



INTERNAL AUDIT DIVISION

REPORT 2017/064

Audit of the process for promulgating administrative issuances in the United Nations Secretariat

Some improvements were needed to streamline the process for promulgating administrative issuances in the Secretariat

29 June 2017

Assignment No. AH2015/512/01

Audit of the process for promulgating administrative issuances in the United Nations Secretariat

EXECUTIVE SUMMARY

The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the promulgation of administrative issuances in the United Nations Secretariat. The audit covered the period from January 2015 to December 2016 and covered risks in the governance of and process for promulgating administrative issuances.

There was insufficient guidance of the process for promulgating administrative issuances in the Secretariat and it was time consuming and required extensive consultations with stakeholders. Some improvements were needed to streamline it.

OIOS made three recommendations. To address issues identified in the audit, the Department of Management (DM) needed to:

- Provide guidance on the implementation of the Secretary-General's bulletin on procedures for the promulgation of administrative issuances; and
- Review the current process of promulgating administrative issuances to enhance Organization's ability to issue guidance timely.

Also, the Executive Office of the Secretary-General (EOSG), in coordination with Office of Legal Affairs needed to:

- Review the continued relevance of Secretary-General's bulletins on the organization of departments and offices.

DM accepted the first recommendation but has yet to initiate action to implement it. However, DM did not accept the recommendation to review and enhance the Organization's ability to promulgate administrative issuances timely, as it attributed delays to factors beyond its control. These delays however, resulted in key policies and procedures being either outdated or non-existent. OIOS closed the recommendation. This unaccepted recommendation may be reported to the General Assembly indicating management's acceptance of residual risks.

EOSG accepted the recommendation but has yet to initiate action to implement it.

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Audit of the process for promulgating administrative issuances in the United Nations Secretariat

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the process for promulgating administrative issuances in the United Nations Secretariat.

2. Administrative issuances are the principal means by which the Secretary-General and heads of Secretariat programmes and central support services communicate with staff at large or with groups of staff on matters of financial, administrative and personnel policies and related instructions, and procedures for implementing those policies. The Secretary-General also promulgates the mandates, functions and organization of the Secretariat's major organizational units through administrative issuances. The following administrative issuances may be promulgated:

- (a) Secretary-General's bulletins, which promulgate regulations adopted by the General Assembly, establish Financial Rules, Staff Rules and the organizational structure of the Secretariat, or contain important policy decisions.
- (b) Administrative instructions, which prescribe instructions and procedures for the implementation of Secretary-General's bulletins and set forth office practices and procedures to be applied in more than one department of the Secretariat.

3. All Secretary-General's bulletins require the approval and signature of the Secretary-General. The Secretary-General may delegate the authority to promulgate administrative instructions required to implement a bulletin to the Under-Secretary-General for Management. Procedures for the promulgation of administrative issuances are contained in ST/SGB/2009/4 dated 18 December 2009.

4. The Policy and Conditions of Service Section (PCSS) in the Office of Human Resources Management (OHRM) is responsible for, inter alia, developing and updating human resources policies and processing and publishing administrative issuances and information circulars. PCSS has a staff complement of seven professional staff and three General Service Staff.

5. From January 2015 to December 2016, 16 Secretary-General's bulletins and 19 administrative instructions were issued by the Secretariat. Table 1 shows the breakdown of issuances by originating department/office.

Table 1: Number of administrative issuances from January 2015 to December 2016

Office	No. of administrative issuances	Percentage
Office of Human Resources Management	27	77
Office of Programme Planning, Budget and Accounts	3	9
Office of Under-Secretary-General for Management	4	11
Office of Administration of Justice	1	3
Total	35	100

6. Comments provided by the Department of Management (DM) and the Executive Office of the Secretary-General (EOSG) are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

7. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over promulgation of administrative issuances in the United Nations Secretariat.

8. This audit was included in the 2016 risk-based work plan of OIOS due to the risk that organizational policies and procedures may be inadequate to support achievement of objectives, mitigate major risks or guide implementation of key controls, and that the process for promulgating administrative issuances may be inefficient.

9. OIOS conducted this audit from November 2016 to February 2017. The audit covered the period from January 2015 to December 2016. Based on an activity-level risk assessment, the audit covered higher and medium risks areas in the governance and process for promulgating administrative issuances.

10. The audit methodology included: (a) interviews of key personnel, (b) reviews of relevant documentation, and (c) analytical reviews of data.

III. OVERALL CONCLUSION

11. Some improvements were needed to streamline the process for promulgating administrative issuances in the Secretariat. In particular, DM needed to provide guidance on the implementation of the Secretary-General's bulletin on procedures for the promulgation of administrative issuances and review of the current process of their promulgation to enhance the Organization's ability to issue guidance timely. EOSG, in coordination with the Office of Legal Affairs (OLA) needed to review the continued relevance of Secretary-General's bulletins on the organization of Secretariat departments and offices.

IV. AUDIT RESULTS

A. Governance of administrative issuances

DM needed to provide guidance on the promulgation of administrative issuances

12. The Secretary-General's bulletin on procedures for the promulgation of administrative issuances indicates that the Under-Secretary-General for Management may promulgate administrative instructions detailing procedures for its implementation. However, no corresponding administrative instruction was promulgated to guide the implementation of the bulletin since the previous administrative instruction, ST/AI/226 dated 18 February 1975, was abolished on 1 June 1997.

13. As a result, the following weaknesses were noted:

- a) Lack of established roles and responsibilities of stakeholders

14. The authority and responsibilities of departments and offices initiating the promulgation of administrative issuances, procedures for clearing them and the role of DM in issuing them were not outlined. Some departments interviewed during the audit expressed concern that extensive consultations with various stakeholders made administrative issuances ambiguous and diluted responsibility and accountability of these departments.

b) Lack of a proper framework to review and monitor gaps in administrative issuances

15. The responsibility to monitor emerging risks and identify gaps in policies and procedures that support achievement of objectives, mitigate major risks and guide implementation of key controls was not established. The Policy and Oversight Coordination Service in the Office of the Under-Secretary-General for Management led the Secretariat-wide enterprise risk assessment exercise to identify, evaluate and prioritize the top strategic risks for the Organization and related managerial responses. The 2014 risk treatment action plan required an update of some policies and guidance and a review of all Secretary-General's bulletins. However, these have not yet been conducted and the Policy and Oversight Coordination Service has no formal role in regularly reviewing and identifying new policies needed to address strategic risks. Therefore, this responsibility remains with heads of departments.

c) Frequency of revision of administrative issuances was not established

16. There were no periodic reviews to ensure that administrative issuances remain current. Some of the policies and guidelines were obsolete, and required updating. For example, the administrative instruction on regulation for the control and limitation of documentation (ST/AI/189) was issued in 1969, administrative instruction on mailing of official United Nations Documentation (ST/AI/189/Add.10) in 1972, administrative instruction on maximum length of documents submitted (ST/AI/189/Add.20/Rev.1) in 1982, and administrative instruction on the timetable for planning and submission of documents for sessions of the United Nations Organs (ST/AI/189/Add.23) also in 1982. They all stipulate procedures that are no longer in use. At the time of the audit, the Office of Programme Planning, Budget and Accounts (OPPBA) was in the process of revising administrative issuances related to management of trust funds and programme support accounts that were last issued in 1982 (ST/SGB/188, ST/AI/284, ST/AI/285, and ST/AI/286).

17. Table 2 shows that over 59 per cent of bulletins and 61 per cent of administrative instructions are more than 10 years old.

Table 2: Aging of Secretary-General's bulletins and administrative instructions still in effect

Date of issuance	Secretary-General's Bulletins		Administrative Instructions	
	No.	Percentage	No.	Percentage
Less than 5 years old	23	15	30	21
5-10 years old	41	26	25	18
10-15 years old	39	25	20	14
15-20 years old	29	18	24	17
More than 20 years old	26	16	41	30
Total	158	100	140	100

d) Lack of clear criteria of what warrants promulgation of an administrative issuance

18. There was no clear guidance on whether administrative issuances should be promulgated as Secretary-General's bulletins or administrative instructions. The following are examples of consequences of this:

- i. The Anti-Fraud and Anti-Corruption Framework, though issued as an information circular, contains information that may be considered important policy decisions that should have been promulgated through a bulletin. Issuing an important framework, which covers all staff members of the Secretariat, through an information circular may limit the scope of its legal authority. DM explained that the Anti-Fraud Framework was composed of policies on standards and ethics that had already been promulgated through other bulletins and were

compiled in the information circular for ease of reference. However, the newly introduced definitions of fraud and corruption in the information circular had not been previously promulgated.

- ii. The Secretariat established specific mandatory learning programmes through the issuance of Secretary-General's bulletins on: United Nations Human Rights Responsibilities (ST/SGB/2016/12), performance management and development learning programme for managers and supervisors (ST/SGB/2011/5), and prevention of workplace harassment, sexual harassment and abuse of authority (ST/SGB/2005/20). However, the information circular on the United Nations mandatory programmes (ST/IC/2016/15) includes other mandatory learning programmes for which Secretary-General's bulletins had not been established, such as on security, information security awareness, gender and procurement. The Secretariat may consider issuing a Secretary-General's bulletin on mandatory learning programmes, which could be supplemented by circulars to inform staff about the current mandatory programmes.

19. Furthermore, between January 2015 and December 2016, 68 information circulars were issued on various subjects. Fifty-seven per cent of these were indicated as being in effect until further notice. According to the Secretary-General's bulletin on information circulars (ST/SGB/1997/2) they should have an expiry date. Additionally, OIOS noted that there were information circulars, such as the United Nations policy framework for International Public Sector Accounting Standards, that did not meet the criteria to be issued as information circulars as they were of a longer term nature. OHRM explained that not all information circulars require an end date. For instance, revised base salary scales for various categories of staff will be in effect until further notice. The types of information that may be communicated through information circulars were therefore not clear.

20. Lack of sufficient guidance on the implementation of the Secretary-General's bulletin on procedures for the promulgation of administrative issuances may hamper the effective and efficient functioning of the Secretariat. Appropriate guidance is needed to:

- i. Define roles and responsibility of participants in the process, including responsibility to identify gaps in policies and administrative issuances and monitor that emerging issues are addressed;
- ii. Prescribe frequency of reviews of administrative issuances; and
- iii. Provide clear guidance on whether administrative issuances should be promulgated as Secretary-General's bulletins, administrative instructions or information circulars.

(1) DM should provide guidance on the implementation of the Secretary-General's bulletin on procedures for the promulgation of administrative issuances.

DM accepted recommendation 1 and stated that standard operating procedures would be developed to guide officials who are responsible for developing or revising administrative issuances. Recommendation 1 remains open pending receipt of standard operating procedures on the promulgation of administrative issuances.

EOSG needed to review the continued relevance of Secretary-General's bulletins on the organization of Secretariat departments and offices

21. In accordance with the Secretary-General's bulletin on the organization of the Secretariat of the United Nations (ST/SGB/2015/3), the mandate, functions and organization of each of the major organizational units should be prescribed in separate Secretary-General's bulletins.

22. OIOS noted that 5 of the 37 major organizational units listed in the above bulletin did not have a separate bulletin describing their mandate, functions and organizational arrangements. These included the following:

- i. Office of the Special Representative of the Secretary-General for Children and Armed Conflict, established by the General Assembly resolution 51/77 in 1996.
- ii. United Nations International Strategy for Disaster Reduction, established by the General Assembly resolution 56/195 in 1999.
- iii. United Nations Office on Sport for Development and Peace by the Secretary-General in 2001.
- iv. United Nations Peacebuilding Support Office, established during the world Summit in 2005.
- v. Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict, established by the Security Council resolution 1888 in 2009.

23. OIOS also noted that some bulletins on the organization of departments and offices were outdated and did not reflect new mandates and organizational arrangements. For example, bulletins on the organization of OIOS, Department of Economics and Social Affairs, Office for the Coordination of Humanitarian Affairs and Economic Commission for Latin America and the Caribbean, to name a few, were outdated and needed revision. OLA explained that the mandate and functions of all Secretariat entities were described in the programme budgets approved by the General Assembly. This allowed for periodic review and proper inclusion of new mandates in the programmes. According to OLA, although it is useful to have Secretary-General's bulletin on the organization of an office/department as a point of reference, the Organization may decide whether or not to continue with their issuances.

24. With the development of additional ways to communicate important information to staff, stakeholders and public at large, the Secretariat had not reviewed whether issuing Secretary-General's bulletins on the organization of departments and offices is still relevant.

(2) EOSG should, in coordination with OLA, review the continued relevance of Secretary-General's bulletins on the organization of Secretariat departments and offices.

EOSG accepted recommendation 2 and stated that in coordination with OLA, it would review the continued relevance of Secretary-General's bulletins on the organization of departments and offices. Recommendation 2 remains open pending receipt of the results of the review.

B. Process for promulgating administrative issuances

The process for promulgating administrative issuances was time consuming and required extensive consultations with stakeholders

25. Administrative issuances should be promulgated timely to address proper functioning of internal controls without delay.

26. PCSS is responsible for final processing of all new administrative issuances and maintenance of a central log. PCSS registers administrative issuances originating from OHRM and tracks date of receipt of the initial draft, clearances obtained, authority for approval and date of promulgation. Table 3 shows a sample of administrative issuances promulgated in the period under review and time taken from the receipt of the first draft to issuance.

Table 3: Number of days taken to promulgate administrative issuances originating in OHRM

Symbol	Title	No. of days
ST/SGB/2016/8	Placement of staff members serving in the Executive Office of the Secretary-General	1,182
ST/SGB/2016/9	Status, basic rights and duties of United Nations staff members	1,119
ST/AI/2015/3	Medical insurance plan for locally recruited staff at designated duty stations away from Headquarters	642
ST/AI/2015/2	Home leave	587
ST/AI/2015/5	Sabbatical leave programme	498
ST/AI/2001/7/Rev.2	Managed Reassignment Programme for staff in the Professional category at the P-2 level recruited through the national competitive examination, the General Service to Professional category examination or the Young Professionals Programme	483
ST/SGB/2016/10	Senior Review Group	407
ST/SGB/2016/1	Staff Rules and Staff Regulations of the United Nations	394
ST/SGB/2015/1	Delegation of authority in the administration of the Staff Regulations and Staff Rules	372
ST/SGB/2015/2	Abolition of obsolete administrative issuances	277
ST/SGB/2016/4	Global Central Review Board	209
ST/SGB/2016/3	Senior Review Board	209
ST/AI/2016/1	Staff selection and managed mobility system	209
ST/AI/2013/3/Amend.2	Official travel	109
ST/AI/2016/3	Special entitlements for staff members serving at designated duty stations	86
ST/SGB/2016/5	Staff Regulations	57
ST/AI/2016/2	Repatriation grant	51
ST/AI/2016/5	Settling-in grant	51
ST/AI/2016/6	Mobility and hardship scheme	51
ST/AI/2016/4	Excess baggage, shipments and insurance	50
ST/SGB/2016/12	Mandatory learning programme: United Nations Human Rights Responsibilities	36

27. According to PCSS, it had to reprioritize limited resources of the Section at times to focus on mandated activities emanating from General Assembly decisions or from the Secretary-General. For example, priority was given to promulgate the staffing and mobility policy and issuances related to the changes to the compensation package. Furthermore, other factors affected the timeline for promulgation of administrative issuances, including: (i) level of complexity of the subject matter; and (ii) extensive consultation process with stakeholders. Even though a deadline of two weeks to one month was given for feedback, it normally took much longer to receive, collate and analyze all the responses. PCSS also had to ensure the quality of the issuances to avoid the need for multiple amendments or revisions.

28. In addition, PCSS registers and promulgates administrative issuances of other departments. Table 4 shows that PCSS issued them timely.

Table 4: Number of days taken by OHRM to promulgate administrative issuances of other departments

Symbol	Title	No. of days
ST/SGB/2016/11	Organization of the Office of Information and Communications Technology	44
ST/SGB/2016/7	Terms of reference for the Office of the United Nations Ombudsman and Mediation Services	1
ST/SGB/2016/6	Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation	1
ST/SGB/2015/4	Supplement to the Financial Regulations and Rules of the United Nations	1
ST/SGB/2015/3	Organization of the Secretariat of the United Nations	1
ST/AI/2016/7	Delegation of authority under the Financial Regulations and Rules of the United Nations	1
ST/AI/2015/4	Management of property	1

29. However, PCSS did not track the time taken by these departments from preparation of the first draft to issuance of the guidance. OIOS review showed that the process was lengthy and took several years in many instances. For example, OPPBA prepared the first draft of the revised administrative instruction on the delegation of authority under the Financial Regulations and Rules in May 2014. It was promulgated in August 2016. The delay was attributed to the implementation of the International Public Sector Accounting Standards, which involved consultations with the Office of Central Support Services (OCSS), Department of Public Information, Office of Information and Communications Technology and OLA.

30. OCSS prepared the first draft of the revision of the administrative issuance on the management of property in September 2013. The administrative issuance was promulgated in June 2015. The process included three reviews by OLA and consultations with other stakeholders.

31. The Office of Ombudsman and EOSG commenced work on a revised Secretary-General's bulletin on the Office in 2011. The new Secretary-General's bulletin on the terms of reference for the Office of the United Nations Ombudsman and Mediation Services was promulgated on 22 June 2016 and included stakeholder consultations within the Secretariat and other United Nations funds and programmes.

32. While OIOS appreciates that promulgation of administrative issuances includes managing political considerations, re-prioritization of other mandated activities, and extensive staff-management consultations in some cases, delays in their promulgation may impact the implementation of policies and procedures and the achievement of business objectives.

(3) DM should, in coordination with EOSG, review the current process of promulgating administrative issuances to enhance the Organization's ability to issue guidance timely.

DM did not accept recommendation 3 and stated that delays in promulgating policies often resulted from political intricacies, complex staff-management consultations or lack of available resources. A review of the process would have little, if any, positive impact on these factors, which were beyond the control of DM or EOSG. DM also maintained that all policy guidance required for proper management of the Organization were issued in a timely manner, such as those needed for the implementation of the compensation package reform adopted by the General Assembly at its 70th session, which required amendments to the Staff Regulations and Rules and revisions of multiple administrative issuances. While OIOS acknowledges that the mentioned guidance was issued timely, OIOS review indicated lengthy delays in the promulgation of other administration issuances, during which guidance of the related areas were outdated or non-existent. OIOS closed the recommendation 3. This unaccepted

recommendation may be reported to the General Assembly indicating DM's acceptance of residual risks.

V. ACKNOWLEDGEMENT

33. OIOS wishes to express its appreciation to the management and staff of DM and EOSG 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 promulgating administrative issuances in the United Nations Secretariat

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	DM should provide guidance on the implementation of the Secretary-General's bulletin on procedures for the promulgation of administrative issuances.	Important	O	Submission of standard operating procedures on the promulgation of administrative issuances.	31 December 2018
2	EOSG should, in coordination with OLA, review the continued relevance of Secretary-General's bulletins on the organization of Secretariat departments and offices.	Important	O	Submission of the results of the review of the continued relevance of Secretary-General's bulletins on the organization of Secretariat departments and offices.	31 December 2018
3	DM should, in coordination with EOSG, review the current process of promulgating administrative issuances to enhance the Organization's ability to issue guidance timely.	Important	C	This recommendation has been closed without implementation based on DM's acceptance of residual risks.	30 June 2017

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.

³ C = closed, O = open

⁴ Date provided by DM and EOSG in response to recommendations.

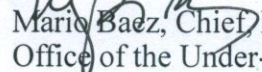
APPENDIX I

Management Response

United Nations  Nations Unies
INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

TO: Ms. Muriette Lawrence-Hume, Chief, New York Audit Service DATE: 27 June 2017
A: Internal Audit Division, Office of Internal Oversight Services

THROUGH: Christian Saunders, Director
S/C DE: Office of the Under-Secretary-General for Management

FROM:  Mario Baez, Chief, Policy and Oversight Coordination Service
DE: Office of the Under-Secretary-General for Management

SUBJECT: **Draft report on an audit of the process for promulgating administrative issuances in the United Nations Secretariat (AH2015/512/01)**
OBJET:

1. We refer to your memorandum dated 2 June 2017 regarding the above-subject draft report and provide you with comments of the Department of Management and the Executive Office of the Secretary-General in the attached Appendix I.
2. Thank you for giving us the opportunity to provide comments on the draft report.

Management Response

Audit of the process for promulgating administrative issuances in the United Nations Secretariat

No.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	DM should provide guidance on the implementation of the Secretary-General's bulletin on procedures for the promulgation of administrative issuances.	Important	Yes	Chief, Human Resources Policy Service, OHRM	31 December 2018	The responsibilities and role of OHRM with regard to the promulgation of issuances are well known and understood. Standard Operating Procedures could be used to guide officials outside OHRM who are responsible for developing or revising administrative issuances.
2	EOSG should, in coordination with OLA, review the continued relevance of Secretary-General's bulletins on the organization of the Secretariat's departments and offices.	Important	Yes	Chief of Management and Administration and Executive Officer, EOSG	31 December 2018	The Executive Office of the Secretary-General in coordination with Office of Legal Affairs will review the continued relevance of Secretary-General's bulletins on the organization of departments and offices.
3	DM should, in coordination with EOSG, review the current process of promulgating administrative issuances to enhance the Organization's ability to issue guidance timely.	Important	No	Not applicable	Not applicable	Delays in promulgating policies (new or revised ones) often result from political intricacies, complex staff management consultation or lack of available resources. A review of the process would have no positive impact on the above-mentioned factors which are beyond the control of DM or the EOSG. All policy guidance which is absolutely required for proper management of the Organization is issued in a timely manner (e.g. implementation of the compensation package reform adopted by the General Assembly at its 70 th session which necessitated amendments to the Staff Regulations and Rules and revisions of multiple administrative issuances.

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.