



INTERNAL AUDIT DIVISION

REPORT 2017/045

Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

The Office of Human Resources Management needed to mitigate the risk of unauthorized exceptions, develop procedures to ensure consistent treatment of requests for exceptions, and analyze authorized exceptions to inform policy development and revisions

7 June 2017

Assignment No. AH2016/512/01

Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

EXECUTIVE SUMMARY

The objective of the audit was to assess the adequacy and effectiveness of governance, risk management, and control processes over authorizing exceptions to the Staff Rules and related administrative instructions. The audit covered the period from 1 January 2014 to 30 April 2016 and it included a review of: (i) the delegation of authority framework; (ii) mechanisms to manage the risks of unauthorized exceptions and inconsistent treatment of exception requests; and (iii) procedures and tools to support an effective process for authorizing exceptions and for considering exceptions data as a basis for developing or revising policies.

The Office of Human Resources Management (OHRM) established a delegation of authority framework, which defined the authorities for authorizing exceptions by the Assistant Secretary-General, OHRM and human resources officers under their discretionary authority. However, OHRM needed to mitigate the risk of unauthorized exceptions, develop procedures to ensure consistent treatment of requests for exceptions, and analyze authorized exceptions to inform policy development and revisions.

OIOS made six recommendations. To address issues identified in the audit, OHRM needed to:

- Provide guidance to human resources officers on the delegation of authority framework;
- Review the level of authority delegated to officials to perform human resources management activities and determine whether it is adequate;
- Periodically monitor exceptions to the Staff Rules and related administrative instructions recorded in the information systems to detect any unauthorized exceptions;
- Develop a central repository to capture all requests for exceptions and tools to capture and analyze performance data pertaining to the process for authorizing such exceptions;
- Develop standard operating procedures to guide submission, processing and monitoring of exceptions; and
- Ensure that information on exceptions is systematically and proactively taken into account when policies related to human resources management are being developed or revised.

The Department of Management accepted the recommendations and has initiated steps to implement them.

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Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions.
2. The United Nations Charter, General Assembly mandates, Staff Regulations and Rules, and related administrative instructions form the regulatory framework for managing United Nations Secretariat's human resources. To maintain a modern, multi-skilled, and high-performing workforce in light of the Organization's changing mandates, Staff Rule 12.3(b) provides flexibility to waive particular conditions laid down in the Staff Rules. The Secretary-General, as the Chief Administrative Officer, is permitted to authorize exceptions to the Staff Rules, provided that they are not prejudicial to the interests of any other staff members.
3. While reserving some matters exclusively for his decision, the Secretary-General delegated authority for administration of Staff Regulations and Rules to the Under-Secretary-General for Management, who further sub-delegated it to the Assistant Secretary-General (ASG) for Human Resources Management. The ASG is assisted by the Office of Human Resources Management (OHRM) in interpreting human resources policies, establishing relevant guidelines, and authorizing exceptions to the Staff Rules.
4. During the period from 1 January 2014 to 30 April 2016, a total of 266¹ authorized exceptions to the Staff Rules and related administrative instructions were granted by the ASG/OHRM and human resources officials with discretionary delegated authority. These exceptions were processed by the Learning, Development and Human Resources Services Division (LDSD) of OHRM and recorded in the LDSD exceptions log. They are broadly categorized as shown in Table 1.

Table 1: Summary of authorized exceptions on the Staff Rules and related administrative instructions between 1 January 2014 and 30 April 2016

Type of exception	Number of exceptions
Reduced break-in-service before starting a new temporary contract	59
Retention of retiring staff members beyond the mandatory age of separation	18
Recovery of assignment grant	14
Temporary appointment over 729 days	12
Suspension of obligation to surrender permanent residency	11
Advanced/deferred home leave/temporary appointment of General Service staff members to Professional-level posts	12
Special leave with pay/fixed-term appointments without job opening/consultant-related, etc.	46
Other	94
Total	266

5. Comments provided by the Department of Management (DM) are incorporated in italics.

¹ OIOS was only provided with the exception cases authorized by the ASG/OHRM and LDSD on conditions of service and entitlements. Details of authorized exceptions related to recruitment and staffing, and medical and staff welfare benefits were not maintained centrally and were not available for audit testing.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management, and control processes over authorizing exceptions to the Staff Rules and related administrative instructions.

7. This audit was included in the 2016 risk-based work plan of OIOS due to operational risks in the process for authorizing exceptions to the Staff Rules and related administrative instructions.

8. OIOS conducted this audit from June to December 2016. The audit covered the period from 1 January 2014 to 30 April 2016. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the process for authorizing exceptions.

9. The audit methodology included: (a) interviews of key personnel; (b) reviews of relevant documentation; (c) analytical reviews of data; and (d) sample testing, using attribute and judgmental sampling. OIOS also reconciled authorized exceptions recorded in the LDSO exceptions log with related information recorded in the Integrated Management Information System (IMIS) and Umoja, and reviewed personnel files of staff members for whom exceptions had been authorized during the period reviewed. OIOS did not review exceptions authorized by the Strategic Planning and Staffing Division (SPSD) and the Medical Services Division (MSD) as relevant information was not available during the audit. However, according to OHRM, SPSP and MSD do not process a significant volume of exceptions.

III. OVERALL CONCLUSION

10. OHRM established a delegation of authority framework, which defined the authorities for authorizing exceptions by the ASG/OHRM and OHRM human resources officers under their discretionary authority. However, OHRM needed to: (i) provide guidance to human resources officers on the delegation of authority framework; (ii) review the adequacy of authority delegated to officials to perform human resources management activities; (iii) periodically monitor exceptions to the Staff Rules and related administrative instructions recorded in the information systems to detect any unauthorized exceptions; (iv) establish procedures to ensure consistent treatment of all requests for exceptions submitted for processing; (v) develop tools to capture and analyze performance data related to processing such exceptions; and (vi) consider and take into account analyses of exceptions requested and granted when developing and revising policies pertaining to human resources management.

IV. AUDIT RESULTS

Process for authorizing exceptions

OHRM needed to provide guidance to human resources officers on the delegation of authority framework

11. As a best practice, adequate guidance should be provided for consistent interpretation of policies.

12. The ASG/OHRM established a delegation framework that assigned discretionary authorities to OHRM senior managers and staff at offices away from Headquarters to administer certain Staff Rules and related administrative instructions. OHRM issued guidance entitled “Delegation of Authorities in Human Resources Management within the Office of Human Resources Management” to guide officials with delegated authority on the specific Rules and related administrative instructions they were authorized to administer.

13. The three divisions of OHRM (LDS, SPS, and MS) received requests for exceptions to the Staff Rules and related administrative instructions from various Secretariat entities for processing and approval. Some human resources officers interviewed during the audit stated that they were unclear on what exception cases fell under their “discretionary” authority versus that of the ASG/OHRM. In addition, there were different interpretations of what constituted an “exception”. For example, some human resources officers in LDS stated that an exception could only be approved to Staff Rules or administrative instructions that include policy language such as “exceptionally may”, “in exceptional cases”, or “in exceptional circumstances”. According to others, this language, in fact, determined whether officials could themselves exercise their discretionary authority to approve the exceptions as the provision for an exception was already stipulated within the Rules and the request did not have to be referred to ASG/OHRM for approval. A third interpretation was that any Staff Rule could trigger an exception, even if this specific language was not explicit in the Rule, as this was in accordance with the exclusive delegated authority of the ASG/OHRM under Staff Rule 12.3(b). The officers processed requests for exceptions based on their varied interpretations.

14. The above occurred because the guidance provided by OHRM to human resources officers to complement the delegation of authority framework was not adequate. This could lead to the officers exceeding their discretionary authority and/or processing requests for exceptions inconsistently.

(1) OHRM should provide guidance to human resources officers on the delegation of authority framework and, in particular on which exceptions to the Staff Rules and related administrative instructions shall be granted exclusively by the Assistant Secretary-General for Human Resources Management versus those that fall under their own authority.

DM accepted recommendation 1 and stated that guidance on delegation of authority scope and mechanisms, authority to interpret and exercise discretionary power and practice on exceptions would be developed and shared with the human resources community. Recommendation 1 remains open pending receipt of the guidance on the delegation of authority framework.

OHRM needed to strengthen monitoring to detect unauthorized exceptions

15. OHRM is expected to establish a monitoring mechanism to manage the risk of unauthorized exceptions to the Staff Rules and related administrative instructions. The administrative instruction on administration of the staff regulations and staff rules (ST/AI/234) and applicable amendments stipulate OHRM’s responsibility for monitoring recorded exceptions.

16. OHRM had not developed procedures to systematically monitor information systems, such as IMIS and Umoja, to detect unauthorized exceptions to the Staff Rules and related administrative instructions. The LDS log was used to record exceptions approved by the ASG/OHRM and LDS human resources officers under their discretionary authority. However, LDS did not reconcile the exceptions log data with related data in IMIS and Umoja to ensure that no unauthorized exceptions had been granted and recorded. Moreover, LDS did not extract and review recorded data on exceptions in IMIS and Umoja on a regular basis and this information was not available for the audit. Therefore, it was not possible to review whether or not officials had granted exceptions in IMIS and Umoja within their delegated authorities and to hold them accountable for exceeding their delegated authorities.

17. OIOS performed alternative procedures and selected four categories of exceptions to the Staff Rules and related administrative instructions recorded in IMIS and Umoja to determine whether all exceptions had been properly: (i) recorded in the LDS exceptions log; and (ii) approved by the

designated official based on the delegation of authority framework. The sampled exception categories, together with their applicable regulatory framework sources, are listed in Table 2.

Table 2: Sample exception categories and related regulatory framework source

Article or Chapter	Title	Sample Exception Category	Applicable Source Documents		
			Staff Regulation(s)	Staff Rule(s)	Administrative instructions (ST/AI)
III	Salaries and related allowances	Special post allowances	Regulation 3.1	Rule 3.10(a)(b)(d)	ST/AI/1999/17 ST/AI/2003/3
IV	Appointment and promotion	Temporary appointments	Regulation 4.5(a)(b)	Rule 4.11 and 4.12	ST/AI/2010/4/Rev.1
V	Annual and special leave	Special leave with full/half pay	Regulation 5.2	Rule 5.3	Not applicable
IX	Separation from service	Retention in service beyond the mandatory age of separation	Regulation 9.2	Rule 9.5	ST/AI/2003/8 ST/AI/2003/8/Amend. 1 ST/AI/2003/8/Amend. 2

Source: United Nations Staff rules and regulations (ST/SGB/2014/1) and staff administrative instructions

18. The review noted that:

- Data captured on exceptions in IMIS and Umoja information systems were not detailed enough to enable extraction of reports for monitoring. OHRM stated that customized reports were needed to generate this information to enable proper monitoring. Recommendation 4 addresses this issue.
- For the four categories of exceptions reviewed, 844 cases were recorded in IMIS/Umoja compared to 39 included in the LDSD exceptions log. OHRM noted that exceptions authorized under the discretionary authority of the human resources officers were not consistently recorded in the log as there was no formal requirement to do so.
- In a sample of 71 exception cases extracted from IMIS/Umoja, there were only three cases that had an applicable reference to the authorizing official, whereas, in the remaining 68 cases it was not indicated who in OHRM or offices away from Headquarters had approved them. Therefore, it was not possible to confirm whether such approval was within discretionary authority.

19. Due to other conflicting priorities, OHRM reported that it only conducted *ad hoc* monitoring of information systems from time to time. OHRM further stated that it accepted the risk of infrequent monitoring of the implementation of the delegation of authority framework in light of the established practice for the ASG/OHRM to retroactively approve exceptions initially granted by officials outside their delegated authorities. According to OHRM, in many cases, there was proper justification for officials exceeding their delegated authority such as urgent business needs that required rapid personnel action. Nevertheless, OHRM had not reviewed whether it was more effective to increase the delegated authority to these designated officials to permit them to grant exceptions within their delegations and improve operational efficiencies. Moreover, OHRM had not analyzed the business risks associated with the practice of officials granting unauthorized exceptions.

20. The delegation of authority framework was therefore weakened by inadequate monitoring. The ASG/OHRM faced the continued risk of officials exceeding their delegated authorities to authorize

exceptions to Staff Rules and related administrative instructions. The ASG/OHRM, therefore, remained solely accountable for any financial, legal, or other liabilities associated with unauthorized exceptions. A proper monitoring mechanism was needed to ensure that information on exceptions was accurate and complete and that there were no unauthorized exceptions granted.

(2) OHRM should review the level of authority delegated to officials to perform human resources management activities and determine whether it is adequate to ensure efficient and effective administration of staff.

DM accepted recommendation 2 and stated that it was reviewing the current delegation of authority framework, which was closely linked to the future Global Service Delivery Model. Recommendation 2 remains open pending receipt of the results of the review of the adequacy of authority delegated to human resources officials.

(3) OHRM should establish procedures to periodically monitor exceptions to the Staff Rules and related administrative instructions recorded in the information systems to detect any unauthorized exceptions.

DM accepted recommendation 3 and stated that the capacity of the Human Resources Policy Service (HRPS) in OHRM to review and analyze exceptions and consequently recommend policy changes would be enhanced by a central repository of exceptions granted. Recommendation 3 remains open pending receipt of procedures to periodically monitor exceptions recorded in information systems to detect any unauthorized exceptions.

OHRM needed to develop procedures to ensure consistent treatment of all requests for exceptions

21. Staff Rule 12.3(b) stipulates that exceptions to Staff Rules should not be prejudicial to the interests of any other staff members. The ASG/OHRM is expected, therefore, to establish internal controls to ensure consistent and equitable treatment of exception requests on behalf of staff members.

22. OHRM had not implemented a process to ensure that all exception cases were reviewed for consistency in their treatment by the human resources officers. LDSO provided human resources support services to 29 of the Secretariat departments and offices at Headquarters, five regional commissions, and 13 offices away from Headquarters on the administration of conditions of service and entitlements. Secretariat entities submitted requests for exceptions on behalf of their staff members through the 11 human resources officers in the Human Resources Service in LDSO. These officers screened and evaluated the requests and submitted recommendations for approval to their respective Chief of Section and/or the ASG/OHRM.

23. According to OHRM, the human resources officers, based on their own judgements, rejected some requests during the initial screening process and communicated the analysis and justification for rejection directly to the requesting offices. However, the rejected requests were not recorded in the LDSO exceptions log or other system. Any supporting records related to the rejections were only kept by the human resources officers in their personal e-mail archives and could not be easily retrieved. Therefore, OHRM was not able to provide information to allow an independent assessment of whether: (i) similar requests for exceptions received consistent treatment by human resources officers; and (ii) all rejected exception requests were supported with appropriate documented analyses and justification for each decision.

24. This occurred because there were no requirements for the human resources officers to register rejected cases. Moreover, there was no requirement for chiefs of sections of the Human Resources

Service to review and approve the rejected requests to ensure consistency. Therefore, the initial screening process operated without independent controls to ensure consistent treatment of requests for exceptions in compliance with Staff Rule 12.3(b). Recommendations 4 and 5 also address this issue.

OHRM needed to develop appropriate tools to capture and analyze performance data pertaining to the process for authorizing exceptions to the Staff Rules and related administrative instructions

25. OHRM is expected to establish appropriate procedures and tools to support an effective process for authorizing exceptions to the Staff Rules and related administrative instructions.

26. During the audit, OIOS noted several weaknesses in the process to authorize exceptions and grant discretionary approvals under the delegation of authority framework. For example, there was no central intake process established in OHRM to record all incoming requests for exceptions. Exception requests were channeled to OHRM through: (i) the Office of the ASG/OHRM and recorded in Corlog; (ii) e-mail correspondence to ASG/OHRM from the requesting offices that were not registered; (iii) e-mail correspondence to the Under-Secretary-General for Management that was not tracked by OHRM; and (iv) the three divisions in OHRM.

27. LDSO recorded information pertaining to some approved cases in an exceptions log. No log was available for review of the SPSD exceptions. MSD did not maintain a log, but indicated that exception requests to MSD were rare as it advises offices to request approval of any exceptions directly with the Office of the ASG/OHRM. However, MSD did not maintain an audit trail on these exception requests and subsequent referrals.

28. Also, OHRM reported that it spent an increasing amount of time processing exceptions requests that took away from other day-to-day activities. However, OHRM did not capture performance data, such as volume of exceptions processed or length of time taken to process exception cases. Moreover, management information related to the overall process for authorizing exceptions was not produced and performance reporting was not established in order to report to the ASG/OHRM on the authorized exceptions data on a regular basis.

29. This occurred because there were inadequate: (i) information systems to capture performance data on exceptions processed and the time spent processing them; (ii) benchmarks to measure and analyze the efficiency and effectiveness of the process for authorizing exceptions; and (iii) standard operating procedures to adequately guide the submission process by departments and offices, offices away from Headquarters, regional commissions, and field missions. As a result, OHRM was not able to timely track all incoming requests and provide management information on how many requests were received, processed, approved, or rejected. OHRM was also not able to track the progress and status of requests in any given period.

(4) OHRM should, in consultation with the Office of Information and Communications Technology, develop: (i) a central repository to capture all requests for exceptions to the Staff Rules and related administrative instructions; (ii) appropriate tools to capture and analyze performance data pertaining to the process for authorizing such exceptions; and (iii) customized reports to facilitate management review and oversight.

OHRM accepted recommendation 4 and stated that it would build on an existing database that already captures some information on exceptions. Recommendation 4 remains open pending receipt of evidence that a central repository has been developed to capture data and extract reports pertaining to the process of authorizing exceptions to the Staff Rules and related administrative instructions.

(5) OHRM should develop standard operating procedures to: (i) guide departments and offices on the process for submitting requests for exceptions; and (ii) establish requirements for proper document management, data analysis and monitoring, including for rejected cases.

OHRM accepted recommendation 5 and stated it would develop standard operating procedures as part of the guidance envisaged in the response to Recommendation 1. Recommendation 5 remains open pending receipt of the guidance.

OHRM needed to develop procedures to review and analyze information on exceptions for policy development and revisions

30. OHRM is required to ensure that the Staff Rules and related administrative instructions are fit for purpose in line with the Organization's human resources goals. As a best practice, OHRM is expected to establish a strategic, evidence-based approach to human resources policy revisions and development of new policies, using amongst others, quantitative and qualitative data related to authorized exceptions to the Staff Rules and related administrative instructions. Therefore, relevant data on the number and types of requests for exceptions to the Staff Rules and related administrative instructions should be collected and taken into account in the policy development and/or revision cycle.

31. In the absence of complete and reliable data on exceptions to the Staff Rules and related administrative instructions, OHRM could not adequately analyze the number and types of exceptions to trigger systematic policy reviews. Policy revisions are processed by HRPS, which is responsible for aligning United Nations human resources policies to better meet the evolving needs of the Organization. Due to limited resources, HRPS stated that it prioritized policy revisions triggered by General Assembly resolutions and management reforms. HRPS also stated that it was normal business practice to review human resources policies and, during such revision processes, seek inputs from relevant OHRM divisions and all other stakeholders on the need for new policy development or revisions to existing policies. However, there was no analysis of recent exceptions granted in the policy development or revision processes.

32. For example, a break-in-service of a minimum three months is required before reappointments of retiring staff and some temporary staff. During 1 January 2014 to 30 April 2016, LDSD recorded 59 exceptions to this policy in the exceptions log. However, no policy review had been conducted to determine whether the three-month requirement was still relevant to the current operational needs of the Organization. Similarly, no analysis was conducted to review the continued appropriateness of the maximum 729-day period stipulated for temporary appointments, which also generated a high number of requests and authorized exceptions during 2014-2016. There was a view that this maximum limit may no longer be appropriate since most hired temporary staff members were project-based and their conditions of service would be better aligned with the operational needs of the projects. However, the policy had been established in 2010 and revised in 2011 with no further updates.

33. This occurred because OHRM had not established procedures to determine whether high numbers of exceptions were caused by: (i) policy shortcomings that needed to be revised; or (ii) other factors such as inadequate workforce and succession planning of the requesting departments and offices that needed to be monitored.

34. Therefore, policy revisions relating to human resources management (outside of those mandated by the General Assembly or reforms) were not adequately evidence-based with appropriate analysis of authorized exceptions to the Staff Rules and related administrative instructions, using applicable qualitative and quantitative data. HRPS stated that, as of September 2016, it had begun working more

closely with LDSD to better coordinate their internal business processes at Headquarters. It was expected that this linkage would help facilitate proper analyses of exception cases for Headquarters staff members in the policy development/revision cycle. However, a clear approach had not yet been developed with SPSD and MSD, which also received requests for exceptions related to staffing and recruitment and medical and staff welfare entitlements, to leverage the same kind of opportunities to analyze their data on exceptions.

(6) OHRM should develop procedures to review and analyze information on exceptions to the Staff Rules and related administrative instructions to ensure that this information is systematically and proactively taken into account when policies related to human resources management are being developed or revised.

OHRM accepted recommendation 6 and stated that relevant data on exceptions would be regularly generated and reviewed as part of the policy revision and development process. This would allow for the identification of potential weaknesses or gaps in policy. Recommendation 6 remains open pending receipt of evidence that HRPS has access to relevant data and customized reports on exceptions.

OHRM needed to establish a mechanism to ensure that relevant supporting documentation related to authorized exceptions is adequately maintained

35. The Secretary-General's bulletin on record-keeping and the management of United Nations archives (ST/SGB/2007/5) stipulates requirements for departments and offices to develop procedures to manage their records in connection with, or as a result of, the official work of the United Nations. A record is any data or information, regardless of form or medium, maintained as evidence of a transaction.

36. Records pertaining to review and authorization of exception requests were incomplete. During the audit, OIOS reviewed 127 electronic records, e-mail communications, and hard copy files related to the authorization of exceptions process. Requests for exceptions and other correspondence from requesting departments, justification for authorizing exceptions, and final approvals were scattered throughout personnel files or missing all together. For example, in seven cases pertaining to authorized exceptions recorded in the LDSD exceptions log, there was no ASG/OHRM approval on file or approval by the delegated official with discretionary authority, as applicable. In eight other cases, there were no personnel files or e-mail communications to support the approval. In one additional case, the staff member withdrew the request for exception; however the log was not updated to reflect the withdrawal.

37. This was because of weaknesses in the personnel filing system, which included backlogs in filing relevant documentation in the personnel files, mainly due to outdated manual records management that was ineffective and cumbersome.

38. According to OHRM, it intended to utilize the new Unite Docs system to serve as a central repository of all incoming and outgoing correspondence related to the authorization of exceptions process that could be accessed by all users with assigned permission rights. As OHRM was undergoing a transition from Corlog to the Unite Docs system; OIOS did not make a recommendation on this issue at this time.

V. ACKNOWLEDGEMENT

39. OIOS wishes to express its appreciation to the management and staff of OHRM for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	OHRM should provide guidance to human resources officers on the delegation of authority framework and, in particular on which exceptions to the Staff Rules and related administrative instructions shall be granted exclusively by the Assistant Secretary-General for Human Resources Management versus those that fall under their own authority.	Important	O	Submission of guidance on the delegation of authority framework for human resources management.	30 June 2018
2	OHRM should review the level of authority delegated to officials to perform human resources management activities and determine whether it is adequate to ensure efficient and effective administration of staff.	Important	O	Submission of the results of the review of the adequacy of authority delegated to human resources officials.	31 December 2021
3	OHRM should establish procedures to periodically monitor exceptions to the Staff Rules and related administrative instructions recorded in the information systems to detect and unauthorized exceptions.	Important	O	Submission of procedures to periodically monitor exceptions to the Staff Rules and related administrative instructions recorded in the information systems to detect any unauthorized exceptions.	30 June 2018
4	OHRM should, in consultation with the Office of Information and Communications Technology, develop: (i) a central repository to capture all requests for exceptions to the Staff Rules and related administrative instructions; (ii) appropriate tools to capture and analyze performance data pertaining to the process for authorizing such exceptions; and (iii) customized reports to facilitate	Important	O	Submission of evidence that a central repository has been developed to capture data and extract reports pertaining to the process of authorizing exceptions to the Staff Rules and related administrative instructions.	30 June 2018

² Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

³ Important recommendations address important (but not critical or pervasive) deficiencies 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.

⁴ C = closed, O = open

⁵ Date provided by OHRM in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
	management review and oversight.				
5	OHRM should develop standard operating procedures to: (i) guide departments and offices on the process for submitting requests for exceptions; and (ii) establish requirements for proper document management, data analysis and monitoring, including for rejected cases.	Important	O	Submission of standard operating procedures/guidance on submitting requests for exceptions and standards for documenting, analyzing and monitoring exception requests, including rejected cases.	30 June 2018
6	OHRM should develop procedures to review and analyze information on exceptions to the Staff Rules and related administrative instructions to ensure that this information is systematically and proactively taken into account when policies related to human resources management are being developed or revised.	Important	O	Submission of evidence that HRPS has access to relevant data and customized reports on exceptions.	30 June 2018

APPENDIX I

Management Response

Management Response

Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	OHRM should provide guidance to human resources officers on the delegation of authority framework and, in particular on which exceptions to the Staff Rules and related administrative instructions shall be granted exclusively by the Assistant Secretary-General for Human Resources Management versus those that fall under their own authority.	Important	Yes	Director, Human Resources Policy Service, OHRM	30 June 2018	<p>Only the Assistant Secretary-General, Office of Human Resources Management has the authority to grant exceptions to the Staff Rules. This authority has not and will not be delegated to human resources officers.</p> <p>Guidance on delegation authority scope and mechanisms, authority to interpret and exercise discretionary power and practice on exceptions will be drawn up and shared with the Human Resources community.</p>
2	OHRM should review the level of authority delegated to officials to perform human resources management activities and determine whether it is adequate to ensure efficient and effective administration of staff.	Important	Yes	Director, Human Resources Policy Service, OHRM	31 December 2021	<p>ST/SGB/2015/1 provides the recently updated framework for the delegation of authority on human resource matters.</p> <p>The review of the current detailed delegation of authority framework is ongoing and being carried out at the Department of Management level. This is closely linked to the future Global Service Delivery Model (GSDM) and therefore should be undertaken within the same time frame as the expected</p>

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies 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.

Management Response

Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						implementation date for GSDM (subject to the General Assembly review and approval at its 72 nd session).
3	OHRM should establish procedures periodically monitor exceptions to the Staff Rules and related administrative instructions recorded in the information systems.	Important	Yes	Director, Human Resources Policy Service, OHRM	30 June 2018	Review and monitoring of exceptions is a core function of the Human Resources Policy Service (HRPS) as it informs the development of new policies and revision of existing ones. The capacity of HRPS to review/analyze exceptions and consequently recommend policy changes will however be enhanced by the central repository mentioned under recommendation number 4.
4	OHRM should, in consultation with the Office of Information and Communications Technology, develop: (i) a central repository to capture all requests for exceptions to the Staff Rules and related administrative instructions; (ii) appropriate tools to capture and analyze performance data pertaining to the process for authorizing such exceptions; and (iii) customized reports to facilitate management review and oversight.	Important	Yes	Chief, Planning, Monitoring and Reporting Service, OHRM	30 June 2018	Learning, Development and Human Resources Services Division/Human Resources Services Section already has a database which captures some of the required information. OHRM will in the first instance look at building on that.

Management Response

Audit of the process for authorizing exceptions to the Staff Rules and related administrative instructions

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
5	OHRM should develop standard operating procedures to: (i) guide departments and offices on the process for submitting requests for exceptions; and (ii) establish requirements for proper document management, data analysis and monitoring, including for rejected cases.	Important	Yes	Director, Human Resources Policy Service, OHRM	30 June 2018	The Standard Operating Procedures will be part of the guidance envisaged in the response to recommendation 1 above.
6	OHRM should develop procedures to review and analyze information on exceptions to the Staff Rules and related administrative instructions to ensure that this information is systematically and proactively taken into account when policies related to human resources management are being developed or revised.	Important	Yes.	Director, Human Resources Policy Service, OHRM	30 June 2018	It is not just a matter of developing procedures for reviewing exceptions to the Staff Rules. There should be sufficient access to relevant data to help facilitate the revision of existing policies and the development of new ones. The customized reports under recommendation 4 will be generated and reviewed internally every time an existing policy is revised or a new one is developed. This would allow the capture of potential weaknesses or gaps in the policy and addressing them as necessary.