



INTERNAL AUDIT DIVISION

REPORT 2016/064

Audit of leave and attendance records
in the United Nations Assistance
Mission in Afghanistan

Overall results relating to the effective
management of leave and attendance
records were initially assessed as partially
satisfactory. Implementation of three
important recommendations remains in
progress

FINAL OVERALL RATING: PARTIALLY
SATISFACTORY

10 June 2016
Assignment No. AP2015/630/04

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AUDIT REPORT

Audit of leave and attendance records in the United Nations Assistance Mission in Afghanistan

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of leave and attendance records in the United Nations Assistance Mission in Afghanistan (UNAMA).
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure: (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. The Human Resources Management (HRM) Section in Kuwait Joint Support Office (KJSO), a shared service center for UNAMA and UNAMI, is responsible for managing leave and attendance records for staff of both missions. The Section is headed by a Human Resources Operations Manager (HROM) at the P-4 level who reports to the Chief, KJSO. Two P-3, 12 Field Service and 22 national staff support the HROM. The 2015 staff budget for the HRM Section was \$3 million.
4. The HROM and the Chief Human Resources Officer in UNAMA have the authority to approve various types of leave requests submitted by 1,539 staff members of UNAMA through their supervisors including annual leave, maternity leave, paternity leave, official business, rest and recuperation leave, special leave without pay, uncertified sick leave and certified sick leave up to 20 working days.
5. Comments provided by UNAMA are incorporated in italics.

II. OBJECTIVE AND SCOPE

6. The audit was conducted to assess the adequacy and effectiveness of UNAMA governance, risk management and control processes in providing reasonable assurance regarding the **effective management of leave and attendance records in UNAMA**.
7. The audit was included in the 2015 risk-based work plan of OIOS due to operational and financial risks related to management of leave and attendance records.
8. The key control tested for the audit was regulatory framework. For the purpose of this audit, OIOS defined this key control as one that provides reasonable assurance that policies and procedures: (i) exist to guide the management of leave and attendance records; (ii) are implemented consistently; and (iii) ensure the reliability and integrity of financial and operational information.
9. The key control was assessed for the control objectives shown in Table 1. One control objective shown in Table 1 as “Not assessed” was not relevant to the scope defined for this audit.
10. OIOS conducted this audit from December 2015 to March 2016. The audit covered the period from January 2014 to December 2015.

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

III. AUDIT RESULTS

12. The UNAMA governance, risk management and control processes examined were assessed as **partially satisfactory**¹ in providing reasonable assurance regarding the **effective management of leave and attendance records in UNAMA**. OIOS made four recommendations to address issues identified.

13. UNAMA and KJSO established a system of recording leave and attendance, designated time and attendance monitors to verify attendance and submitted monthly attendance reports to the HRM Section. The Mission also migrated leave records of 379 international staff from the Integrated Management Information System (IMIS) to Umoja in November 2015. However, UNAMA needed to: (a) ensure that all staff members complete the relevant training courses on recording time and attendance in Umoja; (b) regularize the recording of travel time for rest and recuperation leave by eligible staff members, including seeking appropriate approval for any exceptions required; (c) strengthen the leave request review and approval process and provide additional guidance to staff and supervisors to ensure compliance with relevant regulations and rules; (d) strengthen reviews of documents supporting sick leave requests; and (e) issue a broadcast to all staff reminding them of the procedure for submitting maternity and paternity leave requests. UNAMA did not accept one important recommendation. OIOS has closed this recommendation indicating management’s acceptance of residual risks arising from not implementing it.

14. The initial overall rating was based on the assessment of the key control presented in Table 1. The final overall rating is **partially satisfactory** as implementation of three important recommendations remains in progress.

Table 1: Assessment of key control

Business objective	Key control	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of leave and attendance records in UNAMA.	Regulatory framework	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

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

Regulatory framework

UNAMA established systems of recording attendance and leave

15. The administrative instruction on recording of attendance and leave (ST/AI/1999/13) requires UNAMA to establish a system of recording attendance and leave and designate time and attendance monitors to verify attendance and compliance with working hours, prepare reports on attendance and keep all relevant records. A review of attendance and leave records in the Field Support Suite (FSS) and interviews with key personnel in the HRM Section indicated that UNAMA and KJSO had established systems of recording attendance and leave.

16. Staff members were required to submit their leave requests in FSS for approval of their supervisors and relevant human resources officers. The automated system maintained the attendance records, updated the leave cards and generated monthly attendance reports. Supervisors in each section designated attendance monitors who kept attendance and leave records. The monitors downloaded monthly attendance reports from FSS, reconciled them with leave records kept in the section, and submitted the signed reports to the HRM Section in KJSO in the first week of the following month. Based on certified attendance sheets received from the sections, the HRM Section updated the leave records in FSS and IMIS. OIOS concluded that the system of recording attendance and leave was generally working effectively subject to exceptions mentioned in the present report.

Residual discrepancies in migrating leave and attendance records of international staff to Umoja were being resolved

17. The United Nations implemented Umoja, an enterprise resource planning software that provides a harmonized and streamlined approach to various organizational functions including time management. Effective November 2015, UNAMA in conjunction with KJSO, migrated leave and attendance records of 379 international staff from IMIS to Umoja. A review of leave balance data migration statistics provided by KJSO to the audit team on 9 March 2016 indicated that 291 of the 379 staff leave balances in Umoja and attendance record cards used for updating IMIS matched. Eighty-eight balances had discrepancies of which, 40 had been resolved and 48 were being resolved.

18. While the present audit was in progress, the leave data cleansing exercise was ongoing in light of the Field Personnel Division's survey on accuracy of leave balances held after implementation of Umoja in November 2015. Therefore, OIOS did not make a recommendation on this issue.

Adequate training needed to be provided on recording time and attendance in Umoja

19. The administrative instruction on recording of attendance and leave (ST/AI/1999/13) provides for the designation of monitors who shall verify attendance and compliance with working hours, prepare monthly attendance reports and keep all relevant records.

20. A review of 25 monthly attendance reports relating to 2014 and 2015 indicated that in 4 cases, attendance monitors or section chiefs did not sign the reports, while in 15 cases, staff did not sign the reports. Also, in three cases, senior staff approved their own attendance reports or got them approved by their subordinate officers. In four cases, attendance sheets had discrepancies such as showing staff as present while they were on official business or annual/certified sick leave, and marking staff on rest and recuperation leave for more than five days in addition to travel days.

21. The above exceptions occurred because UNAMA did not provide any training to the time and attendance monitors during the audit period. In addition, section chiefs did not ensure that all staff had signed the attendance reports prior to certifying and submitting them to the HRM Section. As a result, there was an increased risk of errors and omissions in recording and reporting attendance and leave that could result in financial losses to the Organization. UNAMA advised during the exit conference that with the deployment of Umoja Extension 1 in September 2016, all staff members will be responsible for their time management using the Employee Self-Service portal. They, therefore, needed to be trained to ensure effective operation of the controls over time and attendance.

(1) UNAMA should take action to ensure that all staff members complete the relevant training courses on recording time and attendance in Umoja.

UNAMA accepted recommendation 1 and stated that it would continue to provide and encourage national and international staff to complete training on Umoja Employee/Manager Self-Service. It would also appoint dedicated focal points to provide assistance and support to staff as required. Recommendation 1 remains open pending receipt of evidence that all staff have been trained on recording time and attendance in Umoja.

Rest and recuperation leave was taken in advance

22. The administrative instruction on rest and recuperation (ST/AI/2011/7) requires that rest and recuperation leave may not be taken in advance or combined with home leave, family visit travel, maternity leave, paternity leave and uncertified sick leave. The accumulation of qualifying service will be suspended during official business outside duty station.

23. A review of 20 rest and recuperation leave cases indicated that in 9 cases, rest and recuperation leave was allowed between 1 and 15 days in advance against the rest and recuperation leave cycle of 42 days. In one case, the exception occurred due to non-suspension of qualifying service during official business outside the duty station while in another instance, leave was allowed 15 days prior to the due date without specifying any reason. In seven cases, exceptions occurred due to internal circulars issued by UNAMA in October 2013 and March 2015, which allowed staff to record commencement of their travel time for rest and recuperation leave as the day following their departure from the duty station in cases where their flights departed from Kabul airport after 3:00 p.m. and 2:00 p.m., respectively. These circulars irregularly deferred the travel time to the following day notwithstanding the fact that staff members left for the airport before 12:00 noon and their absence from the office exceeded four hours, which should have been counted as half day leave. They also allowed return to the office by 10:00 a.m. to be recorded as arrival at the duty station on the preceding day.

24. Subsequent to the audit, UNAMA issued guidance to all international staff on 11 April 2016 that rest and recuperation leave would be granted for five consecutive calendar days in addition to the actual travel time to the designated rest and recuperation destination. UNAMA also issued a memorandum to national staff reminding them of the guidelines on applying for and reporting on leave/absence from work. However, the Mission's internal circulars issued in October 2013 and March 2015 were yet to be rescinded.

(2) UNAMA should take action to regularize the recording of travel time for rest and recuperation leave by eligible staff members, including seeking appropriate approval for any exceptions required.

UNAMA did not accept recommendation 2 and stated that the circular was issued due to the security aspects of the Mission, consequent restrictions on staff movement and limited availability of flights

from Kabul on approved airlines. Discussions were ongoing between UNAMA Management and Field Personnel Division of the Department of Field Support on obtaining exceptional approval from the Department of Management to enable Mission staff to continue charging travel time to the following day of their actual departure after 2:00 p.m. and/or preceding day of their actual arrival at the duty station and report on duty before 10:00 a.m. If the Mission fails to receive exceptional approval from the Department of Management, it would issue a broadcast to all international staff withdrawing the circular. OIOS notes however that UNAMA does not have the authority to allow staff to adjust their departure and arrival dates from rest and recuperation leave in attendance and leave records without obtaining the necessary approval. This unaccepted recommendation has been closed and may be reported to the General Assembly indicating management's acceptance of residual risks.

UNAMA and KJSO needed to strengthen reviews of documents supporting sick leave requests

25. The administrative instructions on sick leave (ST/AI/2005/3 and ST/AI/2005/3/Amend.1) provide that all sick leave must be supported by a certificate or report from a medical practitioner licensed to practice where the certificate is issued. Up to 20 working days taken cumulatively or consecutively during a 12-month period may be approved as certified sick leave by the local personnel office upon submission by the staff member of a certificate from a licensed medical practitioner or upon submission of form MS.40 duly completed and signed by the attending physician.

26. A review of 20 certified sick leave requests approved during the audit period indicated that in 11 cases (55 per cent), certified sick leave was combined with the approved rest and recuperation leave, home leave, family visit travel and annual leave while staff members were outside the duty station. Although staff members submitted medical certificates, there was no assurance of their authenticity. In addition, medical certificates or reports were not consistently signed or approved by the human resources officers. In three cases, certified sick leave request forms were not approved by the local personnel office, while in two cases, leave records such as FSS and attendance record cards were not properly updated with certified sick leave granted. In four other cases, rest and recuperation/annual leave were irregularly combined with certified sick leave resulting in unauthorized absences or incorrect annual leave balances.

27. The above occurred due to inadequate review of supporting documents by the HRM Section including verification of the authenticity of medical certificates up to 20 days. With the high percentage of certified sick leave combined with other leave types, there was an increased risk of false certification of sick leave. The Mission and KJSO needed to analyze Umoja records, establish patterns of frequent combination of sick leave with other leave types and devise a mechanism to conduct spot checks on the authenticity of medical certificates where there is high probability of abuse.

(3) UNAMA in conjunction with KJSO should take action to further strengthen reviews of documents supporting sick leave requests, including those combining sick leave with other leave types.

UNAMA accepted recommendation 3 and stated that it would issue an internal circular to staff to remind them of the types of leave that can be combined with rest and recuperation travel. In conjunction with KJSO, UNAMA would also strengthen reviews of documents supporting sick leave requests and conduct spot checks on the authenticity of medical certificates where there was high probability of abuse. Recommendation 3 remains open pending receipt of a copy of the internal circular to staff and evidence of the action taken to strengthen the review of documents supporting sick leave requests.

Approval process for maternity and paternity leave needed to be strengthened

28. OIOS review of processing of requests for maternity and paternity leave indicated the following:

a. Pre-delivery maternity leave requests of less than two weeks were approved without approval by the Medical Director or designated medical officer

29. The administrative instruction on sick leave (ST/AI/2005/2) provides that pre-delivery maternity leave may be granted for a period shorter than six weeks on the basis of certification from a licensed medical practitioner or midwife, which must be approved by the Medical Director or designated medical officer. Such a shorter period shall normally not be for less than two weeks.

30. A review of six of seven maternity leave requests approved in UNAMA during the audit period indicated that pre-delivery leave of less than two weeks was approved in two cases without the required certificate from a licensed medical practitioner and approval by the Medical Director or designated medical officer. In another two cases, no pre-delivery leave was approved. This occurred due to staff members not submitting maternity leave requests, along with requisite supporting documents, in a timely manner. Under the circumstances, without adequate medical certification, there was an increased health and safety risk relating to the concerned staff.

b. Paternity leave requests were not submitted in timely manner

31. The administrative instruction on paternity leave (ST/AI/2005/2) provides that a staff member assigned to a non-family duty station is entitled to paternity leave of up to eight weeks (56 calendar days). The staff member should submit a request through his supervisor to the executive or local personnel office at least one month before commencement of the proposed leave. If request is submitted prior to birth of the child, it must be accompanied by a certificate from a licensed medical practitioner or midwife indicating the expected date of delivery and subsequently supplemented by a birth certificate.

32. A review of 15 of the 595 paternity leave requests approved in UNAMA during the audit period indicated that all but one of them were supported by the expected date of delivery documents or birth certificates where applicable and approved by the relevant Chief Human Resources Officer. In 12 cases however, the leave requests were not submitted on time and in another case, the paternity leave was understated. This occurred due to staff not being aware of leave rules, poor FSS accessibility due to limited bandwidth, inadequate monitoring by the HRM Section and inadequate scrutiny by the supervisors/programme managers who approved the leave requests.

(4) UNAMA should take action to: (i) further strengthen the leave approval process for maternity and paternity leave; and (ii) instruct staff members to submit the leave requests in a timely manner along with requisite supporting documents.

UNAMA accepted recommendation 4 and stated that it would ensure that human resources staff were aware of the maternity and paternity leave approval process. The Mission would also issue an internal circular to staff to remind them of the leave request procedures. Recommendation 4 remains open pending receipt of evidence of actions taken to strengthen maternity and paternity leave request and approval processes.

Supporting documents for various types of leave were not consistently uploaded in FSS

33. FSS requires staff members to upload supporting documents for all types of leave such as travel authorizations, approved movement of personnel requests, immigration stamps and boarding passes,

medical certificates and reports, birth certificates of children and submit leave reports as soon as they return to their duty stations.

34. A review of leave and attendance records relating to 20 staff members and interviews with key staff in the HRM Section including the HROM, KJSO indicated that relevant supporting documents were not consistently uploaded in FSS due to web accessibility issues related to limited bandwidth. For example, an analysis of 20 leave records during the audit period indicated that: (a) in 6 cases, the leave requests were not processed in FSS; (b) in 9 cases, supporting documents in FSS were incomplete; and (c) in 11 cases, the FSS leave cards were not reconciled with the attendance and leave records such as attendance reports and attendance record cards maintained by the HRM Section.

35. In addition, the HROM considered FSS data was less reliable and preferred to maintain a parallel leave and attendance record in attendance record cards, which were manually updated by the respective Human Resources focal points. Therefore, hard copies and scanned soft copies of supporting documents were filed at different locations such as personal files, or stored in the HRM Section shared drive instead of uploading them in the web-based application. As a result, FSS leave and attendance application was not effectively used. OIOS did not make any recommendation as FSS was replaced with Umoja effective November 2015. Nevertheless, it would be imperative for UNAMA and KJSO to ensure that staff members upload supporting documents in Umoja timely.

IV. ACKNOWLEDGEMENT

36. OIOS wishes to express its appreciation to the Management and staff of UNAMA 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 leave and attendance records in the United Nations Assistance Mission in Afghanistan

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	UNAMA should take action to ensure that all staff members complete the relevant training courses on recording time and attendance in Umoja.	Important	O	Submission of evidence that all staff have been trained on recording time and attendance in Umoja.	1 September 2016
2	UNAMA should take action to regularize the recording of travel time for rest and recuperation leave by eligible staff members, including seeking appropriate approval for any exceptions required	Important	C	Recommendation closed without implementation: management accepted responsibility for residual risks arising from not implementing the recommendation.	Not provided
3	UNAMA in conjunction with KJSO should take action to further strengthen reviews of documents supporting sick leave requests, including those combining sick leave with other leave types.	Important	O	Submission of a copy of the internal circular to staff on the types of leave that can be combined with rest and recuperation travel and evidence of the action taken to strengthen the review of documents supporting sick leave requests.	30 June 2015
4	UNAMA should take action to: (i) further strengthen the leave approval process for maternity and paternity leave; and (ii) instruct staff members to submit the leave requests in a timely manner along with requisite supporting documents.	Important	O	Submission of evidence of actions taken to strengthen maternity and paternity leave request and approval processes.	15 June 2016

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 UNAMA in response to recommendations.

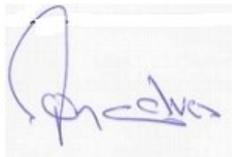
APPENDIX I

Management Response



TELEFAX TRANSMISSION

TRANSMISSION FACSIMILE

DATE: 30 May 2016	REFERENCE: UNAMA-CMS-Fax-2016-481
FAX TO: Ms. Muriette Lawrence-Hume ATTN: INFO: William K. Smith; Caroline Ingrid Bogren;	FROM: Jorge Goncalves Chief Mission Support, UNAMA Kabul, Afghanistan 
TO FAX NO: lawrence-hume@un.org	FROM FAX NO: 0034961256732
SUBJECT: Draft audit report on an audit of leave and attendance records in UNAMA (AP2015/630/04)	
Total no of cover pages: 2	Total no of attachments: 2
<p>1. Reference is made to your Interoffice Memorandum dated 19 May 2016.</p> <p>2. We are pleased to attach Annex I of the draft report on the audit of leave and attendance records in UNAMA (AP2015/630/04). UNAMA is accepting three out of the four recommendations.</p> <p>Best regards.</p>	
Drafted By: Kibriyokhon Aliakbarova Administrative Assistant, O/CMS, UNAMA Kabul, Afghanistan Administrative Assistant - OCMS, UNAMA Kabul, Afghanistan 	Cleared By: Ms. Sandra Benyes Senior Administrative Officer, O/CMS, UNAMA Kabul, Afghanistan 



TELEFAX TRANSMISSION

TRANSMISSION FACSIMILE

Distribution List

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Muriette Lawrence-Hume

Chief, New York Audit Service, Internal Audit Division, OIOS

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Management Response

Audit of leave and attendance records in the United Nations Assistance Mission in Afghanistan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments ³
1	UNAMA should take action to ensure that all staff members complete the relevant training courses on recording time and attendance in Umoja.	Important	Yes	DCMS/CHRO	1/9/16 in view of implementation of UMOJA C5 and ongoing thereafter according to staff needs/new staff in the mission	The Mission will: (i) Continue to encourage international staff who did not complete UMOJA ESS/MSS training prior to the launch of UMOJA UE1 Cluster 4 in November 2015, to do so now; (ii) Continue periodic training in ESS and MSS for staff members in need of additional training; (iii) In preparation for UMOJA UE1 Cluster 5 launch scheduled for 1 September 2016, encourage national staff to complete the training; (iv) Appoint dedicated focal points to provide assistance and support to staff as required.
2	UNAMA should take action to regularize the recording of travel time for rest and recuperation leave by eligible staff members, including seeking appropriate approval for any exceptions required	Important	No	CMS/DCMS/CHRO	Subject to discussions with FPD	This issue remains contentious due to the security aspects of UNAMA mission, consequent restrictions on staff movement, limited availability of flights from Kabul to Dubai on approved airlines, with no control by staff over the flight schedules. Discussion is continuing between UNAMA Management, FPD and the SRSG, to obtain exceptional approval from UNHQ to enable Mission staff to continue charging travel time to the following day of their actual departure after 2:00pm and/or preceding day of their actual

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

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

³ Please indicate feasibility and realistic timelines for implementation of the recommendation.

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments ³
						arrival at the duty station and report on duty before 10:00am. If the Mission fails to receive exceptional approval from UNHQ, the Mission will issue a broadcast to all international staff withdrawing the mission-specific circular.
3	UNAMA in conjunction with KJSO should take action to further strengthen reviews of documents supporting sick leave requests, including those combining sick leave with other leave types.	Important	Yes	DCMS/CHRO/KJSO	15/6/16 to issue the internal circular and by 30/6/16 to identify mechanisms to strengthen reviews	The Mission will: (i) Issue an internal circular to all staff to remind them of the types of leave which can be combined with R & R travel; (ii) In conjunction with KJSO, strengthen reviews of document supporting sick leave requests, including analysis of UMOJA records and spot checks on authenticity of medical certificates where there is high probability of abuse.
4	UNAMA should take action to: (i) further strengthen the leave approval process for maternity and paternity leave; and (ii) instruct staff members to submit the leave requests in a timely manner along with requisite supporting documents.	Important	Yes	DCMS/CHRO	15/6/16	The Mission and KJSO will: (i) Ensure that HR staff are aware of and adhere to the maternity/paternity leave approval process; (ii) Issue a broadcast to all staff reminding them of the procedure for submitting maternity and paternity leave requests.