



INTERNAL AUDIT DIVISION

REPORT 2014/089

Audit of the United Nations System Staff College

Overall results relating to the management of the operations of the United Nations System Staff College were initially assessed as partially satisfactory. Implementation of eight important recommendations remains in progress.

FINAL OVERALL RATING: PARTIALLY
SATISFACTORY

18 September 2014
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AUDIT REPORT

Audit of the United Nations System Staff College

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations System Staff College (hereinafter referred to as UNSSC or the Staff College).

2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.

3. Pursuant to General Assembly resolution 55/278, UNSSC was established with effect from 1 January 2002 with its headquarters in Turin. Before this date, the Staff College operated as a project entrusted to the International Training Centre of the International Labour Organization (ITC-ILO), also based in Turin. The Staff College serves as the institution for system-wide knowledge management, training and continuous learning for the staff of the United Nations system, aimed in particular at the areas of economic and social development, peace and security and internal management of the United Nations system. The Staff College is expected to carry out its activities on the basis of the needs expressed by the agencies of the United Nations system and in close cooperation with training and learning institutes and similar bodies within the United Nations system.

4. UNSSC is governed by a Board of Governors (the Board) whose members are appointed by the Secretary-General. It is composed of the United Nations System Chief Executives Board (CEB) member organizations' nominees and chaired by the Deputy Secretary-General. The Board meets at least once a year and is responsible for setting the Staff College's general policy and considering its work programme and budget. An Expert Technical Review Panel (ETRP) nominated by and reporting to the Board is responsible for advising on the development of the Staff College's activities in order to contribute to the enhancement of its programmatic and methodological expertise. The ETRP members need to have expertise in training, but they can be either external or current or retired staff members of the United Nations System.

5. UNSSC is headed by a Director at the D-2 level, who was appointed in September 2012 and is responsible for managing the Staff College and its results in accordance with directives issued by the Board. He is assisted by two Deputy Directors at the D-1 level, who are responsible for the programme and external relations functions respectively, and a Chief of Operations at the P-5 level. UNSSC had 39 posts as at April 30, 2014 of which 19 were Professional staff and 14 were General Service staff, while six posts were vacant. Recruitment and administration of UNSSC staff are governed by the United Nations Staff Regulations and Rules.

6. The Deputy Director and Head of Programmes lead a group of 26 staff to deliver five sub-programmes in the following areas:

- a) Peace and Security;
- b) Coherence;
- c) United Nations Leadership;
- d) Development, Gender and Human Rights; and
- e) The Learning Lab.

7. UNSSC derives its income from three sources: voluntary contributions from governments and foundations; United Nations agencies' core contributions; and self-generated income. It is governed by the United Nations Financial Regulations and Rules as well as the related financial procedures of the United Nations. It has delegated authority to carry out its own procurement activities and to hire consultants. The UNSSC approved budget for the biennium 2012- 2013 was \$17 million. When UNSSC was established, a special account was created for its activities, which is reported in the United Nations financial statements (Volume I) under "Other United Nations special funds". Its actual expenditures for the biennium 2012-2013 were \$15 million and its budget for 2014-2015 is \$18 million.

8. UNSSC has signed memoranda of understanding (MoU) with the United Nations Office at Geneva (UNOG) for the provision of administrative services support and with ITC-ILO for the use and occupation of facilities on the United Nations campus in Turin.

9. Comments provided by UNSSC are incorporated in *italics*.

II. OBJECTIVE AND SCOPE

10. The audit was conducted to assess the adequacy and effectiveness of UNSSC governance, risk management and control processes in providing reasonable assurance regarding the **effective management of the operations of UNSSC**.

11. The audit was included in the 2014 internal audit work plan because potential weaknesses in the management of the Staff College could prevent it from effectively achieving its mandate as the provider of knowledge management, training and continuous learning for the staff of the United Nations common system. In addition, the Staff College had not been audited since 2003.

12. The key controls tested for the audit were: (a) Strategic planning and risk management; (b) Programme and project management; and (c) Regulatory framework. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Strategic planning and risk management** - controls that provide reasonable assurance that the UNSSC strategic planning is implemented and reported upon in compliance with relevant mandates, rules and regulations; risks relating to its activities are identified and assessed; and action is taken to mitigate risks.

(b) **Programme and project management** - controls that provide reasonable assurance that UNSSC manages its sub-programmes and projects adequately and achieves sub-programme and project objectives in an efficient and effective manner, in accordance with relevant policies and guidelines.

(c) **Regulatory framework** - controls that provide reasonable assurance that policies and procedures: (i) exist to guide the activities of UNSSC in the areas of general administration, human resources management, financial management, procurement management and asset management; (ii) are implemented consistently; and (iii) ensure the reliability and integrity of financial and operational information.

13. The key controls were assessed for the control objectives shown in Table 1. Certain control objectives shown in Table 1 as "Not assessed" were not relevant to the scope defined for this audit.

14. OIOS conducted this audit from February to June 2014. The audit covered the period from 1 January 2012 to 30 April 2014.

15. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

III. AUDIT RESULTS

16. The UNSSC governance, risk management and control processes examined were assessed as **partially satisfactory**¹ in providing reasonable assurance regarding the **effective management of the operations of UNSSC**. OIOS made eight recommendations to address the issues identified in this audit. UNSSC accepted and is in the process of implementing these recommendations.

17. UNSSC had effective coordination mechanisms in place for sharing knowledge and discussing new initiatives among sub-programme team leaders. In addition, recruitment processes were conducted in compliance with applicable regulations and rules, bank reconciliations were completed and well supported, and International Public Sector Accounting Standards (IPSAS) preparedness activities were performed as intended.

18. Strategic planning and risk management was assessed as partially satisfactory because UNSSC had not established a logical framework for its programme planning process and had not prepared an annual work plan setting out the timeframe and activities required from each of its key functions to facilitate performance monitoring and reporting. Further, it had not identified risks to the achievement of its strategic objectives nor developed a risk mitigation plan for addressing its mission-critical risks. The UNSSC draft resource mobilization strategy did not include target donors and key actions to sustain its funding. In addition, UNSSC did not have a robust marketing and outreach strategy to increase its self-generated income from course participants and to reduce its dependency on donors.

19. Programme and project management was assessed as partially satisfactory because the UNSSC Programming Guide needed to be revised to reflect current programme and project management practices, including reporting and evaluation procedures.

20. Regulatory framework was assessed as partially satisfactory because UNSSC had not formally clarified the applicability of the United Nations administrative issuances for the management of its operations. In addition, staffing and training needs to meet UNSSC strategic objectives were not identified as part of a workforce planning process.

21. The initial overall rating was based on the assessment of key controls presented in Table 1 below. The final overall rating is **partially satisfactory** as implementation of eight important recommendations remains in progress.

¹ A rating of “partially satisfactory” means that important (but not critical or pervasive) deficiencies exist in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Table 1: Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of the operations of UNSSC	(a) Strategic planning and risk management	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
	(b) Programme and project management	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
	(c) Regulatory framework	Partially satisfactory	Partially satisfactory	Satisfactory	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Strategic planning and risk management

Need to establish a logical framework for the programme planning process

22. The UNSSC strategic framework was developed and approved by the Board in 2013 covering the period 2014-2018. The programme planning process was started by UNSSC holding a two-day staff retreat to discuss the vision and the main issues on which to build its strategic framework and to prepare a results-based budget (RBB) thereafter. The finalized strategic framework outlined the vision and mission of UNSSC and the four key strategic goals which were aligned with its overall mandated objectives. In addition, the five sub-programmes reflected the thematic areas included in the UNSSC statute.

23. Programme budgets are commonly prepared in the United Nations System in a results-based format using a logical framework approach with the aim of establishing the resource requirements for achieving the objectives laid out in the strategic framework. UNSSC did not use any planning model or framework in preparing its biennial budget for 2014-2015 following the approval of the strategic framework. The resulting RBB for UNSSC did not include specific performance indicators related to its 25 planned outputs. Further, the 25 planned outputs were not linked to each of the three performance areas defined in the RBB namely: 1. An effective, efficient customer-driven and sustainable organization; 2. Financial sustainability; and 3. Valuing and developing UNSSC staff. Only one of the 25 planned outputs referred to the performance area number 2 and none referred to the performance area number 3. Additionally, specific targets with baseline data were not included in the RBB. As a result of these deficiencies, there was a risk that UNSSC would not be able to assess and demonstrate whether its RBB objectives were met at the end of the biennium. Therefore, there was a need for UNSSC to establish a logical framework for its RBB which would enable a better linkage of the RBB with the strategic framework before it being endorsed by the Board and provide the platform from which to draw up internal work plans for different UNSSC functions.

(1) UNSSC should establish a logical framework for its programme planning to ensure that:
(i) there is a closer link between objectives and planned outputs in its results-based budget;
(ii) indicators of achievement are directly related to planned outputs; and (iii) specific targets are identified to measure performance against the indicators of achievement.

UNSSC accepted recommendation 1 and stated that it was developing a new corporate action plan which would establish clearer links between objectives and planned outputs, indicators of

achievement and targets. It was foreseen that the RBB for the next biennium (to be submitted to the Board of Governors in 2015) would reflect these links. Recommendation 1 remains open pending receipt of the draft RBB for 2016-2017, which should be prepared using the logical framework approach.

Need to prepare annual work plans for the key functions

24. Whilst annual work plans existed for the five sub-programme units, UNSSC had not developed annual work plans for each of its four functions (Executive, Programme, External Relations and Operations) during the period under review. As a good practice applied in many United Nations organizations and for each function to be held accountable in achieving the RBB objectives, it is necessary to have a detailed work plan leading to performance assessments. Annual work plans should therefore include detailed performance indicators, by objective and activity closely linked with the RBB, to enable their substantive monitoring and reporting against the achievement of the Staff College's objectives.

25. The UNSSC 2012-2013 Performance Report did not include any information on the status of five of its 18 expected outcomes and 52 of its 138 planned outputs in the RBB for that biennium. Consequently, UNSSC could not demonstrate that its 2012-2013 RBB objectives had actually been achieved. There was also no monitoring mechanism to ensure that the RBB objectives were addressed in the performance report at the end of the biennium. Annual work plans at the function level, if appropriately monitored, would have provided information on the achievement of the expected outcomes and planned outputs.

(2) UNSSC should: (i) develop an annual work plan and ensure that operational activities included in the plan are linked to the 2014-2015 results-based budget at the level of each of its four functions (Executive, Programme, External Relations and Operations); and (ii) establish mechanisms for reporting on the achievement of each objective at the end of the biennium.

UNSSC accepted recommendation 2 and stated that it would implement it by 2015. Recommendation 2 remains open pending receipt of the annual work plan for UNSSC which should contain operational activities linked to the 2014-2015 RBB for each of the four corporate functions, as well as documentation of the mechanisms established for reporting on the achievement of each objective at the end of the biennium.

Need to strengthen risk management

26. Enterprise Risk Management is an essential tool that supports an organization's achievement of its strategic objectives by proactively identifying, assessing, evaluating, prioritizing and controlling risks across the organization. The UNSSC strategic framework did not include detailed segments on risks and how these risks would be mitigated. Specific and foreseeable risks such as a lack of voluntary contributions and an insufficient number of training participants had not been formally identified and assessed for likelihood and impact, and appropriate mitigation activities had not been formulated to address the identified risks. Both of the above-mentioned risks were mission-critical, i.e. if not well managed, they could adversely affect the long-term relevance and sustainability of UNSSC.

27. For example, UNSSC had closed its financial position with deficits of \$2.1 million and \$1.0 million for the 2010-2011 and 2012-2013 biennia respectively. Whilst UNSSC management was implicitly aware of the risk it was facing due to inadequate funding, concrete mitigating actions were not put in place to address it, continuous monitoring mechanisms were not applied to track the development

of the risk, and no reporting on the risk to the Board took place. UNSSC had no guidelines on risk management at the organizational, sub-programme or project level. UNSSC management stated that it was awaiting the results of the audit to introduce a formal and structured risk assessment process.

(3) UNSSC should establish guidelines for risk management to be applied organization-wide and develop a risk mitigation plan for addressing the critical risks to the achievement of its strategic objectives.

UNSSC accepted recommendation 3 and stated that it agrees to include risk factors/assumptions and mitigation actions in its annual work plan and biennial budget. UNSSC intended to implement the above measures once agreed by its Board of Governors and in the context of the next biennial budget presentation. Recommendation 3 remains open pending receipt of documentation on the establishment of appropriate risk management mechanisms at UNSSC.

Need to finalize the resource mobilization strategy for Board approval

28. According to the UNSSC statute, the Director is required to seek appropriate funding for the implementation of the UNSSC work programme. During the audit, UNSSC prepared a draft resource mobilization strategy, which highlighted key actions to be taken to secure funding for the achievement of its mandated activities. UNSSC identified four sources of funding, namely: United Nations core contributions; course contracts; voluntary support; and partnerships. It did not, however, include targeted donors, funding goals and current status of actions taken to secure funding in the draft resource mobilization strategy. UNSSC also indicated that it would approach new members of the CEB for their share of the United Nations core contribution. This had been the UNSSC Board of Governors' recommendation in October 2013. The draft resource mobilization strategy, however, did not identify the new CEB members with the total funding to be received, what the related actions to be taken were, and what the status of the Board recommendation was. UNSSC management indicated that it was looking into a sensible cost-sharing formula to apply to new members.

29. A significant part (60 per cent) of the UNSSC voluntary contributions had come from the host country during the two previous biennia (2010-2011 and 2012-2013). The host country contribution had decreased by 16 per cent in 2012-2013. While UNSSC management was confident that the host country would contribute at least \$500,000 each year, to reduce its reliance on the host country contribution and to expand its donor base, negotiations were ongoing with two member states to compensate for the decrease in funding. However, these negotiations were at too early a stage to assess the outcomes. The 2010-2011 and 2012-2013 biennia both concluded with deficits. These shortfalls reduced the reserve fund of \$12 million, which was established and approved by the Board in 2011 to provide for at least one year of programme activities. In the view of OIOS, without a formal resource mobilization strategy with key actions and clear targets to help attract donors, it will be difficult to ensure adequate future funding for the Staff College to support its objectives and to enhance its financial sustainability.

(4) UNSSC should revise its draft resource mobilization strategy to include target donors, key actions and realistic funding goals and finalize it for approval by the Board of Governors.

UNSSC accepted recommendation 4 and stated that subject to availability of funds, it intends to re-draft a job profile and establish a post in 2015 dedicated to innovative resource mobilization and business development. The incumbent will be responsible for the development of this strategy. Recommendation 4 remains open pending receipt of the approved resource mobilization strategy for UNSSC which should include target donors, key actions and realistic funding goals.

Need to develop a robust marketing and outreach strategy

30. In its 2014-2018 strategic framework, UNSSC aimed to solidify its funding base through increased self-generated income by expanding the number of course participants. A review of self-generated income which accounted for approximately 70 per cent of total revenues showed a decrease of 22 per cent in the 2012-2013 biennium compared to the 2010-2011 biennium, from \$13.3 million to \$10.3 million. A further analysis of the self-generated income identified that the United Nations Development Operations Coordination Office (DOCO) was the main UNSSC client for the 2010-2011 biennium. In the 2012-2013 biennium, the income from DOCO decreased considerably and accounted for only twelve per cent of total self-generated income compared to 54 per cent in the previous biennium. Based on the agreement signed with DOCO for 2014, UNSSC was due to receive a maximum of \$1.7 million for the provision of training to United Nations Country Teams. UNSSC therefore needed to identify other United Nations agencies to increase its revenues and to compensate for the reducing income from DOCO. In this regard, UNSSC stated that it was working on a draft MoU with the Office of Human Resources Management (OHRM) of the United Nations Secretariat Department of Management. The MoU would form an umbrella for coordination on specific projects, such as re-design of the United Nations Secretariat leadership programmes and the *Women in Leadership* programme, as well as the tailoring of existing UNSSC distance learning programmes. Whilst OIOS appreciated the ongoing negotiations to increase the UNSSC client base, the fact was that the number of course participants had decreased by 20 per cent in the 2012-2013 biennium compared to the 2010-2011 biennium. In the view of UNSSC, this was mainly due to the decrease in training budgets across the United Nations System. Nevertheless, UNSSC had not yet developed scenarios for how it would adjust its operating model and expenditures to address this reality.

31. Although the 2014-2018 strategic framework suggested that UNSSC would maintain a dynamic marketing strategy, there was no outreach and communication work plan for enhancing coordination with the United Nations System. Various actions were taken by the Staff College to improve its visibility, such as workshops for United Nations training focal points and online courses for administrative assistants to reach larger audiences, but these efforts were rather ad-hoc. In 2012-2013, UNSSC had provided training to 5,946 staff representing only seven per cent of the total United Nations staff count as per the CEB 2012 report. While it demonstrated its potential for future growth, the Staff College needed to prepare a robust strategy for its marketing and outreach activities to increase the number of participant enrolments.

(5) UNSSC should develop a strategy for its marketing and outreach activities with key actions and clear targets for coordination with United Nations entities for the provision of training services.

UNSSC accepted recommendation 5 and stated that it will develop a strategy for its marketing and outreach activities however coordination is a two way process and any clear targets established to ensure coordination must be agreed by all parties. It also stated that it cannot and should not be the only UN entity to ensure coordination. Recommendation 5 remains open pending receipt of the finalized marketing and outreach strategy for UNSSC.

Effective coordination mechanisms were in place for sharing knowledge and discussing new initiatives

32. UNSSC sub-programme team leaders had monthly meetings to share knowledge and discuss training issues and new initiatives. The team leaders expressed satisfaction with these coordination mechanisms.

B. Programme and project management

The Programming Guide needed to be revised

33. The UNSSC Programming Guide was developed in 2006 and was not consistently followed by the sub-programme team leaders. This was because it had not been updated to reflect current programme and project management procedures and to guide staff in managing their projects in an effective and consistent manner. Further, the Deputy Director and Head of Programmes had introduced new project documentation, such as a standard training participants' evaluation template, but this was not reflected in the existing Programming Guide. The Programming Guide also required sub-programme team leaders to prepare final project review reports on completed training courses, rather than on the sub-programmes as a whole, including elaborating on whether the course deliverables, such as the desired number of participants and the desired participant evaluation rating, had been achieved as planned. However, none of the 14 projects reviewed during the audit had a final project review report. The sub-programme team leaders felt that the participants' evaluation template was sufficient to assess whether the project objectives, i.e. the objectives of the classroom training, were met; however, these did not address sustainability issues such as costs.

34. In addition, the Programming Guide did not include procedures for the evaluation of UNSSC programme impact and relevance in terms of its strategic objectives. According to the 2011 ETRP report, UNSSC should thoroughly review all its sub-programme course achievements and priorities to better position itself and to become known as a Centre of Excellence. UNSSC had selected on a sample basis only two courses for evaluation in the 2012-2013 biennium. While the evaluation reports concluded that the two training courses were relevant, the other 180 courses organized by UNSSC had not been evaluated. The 2014-2018 strategic framework stated that the Staff College was expected to help develop the most relevant and indispensable skills for the United Nations staff. However, there was no work plan developed to conduct sub-programmes evaluations. UNSSC would have benefitted from performing evaluations at the level of each of its sub-programmes, to determine if they had achieved their overall programme objectives.

(6) UNSSC should revise its Programming Guide to streamline, inter alia, the sub-programme reporting and evaluation requirements, and submit it to the Board of Governors for their approval.

UNSSC accepted recommendation 6 and stated that it was in the process of producing a new Guide to Programming which would reflect current and updated programming procedures. The Guide would be presented to the Board of Governors by the first quarter of 2015. Recommendation 6 remains open pending receipt of the approved UNSSC Programming Guide.

C. Regulatory framework

Need to formally clarify the applicability of United Nations administrative issuances

35. The United Nations organizational chart refers to UNSSC as a research and training institute under Subsidiary Bodies. UNSSC therefore indicated that it was not required to follow the United Nations administrative issuances citing the Secretary-General's bulletin on the Procedures for the Promulgation of Administrative Issuances which stipulates that administrative issuances shall not apply to the separately administered funds and programmes of the United Nations, unless otherwise stated therein, or unless the separately administered funds, and programmes have expressly accepted their applicability.

UNSSC, however, had also not established its own policy framework for regulating and guiding the management of its operations.

36. As the UNSSC statute provided that the United Nations Staff Regulations and Rules and the Financial Regulations and Rules as well as the financial procedures of the United Nations shall apply to the Staff College, it was not clear whether the related United Nations administrative instructions could be used only as guidance in applying these regulations and rules. For example, UNSSC did not have procedures in place for the use of consultants but also did not follow the United Nations administrative instruction on Consultants and Individual Contractors. As a result, a review of the recruitment for six consultants showed that a competitive selection process had not been followed in four of the cases where only one candidate had been considered for selection. The lack of formal procedures limited the Staff College's ability to demonstrate that a competent and transparent selection process was followed for hiring consultants.

37. There was a need for UNSSC to clarify its statutes in coordination with the United Nations Office of Legal Affairs, particularly with respect to its responsibility for complying with United Nations directives. If UNSSC had the authority and decided to follow its own policies, a formal policy framework to be approved by the Board and consistent with the United Nations administrative issuances needed to be put in place and reflected in the Statutes.

(7) UNSSC, in coordination with its Board of Governors, should seek guidance from the United Nations Office of Legal Affairs (OLA) on the applicability of the United Nations Administrative Issuances to UNSSC in line with the Secretary-General's bulletin on the Procedures for the Promulgation of Administrative Issuances and, based on the OLA guidance, either develop its own policy framework approved by the Board of Governors or formally establish in its statutes the applicability of the United Nations administrative issuances for the management of its operations.

UNSSC accepted recommendation 7 and stated that it will solicit advice and guidance from its Board of Governors and proceed with appropriate action in early 2015. Recommendation 7 remains open pending receipt of the revised UNSSC statutes establishing either the applicability of the United Nations administrative issuances to UNSSC or the authority of UNSSC to develop its own policy framework as approved by its Board of Governors.

Need to develop a workforce plan and a staff training programme

38. The UNSSC 2014-2018 strategic framework identified valuing and developing its staff as one of its three performance areas. It also indicated the need to increase its ability to anticipate and respond to the United Nations system needs as one of its four key goals. Therefore, it was essential that its staffing strategies, policies and practices be implemented in a manner to attract, retain and develop the most competent personnel possible. UNSSC, however, did not have a workforce plan or succession planning to ensure that its long-term staffing needs were identified and its employees had the required skills needed to deliver its mandated objectives. This was particularly critical as three important leadership positions were to become vacant in the subsequent two years, and two of these managers had been with the Staff College since its inception and had therefore accumulated significant institutional knowledge.

39. Further, UNSSC had not conducted a staff development needs assessment to ensure that the available skills fully met its requirements. As a good practice, a training programme should be designed and linked with training needs for staff. The 2012-2013 training expenditure was only \$30,665 against an approved budget of \$80,000. The training mostly responded to individual requests that were reviewed and approved on a case-by-case basis by the UNSSC Staff Training and Development Committee, whose

task was to monitor and to report to the Director on the staff development activities and related financial expenditures. There was no indication that these trainings were linked to pre-determined UNSSC needs or strategic staff development objectives.

(8) UNSSC should assess its staffing and staff development needs taking into account its strategic objectives and develop a workforce plan and training programme.

UNSSC accepted recommendation 8 and stated that it would adjust the role and mandate of the existing Staff Training and Development Committee accordingly. Recommendation 8 remains open pending receipt of documentation on the UNSSC workforce plan and training programme.

Recruitment processes complied with applicable regulations and rules

40. The review of two of the five recruitment cases conducted during the period audited showed that they had been carried out in compliance with the United Nations Staff Regulations and Rules. The recruitment files were also well kept with all the relevant records available to facilitate the review.

Bank reconciliations were completed and well supported

41. The review of eight monthly bank reconciliations showed that they were completed timely and were well supported. OIOS therefore concluded that the controls put in place to verify the accuracy of financial disbursements were adequate and operating as intended.

IPSAS preparedness activities were performed as intended

42. To ensure that UNSSC had sufficient skills and expertise for implementing IPSAS, two staff members had completed the IPSAS computer-based training courses developed by the United Nations Headquarters in New York. As required by the guidance issued by UNOG, UNSSC had ensured the accuracy and reliability of opening balances of property, plant, equipment and inventory for IPSAS compliant accounts. It had also completed the physical verification of its non-expendable assets and had written off discrepancies identified during the physical verification process. OIOS therefore concluded that UNSSC had put in place satisfactory arrangements to ensure its preparedness to comply with the IPSAS implementation requirements.

IV. ACKNOWLEDGEMENT

43. OIOS wishes to express its appreciation to the Management and staff of UNSSC for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja
Assistant Secretary-General for Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of United Nations System Staff College

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	UNSSC should establish a logical framework for its programme planning to ensure that: (i) there is a closer link between objectives and planned outputs in its results-based budget; (ii) indicators of achievement are directly related to planned outputs; and (iii) specific targets are identified to measure performance against the indicators of achievement.	Important	O	Submission to OIOS of the draft RBB for 2016-2017, which should be prepared using the logical framework approach.	August 2015
2	UNSSC should: (i) develop an annual work plan and ensure that operational activities included in the plan are linked to the 2014-2015 results-based budget at the level of each of its four functions (Executive, Programme, External Relations and Operations); and (ii) establish mechanisms for reporting on the achievement of each objective at the end of the biennium.	Important	O	Submission to OIOS of the annual work plan for UNSSC which should contain operational activities linked to the 2014-2015 RBB for each of the four corporate functions, as well as documentation of the mechanisms established for reporting on the achievement of each objective at the end of the biennium.	February 2015
3	UNSSC should establish guidelines for risk management to be applied organization-wide and develop a risk mitigation plan for addressing the critical risks to the achievement of its strategic objectives.	Important	O	Submission to OIOS of documentation on the establishment of appropriate risk management mechanisms at UNSSC.	August 2015
4	UNSSC should revise its draft resource mobilization strategy to include target donors, key actions and realistic funding goals and finalize it for approval by the Board of Governors.	Important	O	Submission to OIOS of the approved resource mobilization strategy for UNSSC which should include target donors, key actions and realistic funding goals.	June 2015
5	UNSSC should develop a strategy for its marketing and outreach activities with key actions and clear	Important	O	Submission to OIOS of the finalized marketing and outreach strategy for UNSSC.	September 2015

² Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

³ Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

⁴ C = closed, O = open

⁵ Date provided by UNSSC in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of United Nations System Staff College

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
	targets for coordination with United Nations entities for the provision of training services.				
6	UNSSC should revise its Programming Guide to streamline, inter alia, the sub-programme reporting and evaluation requirements, and submit it to the Board of Governors for their approval.	Important	O	Submission to OIOS of the approved UNSSC Programming Guide.	February 2015
7	UNSSC, in coordination with its Board of Governors, should seek guidance from the United Nations Office of Legal Affairs (OLA) on the applicability of the United Nations Administrative Issuances to UNSSC in line with the Secretary-General's bulletin on the Procedures for the Promulgation of Administrative Issuances and, based on the OLA guidance, either develop its own policy framework approved by the Board of Governors or formally establish in its statutes the applicability of the United Nations administrative issuances for the management of its operations.	Important	O	Submission to OIOS of the revised UNSSC statutes establishing either the applicability of the United Nations administrative issuances to UNSSC or the authority of UNSSC to develop its own policy framework as approved by its Board of Governors.	2015
8	UNSSC should assess its staffing and staff development needs taking into account its strategic objectives and develop a workforce plan and training programme.	Important	O	Submission to OIOS of documentation on the UNSSC workforce plan and training programme.	2015

APPENDIX I

Management Response

Management Response

Audit of the United Nations System Staff College

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNSSC should establish a logical framework for its programme planning to ensure that: (i) there is a closer link between objectives and planned outputs in its results-based budget; (ii) indicators of achievement are directly related to planned outputs; and (iii) specific targets are identified to measure performance against the indicators of achievement.	Important	Yes see comments	Director	August 2015	The UNSSC is currently developing a new corporate action plan which will establish clearer links between objectives and planned outputs, indicators of achievement and targets. It is foreseen that the RBB for the next biennium (to be submitted to the BOG in 2015) will reflect these links.
2	UNSSC should: (i) develop an annual work plan and ensure that operational activities included in the plan are linked to the 2014-2015 results-based budget at the level of each of its four functions (Executive, Programme, External Relations and Operations); and (ii) establish mechanisms for reporting on the achievement of each objective at the end of the biennium.	Important	Yes see comments	Director and Deputy Director, Head of Programmes	Feb 2015	UNSSC will implement this recommendation as of 2015.
3	UNSSC should establish guidelines for risk management to be applied organization-wide and develop a risk mitigation plan for addressing the critical risks to the achievement of its strategic objectives.	Important	Yes see comments	Chief of Operations	August 2015	UNSSC agrees to include risk factors/assumptions and its mitigation factors in its annual work plan and biennium budget. UNSSC intends to implement the above measures once agreed by its Board of Governors and in the new biennium budget

¹ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

² Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

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						presentation.
4	UNSSC should revise its draft resource mobilization strategy to include target donors, key actions and realistic funding goals and finalize it for approval by the Board of Governors.	Important	Yes see comments	External Relations	June 2015	Subject to availability of funds, UNSSC intends to re-draft a job profile and establish a post in 2015 dedicated to innovative resource mobilization and business development. The incumbent will be responsible for the development of this strategy.
5	UNSSC should develop a strategy for its marketing and outreach activities with key actions and clear targets for coordination with United Nations entities for the provision of training services.	Important	Partially Yes—see comments	External Relations	Sept 2015	UNSSC will develop a strategy for its marketing and outreach activities however coordination is a two way process and any clear targets established to ensure coordination must be agreed by all parties. UNSSC alone cannot and should not be the only UN entity to ensure coordination.
6	UNSSC should revise its Programming Guide to streamline, inter alia, the sub-programme reporting and evaluation requirements, and to submit it to the Board of Governors for their approval.	Important	Yes see comments	Deputy Director, Head of Programmes	1 Feb 2015	UNSSC is in the process of producing a new Guide to Programming which will reflect current, updated programming procedures. The new Guide to Programming will be presented to the BOG by the first quarter of 2015.
7	UNSSC, in coordination with its Board of Governors, should seek guidance from the United Nations Office of Legal Affairs (OLA) on the applicability of the United Nations Administrative Issuances to	Important	Yes with comments	Chief of Operations	2015	UNSSC will solicit advice and guidance from its Board of Governors and proceed with appropriate action in early 2015.

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	UNSSC in line with the Secretary-General's bulletin on the Procedures for the Promulgation of Administrative Issuances (ST/SGB/2009/4) and, based on the OLA guidance, either develop its own policy framework approved by the Board of Governors or formally establish in its statutes the applicability of the United Nations administrative issuances for the management of its operations.					
8	UNSSC should assess its staffing and staff development needs taking into account its strategic objectives and develop a workforce plan and training programme.	Important	Yes	Chief of operations in coordination with Staff Training & Development committee	2015	UNSSC concurs with the recommendation and will adjust the role and mandate of the existing staff development committee accordingly. UNSSC intends to implement this recommendation by 2015.