include the recalculation and adjustment made to the overtime hours worked and corresponding compensatory time off granted against the leave entitlements of locally recruited staff	1 July 2007
7	O	Submission to OIOS of documentation showing the review of all cases of night differential, and the list of cases re-submitted to Finance Section for payment or recovery action, as applicable	Immediately
8	O	Submission to OIOS of documentation showing that instructions have been issued to ensure that (a) before the request for payment of night differential is submitted to the Personnel Section, concerned staff members have appended their signature to indicate their with the hours indicated as worked; and (b) the Personnel Section verifies the documentation on night differential requested and that it is signed by the reviewer	Immediately
9	O	Submission to OIOS of documentation showing that a each sick leave day reflected in the Matrix system has been traced and matched to the corresponding sick leave reports on personnel attendance record files and that the data contained in Matrix (migrated from FPMS) is accurate	Ongoing
10	O	Submission to OIOS of documentation showing that the CCPO has reviewed all ARCs and that all staff members who have completed a leave cycle have initialed their ARC's closing balance	Ongoing
11	O	Submission to OIOS of a documentation showing that all ARCs have been reviewed and those bearing the incorrect appointment type and nationality of the staff members have been corrected	15 June 2007
12	O	Submission to OIOS of documentation showing the list of SLWOP cases exceeding the one-month delegation of authority and PMSS' approval of these cases	Implemented
13	O	Submission to OIOS of documentation showing: (a) that all cases of exhaustion of sick leave have been submitted to PMSS for guidance and approval; (b) UNAMI's action to recover salaries paid to the staff member with index number 669930; and (c) PMSS' advice as well as documentation/computation showing regularization of annual leave for the staff member with index number 390097	Implemented

Recom. no.	C/O ¹	Actions needed to close recommendation	Implementation date ²
14	O	Submission to OIOS of documentation showing that UNAMI has issued and implemented strict guidelines indicating that work that is expected to be performed by staff members as part of their normal duties should not be treated as overtime at the expense of the Organization	Implemented
15	O	Submission to OIOS of a copy of an initial report to management on the review of overtime patterns, and directive issued to the Personnel Section requiring that such a report should be submitted every four months to management for review and monitoring of overtime patterns	15 June 2007
16	O	Submission to OIOS of documentation showing that the shortage of drivers in Transport Section has been addressed and that no driver is required to work more than 40 hours a month	10 June 2007
17	O	Submission to OIOS of a copy of the information circular indicating the documents needed by the Personnel Section to enable them to prepare accurate MSA reports within the deadline and the offices/sections that need to forward such documents to the Personnel Section	15 June 2007
18	O	Submission to OIOS of documentation showing the implementation of control measures over the correction of MSA reports	1 July 2007
19	O	Submission to OIOS of a copy of the memo to Finance Section indicating the modalities to be followed in correcting MSA reports	10 June 2007
20	O	UNAMI Administration's reconsideration of the recommendation to review all cases of movement of personnel through Kuwait/Amman on ORB/AL. Any working days/time spent in Kuwait/Amman without documented authorization for official duties in Kuwait/Amman should be charged to their annual leave	Not provided
21	O	Submission to OIOS of documentation showing that: (a) all medical reports have been removed from all personnel files; (b) such medical reports have been confirmed as received by the CMO; and (c) an instruction has been issued directing all staff members to send sick leave reports to the CMO for certification	Already implemented
22	O	Submission to OIOS of documentation showing that all Personnel Section staff have been instructed to stop communicating directly with physicians treating staff members and that the only authorized Mission official who can seek confidential medical information from these physicians, other than the patients themselves, is the Chief Medical Officer	Already implemented

¹ C = closed, O = open

² Date provided by UNAMI in response to recommendations

UNITED NATIONS



OIOS Client Satisfaction Survey

Audit of: Human resources management at UNAMI

(AP2006/812/02)

	1	2	3	4	5
By checking the appropriate box, please rate:	Very Poor	Poor	Satisfactory	Good	Excellent
1. The extent to which the audit addressed your concerns as a manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The audit staff's understanding of your operations and objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Professionalism of the audit staff (demeanour, communication and responsiveness).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The quality of the Audit Report in terms of:					
• Accuracy and validity of findings and conclusions;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Clarity and conciseness;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Balance and objectivity;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Timeliness.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The extent to which the audit recommendations were appropriate and helpful.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The extent to which the auditors considered your comments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Your overall satisfaction with the conduct of the audit and its results.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please add any further comments you may have on the audit process to let us know what we are doing well and what can be improved.

Name: _____ Title: _____ Date: _____

Thank you for taking the time to fill out this survey. Please send the completed survey as soon as possible to:

Director, Internal Audit Division, OIOS

By mail: Room DC2-518, 2 UN Plaza, New York, NY 10017 USA

By fax: (212) 963-3388

By E-mail: iad1support@un.org