



## INTERNAL AUDIT DIVISION

### REPORT 2018/082

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Audit of human resources  
management at the United Nations  
Interregional Crime and Justice  
Research Institute

Some aspects of human resources  
management needed to be strengthened

11 September 2018  
Assignment No. AE2018/383/01

# **Audit of human resources management at the United Nations Interregional Crime and Justice Research Institute**

## **EXECUTIVE SUMMARY**

The Office of Internal Oversight Services (OIOS) conducted an audit of human resources management at the United Nations Interregional Crime and Justice Research Institute (UNICRI). The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the effective management of human resources at UNICRI. The audit covered the period from January 2016 to April 2018 and included a review of: (a) workforce planning; (b) recruitment and management of staff; (c) coordination with the United Nations Office at Vienna (UNOV) in the recruitment and administration of staff; and (d) recruitment, remuneration and management of non-staff personnel including consultants, individual contractors and fellows.

Controls relating to recruitment of staff, consultants and individual contractors were satisfactory. However, some aspects of human resources management need to be strengthened.

OIOS made 10 recommendations. To address the issues identified in the audit, UNICRI needed to:

- Establish guidelines for budgeting and allocating direct project support costs to individual projects in a timely manner;
- Ensure that all important information on human resources requirements are included in the budget proposals submitted to the Board of Trustees to enable the Board to make informed decisions;
- Ensure, in coordination with the Director-General of UNOV, that the UNICRI Director's performance appraisal includes relevant and measurable performance goals on human resources management;
- Update its risk register to reflect the additional human resources risks identified in the April 2017 survey results and inform the Board of Trustees of its risk management efforts, as appropriate;
- Track the completion of performance appraisals and ensure that they are done in a timely manner;
- Ensure that the gender focal point is kept informed of all recruitment exercises to enable her to fulfill her mandated responsibilities;
- Obtain clarification from the Office of Human Resources Management (OHRM) on the issuance of appointment letters to the Institute's staff to ensure compliance with applicable policies concerning limitation of service and eligibility for continuing appointments;
- Ensure that its staff comply with the mandatory training requirements;
- Update the Memorandum of Understanding with UNOV to clearly address the division of roles and responsibilities and key performance indicators for monitoring purposes; and
- Submit the new administrative instruction on fellows to OHRM for review and endorsement.

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

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# **Audit of human resources management at the United Nations Interregional Crime and Justice Research Institute**

## **I. BACKGROUND**

1. The Office of Internal Oversight Services (OIOS) conducted an audit of human resources management at the United Nations Interregional Crime and Justice Research Institute (UNICRI).
2. The main objective of UNICRI is to contribute to the formulation and implementation of improved policies in the field of crime prevention and control, due regard being paid to the integration of such policies within broader policies for socioeconomic change and development, and the protection of human rights. It is mandated to do this through research, training, field activities, and the collection, exchange and dissemination of information. UNICRI headquarters is located in Turin, Italy and it has offices in Rome, Geneva and Brussels and field presence in Algiers, Amman, Manila, Nairobi, Rabat, Tashkent and Tbilisi.
3. UNICRI is governed by a Board of Trustees under the overall guidance of the Committee on Crime Prevention and Control and reports periodically to the United Nations Economic and Social Council (ECOSOC). As per Article III of its statute, UNICRI is subject to the United Nations Financial Regulations and Rules, Staff Regulations and Rules, and all other administrative issuances of the Secretary-General except as may be otherwise decided by the Secretary-General. A Memorandum of Understanding (MOU) was signed in January 2009 between the United Nations Office at Vienna (UNOV) and UNICRI for the provision of administrative services including human resources services.
4. UNICRI is led by a Director at the D-2 level who is responsible for managing the institute in accordance with directives issued by the Board. The Director-General of UNOV, who is also the Executive Director of the United Nations Office on Drugs and Crime (UNODC), is responsible for overseeing administrative aspects of the UNICRI Director's functions. The previous Director of UNICRI retired in January 2018. From 29 January 2018, the Director of the United Nations System Staff College (UNSSC) was appointed to act as Acting Director of UNICRI until further notice, in addition to his regular duties. The Acting Director is assisted by a Senior Programme Officer at the P-5 level.
5. UNICRI is fully funded by voluntary contributions comprising General Purpose (un-earmarked) contributions and special purpose contributions earmarked for implementing specific projects. A percentage of contributions (normally 13 per cent) is allocated for Programme Support Costs (PSC). According to its 2018 approved budget, UNICRI had a total of 45 approved posts comprising 27 Professional and 18 General Service positions. In addition, UNICRI employed six senior and 12 junior fellows with length of services ranging between three months to nine years. The total staff costs for the 2016-2017 biennium were \$9 million, or 43 per cent of the total expenditure. For 2018, the total approved budget was \$11.7 million with \$4 million allocated for staff costs including consultants. During the period January 2016 to March 2018, UNICRI completed 14 staff recruitment actions including nine fixed-term appointments and five temporary appointments and hired 95 consultants and 14 individual contractors. A total of seven staff members separated from the Institute during this period.
6. Comments provided by UNICRI 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 the effective management of human resources at UNICRI.

8. This audit was included in the 2018 risk-based work plan of OIOS due to the risk that potential weaknesses in human resources management could adversely affect UNICRI's ability to achieve its objectives and goals.

9. OIOS conducted this audit from March to June 2018. The audit covered the period from January 2016 to April 2018. Based on an activity-level risk assessment, the audit covered risk areas in the management of human resources which included: (a) workforce planning; (b) recruitment and management of staff; (c) coordination with UNOV in the recruitment and administration of staff; and (d) recruitment, remuneration and management of non-staff personnel.

10. The audit methodology included: (a) interviews with key personnel; (b) reviews of relevant documentation; (c) analytical reviews of data; and (d) sample testing.

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

### **III. AUDIT RESULTS**

#### **A. Workforce planning**

##### Need for a policy or guidelines on allocation of direct project support costs to projects

12. The principles set out in the United Nations Controller's memo of 8 June 2012 require that all costs that can be directly attributed to a project financed from extra-budgetary contributions should be financed by the relevant project funds. During the 2016-2017 biennium, UNICRI adopted a cost-allocation system (cost recovery model) to fully charge all direct project support costs relating to staff working in administrative and project management functions to projects funded by earmarked contributions. Project staff and staff funded by un-earmarked contributions were required to complete timesheets to enable recovery of costs involved in the services provided directly to individual projects. However, there was no clear policy on how to implement the cost recovery model in a transparent manner. Additionally, there was no verification of the staff timesheets by project managers. In 2018, the Acting Director suspended the use of the cost recovery model citing non-feasibility of the time-split method and the need for further review. Such a review had not yet been done at the time of the audit. UNICRI had not developed an alternative policy or guidance on identifying and recovering direct project support costs from earmarked contributions.

13. As a result, there were gaps and inconsistencies in the allocation of direct project support costs. In 2018, 50 per cent of the cost of the P-5 Senior Programme Officer post was charged to un-earmarked General Purpose funds due to his function as the deputy to the Acting Director although according to the 2018-2019 budget document, the post was to be fully financed by earmarked contributions. The 2018 budget document also stated that two posts in the Central Management Unit would be financed by earmarked contributions. There was no clear explanation of the rationale for financing the two posts from earmarked contributions, and the mechanism that would be used to charge the costs relating to these posts to individual projects. Further, in the absence of a formal cost recovery model, there was a high risk that project budgets and project proposals may not include adequate provisions for direct project support costs. Recovering or charging direct project support costs in cases where they are not adequately provided for in project budgets may not always be possible and could impair donor relations. Since the previous cost recovery model was abolished due to its complexity, UNICRI needs to ensure that any cost recovery model established is simple and efficient. Good practices noted in other organizations include the use of a standard or annual recovery rate as the basis for budgeting and charging direct project costs to projects.

**(1) UNICRI should establish guidelines for budgeting and allocating direct project support costs to individual projects in a timely manner.**

*UNICRI accepted recommendation 1 and stated that it would appreciate it if OIOS could share good practices noted in other organizations that include the use of standard or annual recovery rate as the basis for budgeting and charging direct project costs to projects. OIOS has provided examples of such good practices noted in other organizations. Recommendation 1 remains open pending receipt of evidence that guidelines have been established for budgeting and allocating direct project support costs to individual projects.*

Need to improve the presentation of staffing requirements in budget proposals submitted to the Board

14. As stated in the UNICRI Statute, the Board of Trustees is responsible for formulating principles, policies and guidelines and approving the work programme and budget proposals of the Institute on the basis of recommendations submitted to it by the Director. Since staffing and other workforce related costs are a significant proportion of the UNICRI budget, it is essential that human resources requirements are clearly presented in the budget proposals to enable the Board to make informed decisions. The 2018-2019 budget proposal submitted to the Board had information on UNICRI staffing requirements including variance analysis between posts approved in 2016-2017 budget and those proposed for 2018-2019 and detailed post requirements by organizational unit. The budget proposal recognized that there was over-budgeting of posts in 2016-2017 and highlighted six posts in the management and administrative units and 12 posts in the substantive units that were unfunded, and were therefore not incorporated in the 2018-2019 budget. The posts proposed in the 2018-2019 budget were based on available funding. The budget proposal stated that additional posts would be established during the year if new funding agreements were signed.

15. However, there were important details on human resources requirements that were not included in the budget proposal. This included information on number and funding for fellows and local staff in field offices which were not reflected in the budget. UNICRI had two locally recruited staff in Algiers and Manila and 18 junior and senior fellows five of whom were home-based and the rest were based in the Rome, Geneva and Turin Offices. The details of local staff and fellows needed to be reflected in the budget documents since they were a significant part of UNICRI workforce. Further, the budget proposal did not include an organizational chart which would have provided clearer information on the number and level of approved posts by organizational unit and reporting lines. There was also no clear information on posts located in field offices and the continued justification/rationale for having posts in the specific locations. Details of transfers of posts between locations were also not indicated. For example, in 2016, one P-4 post and one P-3 post were relocated from Turin to Geneva and Rome, respectively, but the justification for relocation was not explained in the budget proposal. UNICRI needs to establish a requirement for all such essential information to be consistently reflected in budget proposals to enable the Board to exercise effective oversight over budgets and workforce plans.

**(2) UNICRI should ensure that all important information on human resources requirements (such as the organizational chart, location of posts and information on fellows and local field office staff) are included in the budget proposals submitted to the Board of Trustees to enable the Board to make informed decisions.**

*UNICRI accepted recommendation 2 and stated that it will include additional important information on human resources requirements, including the organizational chart, location of posts and information on fellows and local office staff, in the revised budget proposal for 2019. Recommendation 2 remains open pending receipt of the revised budget proposal for 2019 and confirmation that it includes this important information on human resources requirements.*

Need to strengthen the performance indicators included in the Directors annual performance appraisal

16. According to Article V of the UNICRI Statute, the authority relating to human resources is vested in the Director, who is responsible for recruitment, appointment and promotion of UNICRI staff. In November 2011, the Deputy Secretary-General designated the Director-General of UNOV as the senior official responsible for overseeing administrative matters of UNICRI. OIOS reviewed the 2016-2017 performance appraisal of the UNICRI Director and noted that it did not include key performance indicators on human resources management and other administrative issues as recommended in the administrative instruction on performance management (ST/AI/2010/5). For instance, there were no success criteria relating to staff recruitment and completion of staff end-of-cycle performance evaluations. Without indicators, performance cannot be adequately measured and monitored.

17. The UNICRI Director did not have a compact or human resources action plan with the Secretary-General like other heads of departments and offices because the Director's post is at D-2 level. Nonetheless, some of the key performance goals included in compacts between the Secretary-General and heads of departments and offices are relevant to UNICRI as an organization and should be included in the performance goals of the Director. This would help ensure effective monitoring of human resources issues that are important to the United Nations and the Secretary-General. The following performance measures that are included in the compact between the Secretary-General and the Director-General of UNOV could be considered:

- All steps in the recruitment process under the authority of the office are completed within 55 calendar days
- 50 per cent of geographical appointments from un- or under-represented Member States
- Measures taken towards the achievement of gender parity: progress towards the goal of gender parity at each professional level
- End-of-cycle evaluations are completed within three months of the end of the cycle
- Important audit recommendations targeted for implementation prior to year-end are implemented.

18. Inclusion of appropriate performance indicators in the Director's performance appraisal would enable more effective performance management and accountability.

**(3) The UNICRI Director should, in coordination with the Director-General of UNOV, ensure that his/her performance appraisal includes relevant and measurable performance goals on human resources management.**

*UNICRI accepted recommendation 3 and stated that it will liaise with the Chief of the Office of the Director-General of UNOV to facilitate implementation of this recommendation. Recommendation 3 remains open pending receipt of evidence that relevant and measurable performance goals on human resources management have been included in the UNICRI Director's performance appraisal.*

Need to update the risk register based on survey results

19. The UNOV Training Unit conducted a survey of UNICRI staff in April 2017 at the request of UNICRI Director. The survey results revealed several concerns of staff such as a hostile environment that limited their ability to speak up, and lack of support in their career development. Staff perceived that career development was based more on interpersonal relationships than on merit. Other areas of improvement raised by staff in the survey included transparency in decision-making processes, governance, planning and organizing (especially with regard to projects and staff contracts), clarity on the reporting structures, and the need for better understanding of United Nations principles and values. Further, staff formally complained to the Board about alleged abuse of authority and intimidation.

20. To help address these concerns, the UNOV Training Unit planned to organize a two-day team-building event for UNICRI staff and had also advised them to take some online training. The Acting Director indicated that he was taking steps to address the issues as part of the overall effort to strengthen the management of UNICRI activities. In the UNICRI draft risk register, human resources risks were rated as moderate. As mitigating measures, UNICRI indicated that it would enhance communication channels among senior managers and staff on reform initiatives. However, the risk register had not been updated to reflect the additional risks noted from the survey results. An updated risk register incorporating these risks would enable UNICRI to develop an appropriate risk response plan to address the issues comprehensively and in a timely manner, and also keep the Board informed as necessary.

**(4) UNICRI should: (a) update its risk register and risk response plan to reflect the additional human resources risks identified in the survey results; and (b) inform the Board of Trustees of its risk management efforts, as appropriate.**

*UNICRI accepted recommendation 4 and stated that it will: (a) update its risk register and risk response plan to reflect the human resources risks identified in the UNOV Training Unit survey of April 2017; and (b) inform the Board of its risk management efforts. Recommendation 4 remains open pending receipt of the updated risk register and risk response plan and evidence that the Board has been informed of the risk management efforts.*

A mechanism had been established to track funding for individual posts

21. Renewal and duration of contracts of staff funded by earmarked contributions are dependent on whether funding agreements have been signed/renewed, and the funding has been received. Prior to 2018, fixed-term contracts were renewed for short periods. In 2017, the average contract duration for a sample of 25 staff reviewed was four months, with four staff contracts renewed five times during the year. Staff complained of the uncertainty caused by such short-term contracts and the negative effect on their morale; some were of the view that short-term contracts were used as an intimidation tool by senior management.



While approving the 2018-2019 budget, the Board of Trustees requested UNICRI to extend staff contracts in a timely manner and for the maximum duration possible. In 2018, UNICRI used an Excel sheet to track the posts and their funding as a basis for determining contract duration which helped to identify the availability of resources and better plan the contract durations. In view of the corrective action being taken, OIOS did not make a recommendation on this matter.

## **B. Recruitment and management of staff**

### Recruitment of staff was done in accordance to established rules and regulations

22. OIOS review of 10 of the 14 recruitment cases completed during the period showed that the vacancies were advertised for the required period, applications were screened based on evaluation criteria, and shortlisted candidates were invited for interviews. Staff who served on the interview panels had taken the mandatory competency-based interview training and the panels included at least one female member as required. The recruitment cases were reviewed by the UNOV Human Resources Management Service (UNOV-HRMS) and the UNOV Central Review Body. UNOV-HRMS conducted background and reference checks of recruited candidates. Based on the above, OIOS concluded that there were adequate arrangements for recruitment of staff and that the recruitment during the period under review generally complied with the established regulations and rules.

### Need to track the timely completion of staff performance appraisals

23. UNICRI did not maintain staff performance appraisal records and was not tracking the completion of staff performance appraisal as required by the administrative instruction on performance management (ST/AI/2010/5). For the performance period from 1 April 2016 to 31 March 2017, the performance appraisal compliance rate was 89 per cent (34 out of 38 appraisals were completed), and 20 out of 38 staff had submitted their performance appraisal records to the Central Management Unit at the time of the audit (May 2018). A sample review showed that 15 of the 20 staff performance appraisals were completed timely (within three months). UNICRI needed to ensure that staff appraisals are conducted in a timely manner so that any performance issues could be promptly addressed.

**(5) UNICRI should track the completion of performance appraisals and ensure that they are done in a timely manner.**

*UNICRI accepted recommendation 5 and stated that it will continue tracking the completion of performance appraisals and will work with First Reporting Officers to facilitate their timely completion. Recommendation 5 remains open pending receipt of evidence that UNICRI has established a system to track the timely completion of staff performance appraisals.*

### Need to involve the gender focal point in recruitment matters

24. The Secretary-General's bulletin ST/SGB/2008/12 on departmental focal points for women in the Secretariat requires departments/offices to appoint gender focal points and outlines the roles and responsibilities of the focal points which include among others: (a) support for the head of department/office in fulfilling his or her responsibilities for the achievement of gender equality; and (b) participation in the staff selection process including reviewing all applications from women candidates to ensure that all eligible women candidates are given due consideration. UNICRI had appointed a gender focal point but had not issued instructions or implemented procedures to ensure that the gender focal point was kept informed of all recruitment cases. Nine out of the 14 staff recruited by UNICRI from 1 January 2016 to 16

April 2018 were women. This was a good record but UNICRI needed to ensure compliance with the Secretary-General's bulletin on involvement of the gender focal point in recruitment matters.

**(6) UNICRI should ensure that its gender focal point is kept informed of all recruitment exercises to enable her to fulfill her mandated responsibilities.**

*UNICRI accepted recommendation 6 and stated that the Director will launch the call for expression of interest which will result in selection of a new Focal Point and his/her Alternate. UNICRI will ensure that the Focal Point and the Alternate will be kept informed of all recruitment exercises. Recommendation 6 remains open pending receipt of evidence that the gender focal point is kept informed of all recruitment exercises.*

#### Appointment letters were inconsistent with applicable policies

25. Article V of the UNICRI statute states that staff shall be appointed by the Director through letters of appointment signed by him/her in the name of the Secretary-General and limited to service with the Institute. However, letters of appointment issued to UNICRI staff reflected UNODC as the assignment office and did not always indicate that the appointments were limited to service with UNICRI. Four out of 12 letters of appointments reviewed did not mention that the appointments were limited to UNICRI. UNICRI is not listed as a Secretariat entity in the Secretary-General's bulletin ST/SGB/2015/3 on organization of the Secretariat of the United Nations. In July 2017, the Office of Human Resources Management (OHRM) Policy and Conditions of Service Section confirmed to UNOV-HRMS that UNICRI is not a Secretariat entity. In March 2018, UNOV requested OHRM for policy guidance on how to proceed with letters of appointment for UNICRI staff and was awaiting their response. Indicating UNODC as the assignment office in letters of appointment could cause confusion as to whether UNICRI staff are Secretariat staff. According to the Secretary-General's bulletin ST/SGB/2011/9 on continuing appointments, only Secretariat staff are eligible for continuing appointments. However, three UNICRI staff were already granted continuing appointments. UNICRI needs to obtain clarification from OHRM on the apparent deviations from the provisions of its statute as well as the Secretary-General's bulletins noted above to ensure that the rules/policies are applied correctly and consistently to mitigate the risk of disputes and litigation.

**(7) UNICRI, in coordination with UNOV/UNODC, should obtain clarification from OHRM on the issuance of appointment letters to the Institute's staff to ensure compliance with applicable policies concerning limitation of service and eligibility for continuing appointments.**

*UNICRI accepted recommendation 7 and stated that it has been advised by UNOV that policy guidance has been requested by UNOV-HRMS on the status of UNICRI, and practical issues of implementation, including the issues of the letters of appointment, and the issue of conversion to continuing appointments of UNICRI staff. Recommendation 7 remains open pending receipt of OHRM's clarification on the issuance of UNICRI staff's appointment letters to ensure compliance with applicable policies concerning limitation of service and eligibility for continuing appointments.*

#### Need to ensure that mandatory training requirements are met

26. Information circular ST/IC/2016/15 on mandatory programmes outlines the mandatory courses that all staff are required to take regardless of their level, their duty stations or functions. OIOS reviewed statistics for compliance as of 20 April 2018 and noted that only seven out of 38 staff had completed all the mandatory courses. Less than 50 per cent of the UNICRI staff had undertaken the new courses such as the one on gender, human rights responsibilities and harassment. While the Human Resources Unit had a tool

to monitor staff compliance with the mandatory training, UNICRI did not ensure that all staff complied with the mandatory requirements.

**(8) UNICRI should ensure that its staff comply with the mandatory training requirements stipulated in ST/IC/2016/15.**

*UNICRI accepted recommendation 8 and stated that it will ensure that its staff comply with the mandatory training requirements stipulated in ST/IC/2016/5, as well as recently released ST/SGB/2018/4 on United Nations Mandatory Learning Programmes. Recommendation 8 remains open pending receipt of evidence that UNICRI staff have completed the mandatory training.*

## **C. Coordination with UNOV**

### Need to review and update the MOU with UNOV

27. According to Article VIII of the UNICRI Statute, the Secretary-General is required to provide appropriate administrative and other support to UNICRI in accordance with the financial regulations and rules of the United Nations. The MOU between UNOV and UNICRI sets out the range of services provided (human resources management, financial resources management, and information technology services). The MOU had not been reviewed and updated to reflect current practices and did not clearly show the division of roles and responsibilities in some areas as indicated below:

(a) According to the MOU, UNOV was to initiate and expedite the recruitment process. However, in practice job publishing, evaluations and recommendations of candidates are currently done by UNICRI and reviewed by UNOV-HRMS and background and reference checks are done by UNOV. The MOU needed to be updated to accurately reflect the division of roles and responsibilities for recruitment.

(b) It was clear that UNOV was responsible for processing staff entitlements. However, the MOU did not indicate whether UNOV was responsible for providing staff counselling services, management of extended medical leave and maintenance of personnel files.

(c) The roles and responsibilities for reporting and monitoring of the employee benefits such as the Organization's liability for After Service Health Insurance (ASHI), annual leave liability and receivables from staff had not been reflected in the MOU. The actions to be taken by UNICRI staff to perform regarding ASHI calculation also needed to be reflected in the MOU.

(d) The MOU did not address responsibility for monitoring senior managers' end of assignment reports when they separate from the Organization. End of assignment reports help to communicate useful information to aid continuity and continuous improvement. There were no such reports from senior managers who separated during the period under review.

28. UNOV-HRMS indicated that the roles and responsibilities included in the MOU did not reflect the reality of the situation and cannot be considered in isolation, but should be read in conjunction with other documents such as the guide for hiring managers and the temporary delegation of authority to the Director-General of UNOV. However, the documents were not referred to in the MOU. In addition, there were no service level benchmarks in the MOU for evaluation of the quality and timeliness of the services provided. Staff interviewed indicated that they were not always satisfied with UNOV's support but there was insufficient information to assess the overall quality of the services provided. OIOS is of the view that the MOU needs to be updated to address the gaps noted above.

**(9) UNICRI should update the Memorandum of Understanding with UNOV to clearly address the division of roles and responsibilities and key performance indicators for monitoring purposes.**

*UNICRI accepted recommendation 9 and stated that it will liaise with UNOV to update the MOU to address the division of roles as well as including key performance indicators for monitoring purposes. Recommendation 9 remains open pending receipt of the updated MOU.*

## **D. Recruitment and management of non-staff personnel**

### Selection and management of consultants and individual contractors was generally adequate

29. UNICRI hired consultants and individual contractors for training, project development and project implementation. OIOS reviewed 18 out of 109 consultants and individual contractors hired at a total cost of \$287,600 (39 per cent of the total costs) and noted that the hiring was done in accordance with the administrative instruction on consultants (ST/AI/2013/4). Selection criteria were clearly stated in the job openings and the contracts listed measurable outputs and deliverables. UNICRI used rosters for the selection of the successful candidate and conducted reference checks as required. The consultancy contracts indicated measurable outputs and there was evidence that expected outputs were delivered.

### Need for the new internal administrative instructions on fellows to be reviewed and endorsed by OHRM

30. Article VI of the UNICRI Statute states that fellows shall be designated in accordance with criteria established by the Board and procedures formulated by the Secretary-General and shall not be considered as members of the staff of the Institute. A previous OIOS audit (Report 2015/146) had recommended that UNICRI should consult with OHRM to formalize the framework for the recruitment, use and remuneration of fellows. UNOV-HRMS, in consultation with OHRM, proposed to UNICRI to apply “mutatis muntandis” the administrative instructions on selection of consultants and individual contractors (ST/AI/2013/4) to the recruitment and management of fellows. In March 2018, UNICRI issued an administrative instruction on fellows which was prepared after a consultation with UNICRI managers, staff, fellows and staff representatives and UNOV HRMS.

31. OIOS reviewed the new administrative instruction and noted that it was aligned to the administrative instruction on consultants as recommended by OHRM, except for the provision relating to restrictions on re-employment as staff members. Consultants and individual contractors are not eligible for appointment as staff members less than six months after the end of their contracts. UNICRI did not adopt this restriction for fellows in its new administrative instruction. UNOV-HRMS explained that this was because there were no other provisions in the United Nations regulatory framework that restrict fellows from being appointed as staff members. OIOS is of the view that the risks in re-employment of consultants, individual contractors and fellows are similar. The specific deviation from ST/AI/2013/4 in the case of fellows needs to be endorsed by OHRM. Furthermore, the administrative instruction on fellows needs to be reviewed and endorsed by OHRM because the UNICRI statute requires that the procedures for recruiting fellows are formulated by the Secretary-General.

**(10) UNICRI, in consultation with UNOV, should submit the new administrative instruction on fellows to OHRM for review and endorsement.**

*UNICRI accepted recommendation 10 and stated that it will liaise with UNOV to facilitate submission of the UNICRI administrative instruction on fellows to OHRM for review and endorsement, following approval of revised definitions of Junior and Senior Fellows, as well as simplification of remuneration scheme. Recommendation 10 remains open pending receipt of evidence that the UNICRI administrative instruction on fellows has been reviewed and endorsed by OHRM.*

#### **IV. ACKNOWLEDGEMENT**

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

(Signed) Eleanor T. Burns  
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Office of Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of human resources management at the United Nations Interregional Crime and Justice Research Institute

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
1	UNICRI should establish guidelines for budgeting and allocating direct project support costs to individual projects in a timely manner.	Important	O	Receipt of evidence that guidelines for budgeting and allocating direct project support costs to individual projects have been established.	1 January 2020
2	UNICRI should ensure that all important information on human resources requirements (such as the organizational chart, location of posts and information on fellows and local field office staff) are included in the budget proposals submitted to the Board of Trustees to enable the Board to make informed decisions.	Important	O	Receipt of the revised budget proposal for 2019 and confirmation that it includes important information on human resources requirements such as the organizational chart, location of posts and information on fellows and local field office staff.	31 December 2018
3	The UNICRI Director should, in coordination with the Director-General of UNOV, ensure that his/her performance appraisal includes relevant and measurable performance goals on human resources management.	Important	O	Receipt of evidence that relevant and measurable performance goals on human resources management have been included in the UNICRI Director's performance appraisal.	30 June 2019
4	UNICRI should: (a) update its risk register and risk response plan to reflect the additional human resources risks identified in the survey results; and (b) inform the Board of Trustees of its risk management efforts, as appropriate.	Important	O	Receipt of the updated risk register and risk response plan and evidence that the Board has been informed of the risk management efforts.	30 June 2019
5	UNICRI should track the completion of performance appraisals and ensure that they are done in a timely manner.	Important	O	Receipt of evidence that UNICRI has established a system to track and monitor the timely completion of staff performance appraisals.	30 June 2019
6	UNICRI should ensure that its gender focal point is kept informed of all recruitment exercises to enable her to fulfill her mandated responsibilities.	Important	O	Receipt of evidence that gender focal point is kept informed of all recruitment matters.	1 January 2019

<sup>1</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>2</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>3</sup> C = closed, O = open

<sup>4</sup> Date provided by UNICRI in response to recommendations.

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of human resources management at the United Nations Interregional Crime and Justice Research Institute

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
7	UNICRI, in coordination with UNOV/UNODC, should obtain clarification from OHRM on the issuance of appointment letters to the Institute's staff to ensure compliance with applicable policies concerning limitation of service and eligibility for continuing appointments.	Important	O	Receipt of OHRM clarification on the issuance of UNICRI's staff appointment letters to ensure compliance with applicable policies concerning limitation of service and eligibility for continuing appointments.	30 September 2019
8	UNICRI should ensure that its staff comply with the mandatory training requirements stipulated in ST/IC/2016/15.	Important	O	Receipt of evidence that staff have completed the mandatory training.	30 June 2019
9	UNICRI should update the Memorandum of Understanding with UNOV to clearly address the division of roles and responsibilities and key performance indicators for monitoring purposes.	Important	O	Receipt of the updated Memorandum of Understanding with UNOV.	31 December 2019
10	UNICRI, in consultation with UNOV, should submit the new administrative instruction on fellows to OHRM for review and endorsement	Important	O	Receipt of evidence that the UNICRI administrative instruction on fellows has been reviewed and endorsed by OHRM.	31 December 2019

# **APPENDIX I**

## **Management Response**



## Management Response

## Audit of human resources management at the United Nations Interregional Crime and Justice Research Institute

no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNICRI should establish guidelines for budgeting and allocating direct project support costs to individual projects in a timely manner.	Important	YES	Director of UNICRI and Chief, Centralized Management Unit	01/01/2020	UNICRI would appreciate it if OIOS could share good practices noted in other organizations that include the use of standard or annual recovery rate as the basis for budgeting and charging direct project costs to projects.
2	UNICRI should ensure that all important information on human resources requirements (such as the organizational chart, location of posts and information on fellows and local field office staff) are included in the budget proposals submitted to the Board of Trustees to enable the Board to make informed decisions.	Important	YES	Chief, Centralized Management Unit	31/12/2018 And ongoing	UNICRI will include additional important information on human resources requirements, including the organizational chart, location of posts and information on fellows and local office staff, in the revised budget proposal for 2019.
3	The UNICRI Director should, in coordination with the Director-General of UNOV, ensure that his/her performance appraisal includes relevant and measurable performance goals on human resources management.	Important	YES	Director of UNICRI and the Chief of the Office of the Director-General/Executive Director and Strategy Advisor to the Executive Director of UNODC	30/06/2019	UNICRI will liaise with the Chief of the Office of the Director-General/Executive Director and Strategy Advisor to the Executive Director of UNODC, to facilitate implementation of this recommendation. UNICRI has already reached out to the above-mentioned office to identify steps for practical implementation of this recommendation.

<sup>1</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>2</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.

## Management Response

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no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4	UNICRI should: (a) update its risk register and risk response plan to reflect the additional human resources risks identified in the survey results; and (b) inform the Board of Trustees of its risk management efforts, as appropriate.	Important	YES	Chief, Centralized Management Unit and Senior Programme Officer (Deputy Director)	30/06/2019	UNICRI will (a) update its risk register and risk response plan to reflect the human resources risks identified in the UNOV Training Unit survey of April 2017; and (b) inform the BOT of UNICRI risk management efforts.
5	UNICRI should track the completion of performance appraisals and ensure that they are done in a timely manner.	Important	YES	Chief, Centralized Management Unit	30/06/2019 ongoing	UNICRI will continue tracking the completion of performance appraisals and will work with staff members, FROs and SROs to facilitate their timely completion.
6	UNICRI should ensure that its gender focal point is kept informed of all recruitment exercises to enable her to fulfill her mandated responsibilities.	Important	YES	Chief, Centralized Management Unit	01/01/2019 ongoing	UNICRI Director will launch the call for expression of interest which will result in selection of a new Focal Point and his/her Alternate. UNICRI will ensure that the Focal Point and the Alternate will be kept informed of all recruitment exercises.
7	UNICRI, in coordination with UNOV/UNODC, should obtain clarification from OHRM on the issuance of appointment letters to the Institute's staff to ensure compliance with applicable policies concerning limitation of service and eligibility for continuing appointments.	Important	YES	Director of UNICRI and Chief, Centralized Management Unit	Timeline for implementation: ongoing and subject to HRMS/UNOV and OHRM collaboration in provision of the needed clarifications.	UNICRI has been advised by UNOV that policy guidance has been requested by HRMS/UNOV on the status of UNICRI, and practical issues of implementation, including the issues of the letters of appointment, and the issue of conversion to continuing appointments of UNICRI staff.
8	UNICRI should ensure that its staff comply with the mandatory training	Important	YES	Chief, Centralized Management Unit	30/06/2019	UNICRI will ensure that its staff comply with the mandatory training

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no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	requirements stipulated in ST/IC/2016/15.					requirements stipulated in ST/IC/2016/5, as well as recently released ST/SGB/2018/4 on UN Mandatory Learning Programmes.
9	UNICRI should update the Memorandum of Understanding with UNOV to clearly address the division of roles and responsibilities and key performance indicators for monitoring purposes.	Important	YES	Director of UNICRI and Chief, Centralized Management Unit	31/12/2019	UNICRI will liaise with UNOV to update the Memorandum of Understanding with UNOV to address the division of roles as well as including key performance indicators for monitoring purposes.
10	UNICRI, in consultation with UNOV, should submit the new administrative instruction on fellows to OHRM for review and endorsement.	Important	YES	Director of UNICRI and Chief, Centralized Management Unit	31/12/2019	UNICRI will liaise with UNOV to facilitate submission of the UNICRI administrative instruction on fellows to OHRM for review and endorsement, following approval of revised definitions of Junior and Senior Fellows, as well as simplification of remuneration scheme.