



Office of Internal Oversight Services

## **INTERNAL AUDIT DIVISION**

### **REPORT 2016/170**

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#### **Audit of onboarding and separation of staff by the Regional Service Centre in Entebbe**

**There was a need for a robust performance management system to monitor and report on the timeliness and effectiveness of onboarding, checking-out and separating activities**

**20 December 2016**

**Assignment No. AP2016/616 /01**

# **Audit of onboarding and separation of staff by the Regional Service Centre in Entebbe**

## **EXECUTIVE SUMMARY**

The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes relating to onboarding and separation of missions' staff by the Regional Service Centre in Entebbe (RSCE). The audit covered the period from 1 January 2015 to 31 March 2016 and included a review of personnel records and performance management system for RSCE's onboarding and separation activities.

The Department of Field Support (DFS) needed to implement effective procedures on the maintenance of personnel records and onboarding and separation of staff, and a robust performance management system to monitor and report on the timeliness and effectiveness of its onboarding, check-out and separating activities.

OIOS made one critical and four important recommendations. To address issues identified in the audit, DFS needed to:

- Establish and implement effective procedures on the maintenance of personnel records;
- Establish and implement effective procedures related to the onboarding and separation of staff and ensure the accuracy of personnel actions;
- Establish and monitor individual key performance indicators for all service lines and units involved in the onboarding and separation process to ensure accountability and achievement of overall key performance indicators established in the peacekeeping operations budgets (critical);
- Implement effective outreach activities to sensitize missions' staff and take effective measures to enforce the requirement for staff to use iNeed to log their queries; and
- Establish and monitor key performance indicators such as the target dates by which required documents should be submitted by RSCE to the Field Personnel Division of DFS for the processing of final and retirement benefit payments to staff.

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

# CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY	1
III. OVERALL CONCLUSION	1
IV. AUDIT RESULTS	2-5
A. Official personnel records	2-3
B. Performance monitoring	3-5
V. ACKNOWLEDGEMENT	5
ANNEX I      Status of audit recommendations	
APPENDIX I   Management response	

# **Audit of onboarding and separation of staff by the Regional Service Centre in Entebbe**

## **I. BACKGROUND**

1. The Office of Internal Oversight Services (OIOS) conducted an audit of onboarding and separation of staff by the Regional Service Centre in Entebbe (RSCE).
2. RSCE is a shared service centre within the Department of Field Support (DFS) that provides non-location dependent administrative and financial management services peacekeeping and special political missions.
3. The RSCE Onboarding and Separation Service Line is responsible for processing the onboarding and separation of internationally recruited staff. This includes: (i) preparation and issuance of letters of offer; (ii) processing of travel; (iii) preparation of personnel actions; (iv) processing of salary distribution forms, arrival notices, medical and insurance enrollments, installation and repatriation of dependents; (v) preparation and submission of final payment documents to the Department of Field Support (DFS); (vi) review of retirees' pension forms; and (vii) processing of relocation, assignment and repatriation grants.
4. From 1 January 2015 to 31 March 2016, RSCE onboarded 1,102 staff and checked-out and/or separated 512 staff. The Service Line is headed by a staff at the P-3 level that is supported by 34 staff and reports to the Benefits and Entitlement Service Delivery Manager at the P-5 level.
5. Comments provided by DFS are incorporated in italics.

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

6. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes related to onboarding and separation of missions' staff by RSCE.
7. This audit was included in the 2016 risk-based work plan of OIOS due to the operational risk relating to the onboarding and separation activities by RSCE.
8. OIOS conducted this audit from May to July 2016. The audit covered the period from 1 January 2015 to 31 March 2016. Based on an activity-level risk assessment, the audit covered higher and medium risks in the onboarding and separation of staff by the RSCE including a review of: (a) personnel records and (b) performance monitoring.
9. The audit methodology included: (a) interviews of key personnel; (b) review of personnel records for a statistical sample of 90 out of 1,102 staff that were on-boarded and 88 out of 512 staff that were checked-out and/or separated during the audit period; (c) review of performance reports; and (d) analytical reviews of data.

## **III. OVERALL CONCLUSION**

10. DFS needed to implement a robust performance management system to monitor and report on the timeliness and effectiveness of its onboarding, check-out and separating activities, and to ensure accountability and achievement of overall key performance indicators (KPIs) established in peacekeeping operations budgets. DFS and RSCE also needed to: implement effective procedures on the maintenance

of personnel records, and onboarding and separation of staff; and implement outreach activities to sensitize missions' staff and take effective measures to enforce the requirement for them to use iNeed to log their queries.

## IV. AUDIT RESULTS

### A. Official personnel records

#### There was inadequate personnel records filing and archiving system

11. The administrative instructions on the maintenance of personnel records require RSCE to maintain an official file of the staff it processes including: personal history forms; correspondences such as offer and appointment letters; personnel actions; communications relating to character, reputation, conduct and performance of staff; letters of commendations, reprimands or disciplinary actions; and records relating to the staff member's family status.

12. A review of official files for 90 onboarded and 88 checked-out and/or separated staff indicated that: (a) RSCE did not have any records for 16 staff that were onboarded and 37 staff that checked-out; and (b) files for 74 staff that checked-in and 51 staff that checked-out did not have one or more of the required records such as letters of appointment, personnel actions, separation memoranda and leave records. RSCE advised that it maintained some records in a tracking tool called LATT-e and the RSCE work flow tracking tool. However, RSCE was unable to retrieve and provide the requested documents from these tools.

13. The above occurred because RSCE did not implement effective procedures to fully implement the guidance regarding the maintenance of official status files. As a result, there was no assurance that RSCE consistently complied with the relevant staff rules when onboarding and separating staff.

**(1) DFS should establish and implement effective procedures on the maintenance of personnel records.**

*DFS accepted recommendation 1 and stated that the Field Personnel Division would: work closely with RSCE and its client missions to ensure the requirements for official personnel files were followed and all documents for inclusion in files sent to the Field Personnel Division; and provide advice on the files to be maintained at RSCE and the client missions following implementation of Umoja. Recommendation 1 remains open pending receipt of evidence that the Field Personnel Division of DFS has worked closely with RSCE and its client missions to ensure the requirements for official personnel files are followed and that all required documents are maintained.*

#### Need for accurate personnel actions

14. The administrative instruction on personnel payroll clearance and delegation of authority for processing human resources management transactions such as onboarding and separation of staff and preparation and issuance of personnel actions require RSCE to properly review personnel records of staff when onboarding and separating and ensure the accuracy of relevant human resources management transactions.

15. A review of the files of 88 checked-out and/or separated staff indicated the lack of adequate evidence that RSCE properly reviewed personnel records of staff when onboarding and separating them to verify:

- The accuracy of leave balances for six separated staff as the processors did not complete the relevant portion of the processing checklist;
- Whether 43 had been cleared by the relevant self-accounting units; human resources management, finance, travel and security as the check-out status of these staff in Field Support Suite system continued to show “pending” even though RSCE had checked them out; and
- Whether 50 availed special leave without pay or with half pay as the processor did not have any evidence such as copies of personnel actions and leave cards that were required to verify whether separating staff had availed such leave.

16. Moreover, some personnel actions were inaccurate as RSCE: (i) did not reflect the period of special leave without /with half pay in the personnel actions for five onboarded staff; and (ii) placed nine onboarded staff on posts that were not in the same job family and in two of the cases, placed the staff on posts at a lower level.

17. The above occurred because processors did not always diligently complete the relevant checklists and certifying and approving officers of personnel actions ensure these were being completed. Because of insufficient evidence of reviews, there was no assurance that RSCE consistently complied with relevant staff rules when onboarding and separating staff, increasing the risk of financial loss to the organization.

**(2) DFS should establish and implement effective procedures related to the onboarding and separation of staff and ensure the accuracy of personnel actions.**

*DFS accepted recommendation 2 and stated that the Field Personnel Division was in the process of setting up a monitoring mechanism to support RSCE in identifying and improving bottlenecks in the separation process. Recommendation 2 remains open pending receipt of evidence that the Field Personnel Division has implemented a monitoring mechanism to support RSCE in identifying and improving bottlenecks in the separation of staff.*

## **B. Performance monitoring**

### Need for a more robust performance management system

18. The Service Level Agreement between RSCE and field missions and the RSCE terms of reference require RSCE to measure, monitor and report on its performance to its Steering Committee and client missions, represented by the respective directors/chiefs of mission support. The 2014/15 and 2015/16 peacekeeping operations budgets require RSCE and field missions to onboard staff within 90 days from the date of selection and RSCE to: (i) complete processing 98 per cent of check-in cases within two days; (ii) 98 per cent of check-out cases within one day; (iii) purchase official travel tickets 16 calendar days or more in advance of the travel 75 per cent of the time; (iv) maintain customers’ satisfaction levels related to the check-in/-out services at 90 and 75 per cent, respectively; (v) respond to 80 per cent of client queries within 48 hours; and (vi) pay 98 per cent of relocation and assignment grants within five days of the arrival of the staff member in RSCE.

19. A review of RSCE onboarding and separation performance against established KPIs indicated that RSCE monitored and reported on its performance related to its onboarding and separations activities from January to October 2015 but had not monitored and reported on these activities since 1 November 2015. Moreover, OIOS' review and analyses of RSCE onboarding and separation performance

management activities from January to October 2015 indicated that the process: took more than 120 days to onboard 12 per cent of staff and between 90 to 120 days to onboard 13 per cent of staff. Furthermore, RSCE achieved three of seven KPIs, did not report on one, and did not achieve the following three KPIs:

- Purchased travel tickets 16 days before the travel date only 33 per cent of the time compared to the requirement for 75 per cent of the time;
- Maintained customers' satisfaction level for check-in services at 61 per cent as compared to the requirement for 90 per cent; and
- Completed checking-out of staff within a day in only 11 per cent as compared to the requirement for 75 per cent of the time.

20. This occurred because RSCE had not: (i) adequately addressed the requirement of the Steering Committee in the minutes of its meeting dated 16 September 2014 to establish and monitor individual KPIs for the service lines and units to ensure accountability and achievement of the overall KPIs in the peacekeeping operations budgets; (ii) implement effective procedures to enforce use of the systems/tools called LATT-e, the RSCE workflow and iNeed for capturing data required for performance evaluation; and (iii) aligned its performance management processes and procedures with Umoja Extension 1 that was rolled out in November 2015 and the Field Support Suite that was updated in September 2015.

21. As a result, there was reduced capacity for RSCE to promptly capture performance data and identify performance issues and take corrective actions. For example, RSCE allowed missions' staff to submit their queries via mail and telephone rather than logging them in iNeed, which automatically captured performance data such a number of queries and rate of response.

**(3) DFS should establish and monitor individual key performance indicators for all service lines and units involved in the onboarding and separation process to ensure accountability and achievement of overall key performance indicators established in the peacekeeping operations budgets.**

*DFS accepted recommendation 3 and stated that RSCE was setting up an individual KPI framework for its critical functions and monitoring and reporting on KPIs would be done on a monthly basis. Recommendation 3 remains open pending receipt of individual KPIs for all critical functions of RSCE including, but not limited to onboarding and separation activities, as well as evidence these have been monitored.*

**(4) DFS should implement effective outreach activities to sensitize missions' staff and take effective measures to ensure the requirement for staff to use iNeed to log their queries.**

*DFS accepted recommendation 4 and stated that RSCE would work with its client missions to ensure that the iNeed tool is fully utilized for queries. Recommendation 4 remains open pending receipt of evidence of the adequacy of action taken by RSCE to ensure mission staff are using iNeed to log their queries.*

#### Delays in sending separation documents for final and retirement payments

22. RSCE is required, immediately upon completing the separation of a staff member, to send original signed documents such as pension forms and related payment instructions, after service health insurance forms, relocation grant forms, attendance records, and separation payment instructions to DFS.

23. A review of the files for 88 checked-out and/or separated staff indicated: (i) that RSCE took more than eight weeks from the dates it completed separating eight staff to the dates it submitted the original signed documents to DFS; and (ii) there was no evidence that RSCE had sent the original signed documents to DFS for 12 separated staff for periods ranging from 8 to 69 weeks as at 31 May 2016. This occurred because RSCE, in consultation with, DFS, had not established and monitored KPIs such as the target dates by which required documents should be submitted to DFS. This resulted in delays in the processing of final and retirement benefit payments to staff.

**(5) DFS should establish and monitor key performance indicators such as the target dates by which required documents should be submitted by the Regional Service Centre in Entebbe to the Field Personnel Division for the processing of final and retirement benefit payments to staff members.**

*DFS accepted recommendation 5 and stated that RSCE would establish and monitor KPIs to ensure timely completion of the onboarding and separation processes RSCE is accountable for. Recommendation 5 remains open pending receipt of evidence that RSCE has established and monitored KPIs for onboarding and separation processes RSCE is accountable for.*

## V. ACKNOWLEDGEMENT

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

(Signed) Eleanor T. Burns  
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## STATUS OF AUDIT RECOMMENDATIONS

## Audit of onboarding and separation of staff by the Regional Service Centre in Entebbe

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	DFS should establish and implement effective procedures on the maintenance of personnel records.	Important	O	Receipt of evidence that the Field Personnel Division has worked closely with RSCE and its client missions to ensure the requirements for official personnel files are followed and that all required documents are maintained.	1 April 2017
2	DFS should establish and implement effective procedures related to the onboarding and separation of staff and ensure the accuracy of personnel actions.	Important	O	Receipt of evidence that the Field Personnel Division has implemented a monitoring mechanism to support RSCE in identifying and improving bottlenecks in the separation of staff.	1 April 2017
3	DFS should establish and monitor individual key performance indicators for all service lines and units involved in the onboarding and separating process to ensure accountability and achievement of overall key performance indicators established in the peacekeeping operations budgets.	Critical	O	Receipt of individual KPIs for all critical functions of RSCE including, but not limited to onboarding and separation activities, as well as evidence these have been monitored.	1 April 2017
4	DFS should implement effective outreach activities to sensitize missions' staff and take effective measures to ensure the requirement for staff to use iNeed to log their queries.	Important	O	Receipt of evidence that RSCE was enforcing the requirement for mission staff to use iNeed to log their queries.	1 April 2017
5	DFS should establish and monitor key performance indicators such as the target dates by which required documents should be submitted by the Regional Service Centre in Entebbe to the Field Personnel Division for the processing of final and retirement benefit payments to staff members.	Important	O	Receipt of evidence that RSCE has established and monitored KPIs for onboarding and separation processes it is accountable for.	1 July 2017

<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 the RSCE in response to recommendations.

# **APPENDIX I**

## **Management Response**