



## **INTERNAL AUDIT DIVISION**

### **REPORT 2019/019**

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#### **Audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia**

**There was a need to develop a strategy to meet the personnel requirements and strengthen controls over the hiring and use of consultants and individual contractors**

**27 March 2019  
Assignment No. AP2018/638/09**

# **Audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia**

## **EXECUTIVE SUMMARY**

The Office of Internal Oversight Services (OIOS) conducted an audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia (UNSOS) and the United Nations Assistance Mission in Somalia (UNSOM). The objective of the audit was to assess whether consultants and individual contractors were hired and managed in accordance with established policies and procedures. The audit covered the period from 1 July 2014 to 31 August 2018 and reviewed the planning, hiring and use of consultants and individual contractors.

To deliver on its mandate while coping with the volatile security situation and the light staffing footprint principle promoted by the Global Field Support Strategy, UNSOS and UNSOM continued to extensively use consultants and individual contractors, although efforts have been made to reduce their use over the last few years. However, there is still a need to develop a strategy to meet its personnel needs in the longer-term. UNSOS also needed to strengthen controls over the process of hiring and managing consultants and individual contractors.

OIOS made four recommendations. To address issues identified in the audit, UNSOS needed to:

- Develop a strategy to meet personnel shortage based on an assessment of its medium to long-term staffing needs, including outsourcing more of its operational tasks;
- Systematically develop terms of reference for consultants and individual contractors in compliance with the established procedures and effectively measure and monitor the performance of both consultants and individual contractors;
- Expedite the roll out and use of Inspira for managing the hiring of consultants and individual contractors, including developing a roster of potential applicants to ensure an efficient and competitive hiring process, and ensure that consultants and individual contractors' qualifications and references are systematically verified; and
- Strengthen its administrative oversight to ensure that the policy for determining the fees payable to individual consultants is applied correctly.

UNSOS accepted the recommendations and has initiated action to implement them.

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# Audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia

## I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia (UNSOS) and the United Nations Assistance Mission in Somalia (UNSOM).

2. To deliver on its mandate, UNSOS and UNSOM were using consultants and individual contractors mainly due to the requirement to adhere to the light staffing footprint principle promoted by the Department of Field Support (DFS)<sup>1</sup> Global Field Support Strategy, but also to perform tasks in areas inaccessible to United Nations personnel due to security clearance restrictions. These consultants and individual contractors were engaged to perform functions such as those of movement control assistants, external relations coordinators, logistics assistants and business intelligence analysts.

3. The hiring and management of consultants and individual contractors are governed by administrative instruction ST/AI/2013/4 on consultants and individual contractors and the related UNSOS standard operating procedures. Additionally, DFS in its code cable of 15 July 2008 provided guidance to all peacekeeping missions on the establishment of manpower services contracts. While consultants and individual contractors hired under ST/AI/2013/4 were subject to the same level of security clearance restrictions as United Nations staff, these restrictions did not apply to individuals deployed under manpower services contracts.

4. The Human Resources Section in UNSOS was responsible for ensuring that services to be rendered by consultants and individual contractors met the stipulated conditions, and that decisions on their selection were made in accordance with the delegated authority. In addition to consultants and individual contractors, UNSOS and UNSOM sourced the services of personnel through two manpower services contracts. Tables 1 and 2 summarize the number of consultants and individual contractors that UNSOS and UNSOM directly hired from 1 July 2014 to 31 August 2018, compared to the average number of regular staff on board. The number of personnel sourced through the two manpower contracts could not be determined due to lack of adequate records.

**Table 1: Consultants and individual contractors directly hired by UNSOS**

	2014/15	2015/16	2016/17	2017/18
Average number of regular staff on board	378	409	435	478
Vacancy rate (percentage of total posts)	20	14	27	14
Number of consultants and individual contractors	251	164	114	132
Consultants and individual contractors as a percentage of the average number of regular staff on board	66%	40%	26%	28%

Source: (a) average number of regular staff on board taken from UNSOS budget and performance reports; and (b) number of consultants and individual contractors extracted from Umoja

<sup>1</sup> Since January 2019, functions previously carried out by DFS are being conducted either by the Department of Operational Support or the Department of Management, Strategy, Policy and Compliance.

**Table 2: Consultants and individual contractors directly hired by UNSOM, through UNSOS**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Average number of regular staff on board	233	265	273	294
Vacancy rate (percentage of total posts)	-	15	16	7
Number of consultants and individual contractors	13	10	9	15
Consultants and individual contractors as a percentage of average number of regular staff on board	6%	4%	3%	5%

Source: (a) average number of regular staff on board taken from UNSOM budget documents; and (b) number of consultants and individual contractors extracted from Umoja

5. The two manpower services contracts used by UNSOS and UNSOM were for a maximum of 220 personnel for the period from February 2015 to October 2018 with a Not-To-Exceed amount of \$16.4 million. The purpose of these contracts was to source individuals to perform tasks in areas not accessible to United Nations personnel due to the security clearance restrictions in Somalia. The hiring process required vendors to submit the curriculum vitae of the proposed candidates to UNSOS and UNSOM for selection. UNSOS procedures also allowed chiefs of technical units to select candidates to be hired by the vendors.

6. UNSOS and UNSOM paid \$38 million for hiring of consultants and individual contractors for the period from 1 July 2014 to 31 August 2018.

7. Comments provided by UNSOS are incorporated in italics.

## **II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY**

8. The objective of the audit was to assess whether consultants and individual contractors were hired and managed in accordance with established policies and procedures.

9. This audit was included in the 2018 risk-based work plan of OIOS due to the financial and operational risks arising from continuous reliance on consultants and individual contractors to perform core functions in UNSOS and UNSOM.

10. OIOS conducted this audit in October and November 2018. The audit covered the period from 1 July 2014 to 31 August 2018. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the use of consultants and individual contractors, and reviewed the planning, hiring and use of consultants and individual contractors, as well as personnel sourced under manpower services contracts.

11. The audit methodology included: (a) interviews of key personnel, (b) reviews of relevant documentation, (c) analytical reviews of data, and (d) sample testing of 58 (18 consultants and 40 individual contractors extracted from Umoja).

12. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

### III. AUDIT RESULTS

#### Use of consultants and individual contractors

##### Need to develop a strategy to reduce reliance on the use of consultants and individual contractors

13. ST/AI/2013/4 requires consultants and individual contractors to perform functions that are temporary in nature within a specific time limit of 24 months in a 36-month period for consultants, and 6 months (or 9 months in special cases) in a 12-month period for individual contractors. Consultants are required to have specialist skills or knowledge not normally possessed by regular staff and cannot be engaged to perform the functions of regular staff, and where any representative and/or supervisory responsibility is required.

14. OIOS review of 58 (18 consultants and 40 individual contractors) case files indicated that UNSOS' engagement of some consultants and individual contractors for assignments was not temporary in nature, and not in line with ST/AI/2013/4. For example:

- Thirteen consultants were performing engineering, movement control, fuel and facilities management activities, which were functions normally carried out by regular staff. The terms of reference for one of these consultants, hired as an engineering technician, required only a high school diploma, contrary to ST/AI/2013/4 which states that consultants are normally hired as they are a recognized authority in the subject or have special skills/knowledge that are not normally possessed by regular staff;
- Consultants were also hired in a supervisory capacity. For instance, a consultant was hired to supervise the construction and maintenance of UNSOS/UNSOM regional facilities and three others were required to supervise engineering staff. UNSOS and UNSOM informed OIOS that these individuals were hired as project managers and not supervisors of staff; and
- Some individual contractors were working for longer periods than the maximum time limit. OIOS noted that 18 of the 40 individual contractors sampled were repetitively hired for periods ranging from 9 to 40 months from 1 July 2014 to 31 August 2018. A further analysis of all 432 consultants and individual contractors showed that the contractual status of 14 consultants and 24 individual contractors had continually changed by being either directly contracted by UNSOS and provided a United Nations contract, or sourced through one of the manpower services contracts, thereby extending and effectively overriding the term duration limits.

15. Regarding the consultants and individual contractors sourced through two manpower services providers, as of August 2018, 136 were on board against the maximum of 220. However, over the period of the audit, it was not possible to determine the actual number hired due to poor record keeping. Further, one of the manpower services contracts was established to provide up to 83 personnel for a period of eight months from February to October 2015. This contract was continuously renewed every six months until the contract ended in October 2018. The other manpower services contract was a United Nations systems contract.

16. In September 2015, DFS conducted a strategic review and a civilian staffing review which identified staffing gaps and recommended that UNSOS reinforce its staffing capacity. DFS also concurred with UNSOS plans to outsource operator-like functions, such as movement control, fuel and logistics assistant functions, and for staff not to be assigned to insecure locations. The civilian staffing review recommended an increase of 173 posts, and for the year 2016/17, the General Assembly approved 112 of

the requested 173 posts. However, the General Assembly abolished 42 of these posts in the subsequent 2017/18 budget. UNSOS explained that since then, due to further changes to the mandates of the African Union Mission in Somalia, UNSOM and UNSOS, there has been an increase in support demands on UNSOS, further widening the staffing gaps. UNSOS stated that another civilian staffing review, which the mission expects would recommend an increase in posts, was underway. UNSOS was also reviewing different commercial outsourcing arrangements to address staffing needs.

17. OIOS acknowledges the need for field operations to find alternative commercial arrangements to perform certain functions due to the difficult working environment in Somalia, as well as the DFS policy to maintain a light staffing footprint in such field locations. Nonetheless, UNSOS is required to work within the United Nations policies and procedures in hiring and retaining personnel and therefore, it needed to implement a strategy to address both its short-term and longer-term staffing needs. The strategy should include building the capacity of the Human Resources Section (which is a reason provided by UNSOS for a number of the control weaknesses identified in the audit) to adequately monitor and manage consultants and individual contractors and reduce the current perception of lack of accountability and transparency in the process.

**(1) UNSOS should develop a strategy to meet personnel needs based on an assessment of its medium to long-term staffing needs, including outsourcing more of its operational tasks.**

*UNSOS accepted recommendation 1 and stated that it will develop a strategy to address medium to long-term staffing requirements. Recommendation 1 remains open pending receipt of evidence that UNSOS has developed a strategy to meet personnel needs based on an assessment of its medium to long-term staffing needs.*

Terms of reference needed to be systematically prepared for consultants and individual contractors

18. UNSOS is required to develop terms of reference (TOR) for consultants and individual contractors and include them in their contracts. The TOR should include specific, measurable, attainable, results-based and time bound outputs and functions to be performed, including objectives and targets of the work, specific delivery dates and indicators for the evaluation of outputs. UNSOS is also required to conduct a detailed evaluation of consultants and individual contractors' performance.

19. OIOS review of 58 (18 consultants and 40 individual contractors) case files showed that UNSOS adequately developed the TOR for 10 of the 18 consultants. UNSOS also used generic job descriptions for 16 of the 40 individual contractors that were performing functions of staff members as their terms of reference. However, these generic job descriptions did not include the targets of the work assignment, specific delivery dates and indicators for the evaluation of outputs. As a result, the basis for monitoring and evaluating the achievement of the individual contractors' performance against the outputs in terms of quality and timeliness were neither established nor clearly defined.

20. OIOS review of case files also indicated that the required performance evaluations had not been conducted for five consultants hired for UNSOM. Performance evaluations for 19 individual contractors were also inadequate as their supervisors had either ticked a box that the goals had been achieved and deadlines had been met without providing any detailed assessment, including: quality of work, results achieved, and the strength of skills as required by the performance evaluation form, or there was only a very brief description such as "her work is of high quality and exceeds expectations".

21. UNSOS was not ensuring that staff responsible for managing consultants and individual contractors were fully aware of their responsibilities in order to develop adequate TOR for individual contractors and properly conduct performance evaluations. As a result, there was a risk of rehiring non-performing

consultants and individual contractors. UNSOS stated that individual contractors performing staff functions were closely supervised for non-performance, hence a detailed assessment was not necessary.

**(2) UNSOS should systematically develop terms of reference for consultants and individual contractors in compliance with the established procedures and effectively measure and monitor the performance of consultants and individual contractors.**

*UNSOS accepted recommendation 2 and stated that as part of a mission-wide training programme in launching the Inspira module for hiring of consultants and individual contractors 40 hiring managers and recruitment focal points have been trained so far. The building of job openings for consultants and individual contractors in Inspira included the completion of a template for TOR, deliverables and timelines for delivery. Also, UNSOS will use a tool for the evaluation of the performance of consultants and individual contractors in the Inspira module. Recommendation 2 remains open pending receipt of evidence of the improved TOR for individual contractors and performance monitoring of consultants and individual contractors.*

There was no roster to ensure efficient and competitive hiring process

22. ST/AI/2013/4 requires UNSOS to ensure easy access to a screened pool of individuals with relevant track records based on its requirements. UNSOS is also required to post a vacancy announcement when the services of a consultant or individual contractor are needed for more than six months to select candidates competitively. The final selection process requires a scrutiny of a minimum of three candidates against the established terms of reference that outlines the work expected, as well as the necessary competencies, expertise and experience for the position. The administrative instruction requires UNSOS to verify the candidates' qualifications and conduct reference and good health checks prior to the issuance of a contract.

23. While records showed that UNSOS was ensuring that consultants and individual contractors had certificates of good health, there was a need to make improvements on the overall process. From the sample reviewed, OIOS noted that UNSOS did not issue vacancy announcements for 8 consultants and 19 individual contractors prior to hiring them; these individuals were hired for periods ranging from 9 to 40 months. Instead, UNSOS conducted a desk review of curriculum vitae obtained from various sources such as an existing list of potential candidates and referrals from other staff members. These consultants were hired to perform functions such as production of long-term development plans for women, peace and security for the Great Lakes, engineering activities, and review of strategic communications structures. One selected consultant did not have the educational qualifications and experience for the position, and in another case, two of the five candidates considered did not meet the requirements of the TOR.

24. UNSOS did not maintain a roster of suitable candidates but explained that although not screened for qualifications, references and experience, it maintained a list of potential individual contractors who had previously applied to vacancy announcements. However, UNSOS provided no documentation to support this assertion.

25. The Human Resources Section in UNSOS did not verify candidates' educational and professional qualifications and did not conduct reference checks for 17 (7 consultants and 10 individual contractors) out of the 58 cases reviewed. These included one case where a candidate was hired while reference checks were being conducted, but three months after the selection, no verification had been conducted. This was because consultants and individual contractors were on boarded once a request letter for verification had been sent. To address this shortcoming, UNSOS hired an intern from August to October 2018 to review all cases of consultants and individual contractors with valid contracts to identify any missing verifications to enable follow-up.



26. UNSOS advised that a shortage of staff hampered the effort to establish a roster; however, it was in the process of using the new Inspira consultant and individual contractor module, which should improve the hiring process going forward. The above raised questions of accountability and transparency over the hiring process for consultants and individual contractors.

**(3) UNSOS should: (a) expedite the roll out and use of Inspira in managing the hiring of consultants and individual contractors including the developing of a roster to ensure an efficient and competitive hiring process; and (b) verify consultants' and individual contractors' qualifications and conduct reference checks in a timely manner.**

*UNSOS accepted recommendation 3 and stated that the Inspira module of consultants and individual contractors was rolled out in October 2018. Job Openings were advertised for engagements envisaged for longer than six months. The Inspira module generated a database of consultants and individual contractors and provided a pool of available candidates for consideration. A roster was developed as all candidates recommended were placed on the roster, after endorsement of the process by a review panel and approval by the UNSOS Director. All pending reference verifications will be completed by 30 April 2019. Part (a) of Recommendation 3 has been closed based on information received, and part (b) remains open pending receipt of evidence that all outstanding reference checks have been completed.*

Controls over the calculation of remuneration needed to be strengthened

27. ST/AI/2013/4 states that consultants and individual contractors are not entitled to any paid leave, and fees shall be prorated for periods of absence. The administrative instruction also indicates the minimum and maximum levels of fees payable, and UNSOS is required to ensure that amounts are set within the minimum and maximum levels considering the level of work in terms of responsibilities and complexity, degree of specialization, qualifications and experience required.

28. UNSOS Section Chiefs were adequately maintaining timesheets which were used to support the payment of fees at the end of each month. However, UNSOS was incorrectly determining the fees payable to three consultants and seven individual contractors, resulting in an overpayment of \$87,246. This occurred because UNSOS incorrectly determined higher rates of pay due to inadequate oversight by the Human Resources Section. For example, for one individual contractor, the project manager argued for a higher monthly fee of \$5,700 instead of \$3,867 based on years of experience instead of basing the fee on the experience required for the function, which the Human Resources Section also accepted. As a result, another three individual contractors subsequently hired for the same function were paid at \$5,700, \$5,271 and \$5,363 instead of a monthly fee range of \$3,867 to \$5,012. Also, UNSOS did not seek the review and approval of United Nations Headquarters for the higher fee rates. This resulted in payments above the established maximum levels.

**(4) UNSOS should strengthen its administrative oversight to ensure that the policy for determining the fees payable to consultants and individual contractors is applied correctly.**

*UNSOS accepted recommendation 4 and stated that management enforced the policy and provided consistent oversight of the fee levels for consultants and individual contractors. The methodology used to determine fee levels was the number of years of experience required for each function and the years of experience of the selected candidate, similar to determining the steps for regular staff positions. However, management will review the existing method of fee determination to ensure full compliance with the established provisions. Recommendation 4 remains open pending receipt of evidence that consultants and individual contractors' fees are determined in line with the provisions of ST/AI/2013/4.*

#### **IV. ACKNOWLEDGEMENT**

29. OIOS wishes to express its appreciation to the management and staff of UNSOS and UNSOM 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 use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia**

<b>Rec. no.</b>	<b>Recommendation</b>	<b>Critical<sup>2</sup>/ Important<sup>3</sup></b>	<b>C/ O<sup>4</sup></b>	<b>Actions needed to close recommendation</b>	<b>Implementation date<sup>5</sup></b>
1	UNSOS should develop a strategy to meet personnel needs based on an assessment of its medium to long-term staffing needs, including outsourcing more of its operational tasks.	Important	O	Receipt of evidence that UNSOS has developed a strategy to meet personnel needs based on an assessment of its medium to long-term staffing needs.	31 December 2019
2	UNSOS should systematically develop terms of reference for consultants and individual contractors in compliance with the established procedures and effectively measure and monitor the performance of consultants and individual contractors.	Important	O	Receipt of evidence of the improved TOR for individual contractors and performance monitoring of consultants and individual contractors.	30 September 2019
3	UNSOS should: (a) expedite the roll out and use of Inspira in managing the hiring of consultants and individual contractors including the developing of a roster to ensure an efficient and competitive hiring process; and (b) verify consultants' and individual contractors' qualifications and conduct reference checks in a timely manner.	Important	O	Part (a): No actions required. Part (b): all outstanding reference checks have been completed.	30 April 2019
4	UNSOS should strengthen its administrative oversight to ensure that the policy for determining the fees payable to consultants and individual contractors is applied correctly.	Important	O	Receipt of evidence that consultants and individual contractors' fees are determined in line with the provisions of ST/AI/2013/4.	30 September 2019

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> C = closed, O = open

<sup>5</sup> Date provided by UNSOS and UNSOM in response to recommendations.

# **APPENDIX I**

## **Management Response**



### Interoffice Memorandum

**To:** Mr. Daeyoung Park, Chief  
Peacekeeping Audit Service  
Internal Audit Division, OIOS

**Ref:** UNSOS/0319/M.011

**From:** Amadu Kamara, Director  
UNSOS

**Date:** 24 March 2018

**Subject:** UNSOS Response to draft report on an Audit of use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia (Assignment No. AP2018/638/09)

1. Further to your memorandum of 8 March 2018, reference OIOS-2018/638/08, please find attached the response to the subject report.
2. We thank you for your continued support to the work of UNSOM and UNSOS.

Best regards,

cc: Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS  
Mr. Abdinasir Issa, Acting Chief Resident Auditor, UNSOS, Internal Audit Division, OIOS  
Ms. Hedwig Maex, Chief of Staff, UNSOM  
Mr. Harjit Dhindsa, Chief Operations and Resource Management, UNSOS  
Mr. Amareshwara Rao Munagala, Chief Human Resources Officer, UNSOS  
Mr. Dolapo Kuteyi, Senior Administrative Officer, UNSOS  
Ms. Rosalie Piezas, Risk Management & Compliance Officer, UNSOS

**Management Response**

**Audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia**

Comments on Background

Management would like to clarify that the statement in paragraph 4 that the United Nations Support Office in Somalia (UNSOS) and the United Nations Assistance Mission in Somalia (UNSOM) hired consultants and individual contractors through manpower service contracts is not factually accurate. It should be noted that the personnel provided to support UNSOS and UNSOM under those arrangements were not employed by UNSOS, but by the vendors engaged by the Mission.

Similarly, the statement at paragraph 5 to the effect that the purpose of the manpower services contracts was to hire individuals is not an accurate representation. The purpose of the contract was to obtain expertise through the vendors engaged by the Organization. UNSOS did not hire any individuals under the contract, and the vendor, as their employer, was responsible for the remuneration of the individuals.

Rec. no.	Recommendation	Critical <sup>6</sup> / Important <sup>7</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNSOS should develop a strategy to meet personnel needs based on an assessment of its medium to long-term staffing needs, including outsourcing more of its operational tasks.	Important	Yes	Chief Human Resources Officer (CHRO)	31 December 2019	Management would like to clarify to the auditors that the Mission did not engage consultants to perform functions normally performed by regular staff, as stated in Para 14 of the report. The mission engaged individual contractors to perform the stated functions, which is in line with the provisions of ST/AI/2013/4.  Management would also like to clarify that the individuals

<sup>6</sup> 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.

<sup>7</sup> 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.

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					<p>assigned to oversee the construction and maintenance of regional facilities were doing so in the capacity of project managers, and not supervisors of staff.</p> <p>With respect to Para 15, Management again seeks to clarify that the mission did not hire consultants and individual contractors under the manpower service contracts, and that the contract ended in October, not August 2018.</p> <p>Paragraph 16 notes that the General Assembly approved 112 of the 173 posts requested for UNSOS under the 2016/17 budget. Management requests the auditors to also acknowledge that in the subsequent budget for 2017/18, 42 of these positions were abolished by the GA, hence the mission never had the full intended benefit of the staffing augmentation recommended by the 2015 Strategic Review of UNSOS.</p> <p>Nevertheless, UNSOS will provide the auditors with the mission strategy to address medium to long-term staffing requirements.</p>
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Management Response

Audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia

2	<p>UNSOS should systematically develop terms of reference for consultants and individual contractors in compliance with the established procedures and effectively measure and monitor the performance of consultants and individual contractors.</p>	Important	Yes	CHRO	30 September 2019	<p>Management accepts the recommendation, and seeks to advise the auditors that as part of the launch of the Inspira module for hiring of consultants and individual contractors in October 2018, a Mission-wide training programme is being delivered to hiring managers and recruitment focal points. Thus far, 40 managers and focal points have been trained.</p> <p>The building of Job Openings for consultants and individual contractors in Inspira includes the completion of a template for the terms of reference, outputs/deliverables and timelines for delivery.</p> <p>The Inspira module also includes a tool for the evaluation of the performance of consultants and individual contractors, which will be used by all personnel involved in the process.</p>
3	<p>UNSOS should: (a) expedite the roll out and use of Inspira in managing the hiring of consultants and individual contractors including the developing of a roster to ensure an efficient and competitive hiring process; and (b) verify consultants' and individual contractors' qualifications and conduct reference checks in a timely manner.</p>	Important	Yes	CHRO	<p>a. Implemented</p> <p>b. Backlog of reference checks to be completed by 30 April 2019</p>	<p>Management notes the recommendation and seeks to inform the auditors that the Inspira module for consultants and individual contractors was rolled out in UNSOS and UNSOM in October 2018. JOs are advertised for engagements</p>



Management Response

Audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia

						<p>envisaged for longer than six months.</p> <p>The Inspira module generates a database of consultants and individual contractors and provides a pool of available candidates for consideration. All candidates recommended are placed on the roster after endorsement of the process by the Mission Review Panel, and approval by UNSOS Director. The evolving roster of candidates is available for scrutiny by the auditors. Management requests that part (a) of the recommendation be recorded as implemented.</p> <p>In addition, consultant and individual contractors are generally not onboarded without completed reference checks. Where there is an urgent requirement, the individual may be granted a contract of two months, with extension being subject to satisfactory reference check. UNSOS aims to complete all pending reference verifications by 30 April 2019.</p>
4	UNSOS should strengthen its administrative oversight to ensure that the policy for determining the fees payable to consultants and individual contractors is applied correctly.	Important	Yes	CHRO	September 2019	Management enforces the policy and provides consistent oversight of the fee levels for consultants and individual contractors.

Management Response

Audit of the use of consultants and individual contractors in the United Nations Support Office in Somalia and the United Nations Assistance Mission in Somalia

						<p>UNSOs notes that the recommendation is based on the auditors' findings on 10 of 56 cases reviewed in which UNSOS is said to have "incorrectly" determined fee rates.</p> <p>The methodology used to determine fee levels is the number of years of experience required for each function and the years of experience of the selected candidate, similar to determining the steps for staff positions. In all cases, the fee is within the global ranges established under the ST/AI/2013/4.</p> <p>Management will review the existing method of fee determination to ensure full compliance with the established provisions.</p>
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