



INTERNAL AUDIT DIVISION

REPORT 2017/007

Audit of implementation of the Umoja human resources management module at the International Criminal Tribunal for the former Yugoslavia and the Mechanism for International Criminal Tribunals

The Umoja human resources module had been substantially implemented but action is required to fully implement the leave element and to ensure that all transactional users are trained

9 March 2017

Assignment No. AA2016/261/05

Audit of implementation of the Umoja human resources management module at the International Criminal Tribunal for the former Yugoslavia and the Mechanism for International Criminal Tribunals

EXECUTIVE SUMMARY

The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the effective implementation of the Umoja human resources management module at the International Criminal Tribunal for the former Yugoslavia (ICTY) and the Mechanism for International Criminal Tribunals (MICT).

The audit covered the period from 9 November 2015 to 16 December 2016 and included a review of higher and medium risk areas which included: data management, training, system support, roles and responsibilities, and payroll management.

ICTY and MICT had substantially implemented the roll-out of the Umoja human resources module and satisfactorily managed the payroll of staff members under the new system. However, action was required to fully implement the leave element in Umoja. At the time of the audit in December 2016, certified sick leave for the period prior to Umoja deployment on 9 November 2015 and post-implementation was yet to be recorded in Umoja except a small scale of data entered on a pilot basis. This meant that ICTY and MICT were not using Umoja to manage this type of leave. Apart from this, compressed work schedule and compensatory time-off were not recorded in Umoja. Also, 37 transactional users were yet to fully complete their Umoja training which is a key requirement for such users.

OIOS made two recommendations. To address issues identified in the audit, ICTY and MICT needed to:

- Update all types of leave records in Umoja and operationalize the leave element so that staff members could certify their monthly and annual leave balances in Umoja; and
- Ensure that all transactional users have completed the required training and update the training records accordingly.

ICTY and MICT accepted the recommendations and have initiated action to implement them.

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Audit of implementation of the Umoja human resources management module at the International Criminal Tribunal for the former Yugoslavia and the Mechanism for International Criminal Tribunals

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of implementation of the Umoja human resources management module at the International Criminal Tribunal for the former Yugoslavia (ICTY) and the Mechanism for International Criminal Tribunals (MICT).
2. ICTY was established pursuant to Security Council resolution 808 of 1993 to prosecute persons responsible for serious violations of international humanitarian law committed in the territory of the former Yugoslavia. Its mandate is scheduled to expire at the end of 2017. Pursuant to Security Council resolution 1966 of 2010, MICT is responsible for continuing the jurisdiction, rights and obligations and essential functions of ICTY and the International Criminal Tribunal for Rwanda (ICTR). MICT commenced operations on 1 July 2012 at its Arusha branch and on 1 July 2013 at The Hague branch.
3. On 9 November 2015, ICTY and MICT implemented Umoja as part of the entities deploying Cluster 4. Umoja is an application of the SAP enterprise resource planning (ERP) software that supports management activities related to finance, budget, human resources, supply chain, central support services and other functions. This system is intended to replace and integrate numerous existing legacy information systems in use across the United Nations, including ICTY and MICT.
4. Implementation of the human resources management module involved manual transfer of data from ICTY's internally developed Personnel Information Management System (PIMS) into Umoja, among other activities. At the time of implementation, MICT had 126 staff members while ICTY had 379. For the 2016-2017 biennium, MICT has budgeted for 177 posts; ICTY has budgeted for 328 posts but planned to phase out 282 posts by 31 December 2017 when its mandate is expected to come to an end. The overall budget of MICT for 2016-2017 was \$141 million while for ICTY it was \$114 million.
5. ICTY and MICT implemented Umoja with the support of the United Nations Office at Geneva (UNOG) and the Umoja Office in New York. The Department of Management, through the Umoja Office, leads the global implementation of Umoja across the Secretariat.
6. Comments provided by ICTY and MICT 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 in providing reasonable assurance over the effective implementation of the Umoja human resources management module in ICTY and MICT.
8. This audit was included in the 2016 risk-based work plan of OIOS due to the risk of potential errors in transfer of human resources data from legacy systems to Umoja and the potential challenges arising from use of the new system.
9. OIOS conducted this audit from October to December 2016. The audit covered the period from 9 November 2015 to 16 December 2016. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the implementation of the Umoja human resources management module,

which included: data management, training, system support, roles and responsibilities, and payroll management.

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

III. OVERALL CONCLUSION

11. ICTY and MICT had substantially implemented the roll-out of the Umoja human resources module and satisfactorily managed the payroll of staff members under the new system. However, ICTY and MICT needed to: (i) fully implement the leave element in the human resources module; and (ii) ensure that all users are fully trained to use Umoja in their roles.

IV. AUDIT RESULTS

A. Data management

Action was required to fully implement the leave element

12. The Umoja Deployment Guide required ICTY and MICT to transfer all the relevant human resources data from legacy systems to Umoja for the two organizations to effectively utilize Umoja for human resources management. The Guide further required the two entities to carry out a pre-loading and post-loading exercise to ensure that the data transferred was accurate.

13. Prior to Umoja, ICTY and MICT used a legacy system called PIMS to manage human resources. Implementing Umoja entailed manually transferring data from PIMS to Umoja, which ICTY and MICT performed adequately. The two entities set up a joint working group that met on a weekly basis from 15 June 2015 to 7 September 2016. According to the minutes reviewed by OIOS, the working group oversaw the entire process of pre- and post-loading of data, including the validation aspect. The two institutions sent three staff members to UNOG, where they worked closely with the Umoja team as they manually transferred the data from PIMS to Umoja. Two payroll simulations were run prior to going live, which were scrutinized by ICTY and MICT for errors. OIOS therefore concluded that ICTY and MICT had carried out the necessary pre-loading and post-loading validation exercises to ensure that the data transferred into Umoja was accurate.

14. The various leave and travel types being recorded in Umoja were annual leave, travel time, uncertified sick leave, official business (with and without travel), special leave with pay (all types), maternity leave, paternity leave and special leave without pay. At the time of audit in December 2016, certified sick leave for the period prior to Umoja deployment on 9 November 2015 and post-implementation was yet to be recorded in Umoja, except for three staff members whose data had been entered on a pilot basis. This meant that Umoja was not being used by ICTY and MICT to manage this type of leave. Also, compressed work schedule and compensatory time-off were not recorded in Umoja.

15. Since certified sick leave, compressed work schedule and compensatory time off data were not recorded in Umoja, staff members were not able to certify their monthly and annual leave balances as required. This was attributed to management's inability to invest sufficient time and human resources to transfer leave data from the legacy system to Umoja. Without certified leave records, the overall leave balances for staff could be inaccurate and lead to erroneous separation payments when ICTY downsizes.

16. At the time of the audit, ICTY and MICT did not have a specific deadline for ensuring that all leave records for staff were fully operational in Umoja. As a result, the two entities continued to manage these leave types outside Umoja, using one of the legacy systems that was to be retired after implementing Umoja.

(1) ICTY and MICT should update all types of leave records in Umoja and operationalize the leave element so that staff members could certify their monthly and annual leave balances in Umoja.

ICTY and MICT accepted recommendation 1 and stated that the Human Resources Section staff would be able to update all staff leave records, and utilize Umoja for all leave types by 30 June 2017 as long as the Umoja team was able to resolve the technical issue. Recommendation 1 remains open pending receipt of evidence showing that certified sick leave and all other types of leave records have been updated in Umoja for all ICTY and MICT staff.

B. Training

ICTY and MICT needed to keep track of training for all staff who are transactional users of Umoja

17. The Umoja Deployment Guide stipulates that all transactional users should complete training for their specific roles, and this training should be certified. Transactional users are major users in finance, budget, procurement, logistics and supply chain, human resources, travel, payroll and administration.

18. ICTY and MICT did not keep track of whether all transactional users had completed the required training. Tracking the completion of Umoja training courses was managed centrally by the Umoja Office at UNOG. Based on data from the ICTY Human Resources Section which was compiled by the Umoja office at UNOG, a significant percentage of the 37 ICTY/MICT staff were yet to complete the required training for transactional users, as shown in Table 1.

Table 1: Status of completion of training among Umoja transactional users

Course name	Percentage of staff who were yet to complete training
Umoja Overview – (LMS-1335)	5.23%
Umoja master data and coding block overview (LMS-1336)	14.74%
Umoja ERP Central Component navigation (LMS-1354)	15.57%
Umoja Supplier Relationship Management navigation (LMS-1355)	17.74%
Umoja Business Intelligence navigation (LMS-1356)	19.41%

Source: Umoja Office at UNOG

19. ICTY and MICT stated that source data for these reports came from UNOG, and cautioned that it may not be accurate and up-to-date. ICTY and MICT could, therefore, not attest to the completeness or accuracy of the information. OIOS interviews with 10 of the 37 transactional users indicated that not all of them had completed the required training. ICTY and MICT need to ensure that all transactional users have completed the required training by requiring each user to provide certificates of course completion and update the records accordingly. Lack of such training could result in the inability of some transactional users to perform their roles in Umoja effectively.

(2) ICTY and MICT should ensure that all transactional users have completed the required training and update the training records accordingly.

ICTY and MICT accepted recommendation 2 and stated that the Information Technology (IT) Training Coordinator has worked diligently with transactional users to ensure that they understand their responsibility to complete required courses and to submit certificates of completion. Cases where staff neither acknowledge nor respond to the IT Training Coordinator and Chief of Human Resources Section's messages regarding required training would be referred to the tribunal principals for further action. Recommendation 2 remains open pending receipt of evidence showing that all transactional users have completed the required training.

C. System support

Need for effective feedback to end-users on progress with regard to their service requests

20. Umoja system support to end-users was designed as follows: whenever users want a new product or service, or whenever there is an incident that requires technical assistance, the users create a service request which is assigned a unique number for ease of follow-up. The service request is assigned to an individual in a group known as Tier 1. If Tier 1 is unable to resolve the matter, it generates a working order which is assigned a unique number and the issue is escalated to Tier 2 (from this point onwards, the issue is identified both by the service request and the working order numbers). If Tier 2 fails to resolve the issue, a further and final escalation is made to Tier 3. For such system support to work effectively, communication is important.

21. The audit showed that resolution of service requests sometimes took close to 200 days without feedback to the users who originated the service requests. Also, users at ICTY and MICT did not know who to follow up with to ascertain the status of their requests. Table 2 shows some of the outstanding human resources-related service requests during the audit period (status as at 23 December 2016).

Table 2: Sample of pending service requests from the Human Resources Section as at 23 December 2016

Current Assigned Group	Tier	Service Request (SR) Number	Date SR was created	Working Order (WO) Number	SR Status	WO Status	Days since service was requested
UNOG Umoja HR	Tier 1b	IM-1-3993308860	17.06.2016	WO-IM-1-3993378893	Pending	Transfer	189
		IM-1-4016842745	28.06.2016	WO-IM-1-4016995650	Pending	In progress	178
		IM-1-4080447770	27.07.2016	WO-IM-1-4080433784	Pending	In progress	149
		IM-1-4081359533	27.7.2016	WO-IM-1-4081400030	Pending	Transfer	149
		IM-1-4142848595	24.08.2016	WO-IM-1-4142868917	Pending	Waiting on predecessor	121
		RFS-1-4048618490	12.07.2016	WO-RFS-1-4048611319	Pending	Transfer	164
		RFS-1-4159314493	31.08.2016	WO-RFS-1-4159353130	Pending	Transfer	114

22. Examples of issues yet to be fully resolved were: some security staff in Arusha not getting their night differential and overtime; and some staff at The Hague were not able to enter their leave in Umoja.

23. The lack of feedback on current status was because the three tiers did not have an effective mechanism to ensure that clients were regularly updated about the status of their requests. Umoja users

thus waited for long periods without knowing whether their requests were being acted upon. Since the matter concerning service requests and tier-based support provided by the Umoja Office has been raised in previous OIOS audit reports, no additional recommendation is made in the present report.

D. Roles and responsibilities and delegation of authority

Action had been taken to correctly map roles of staff

24. The Umoja Deployment Guide requires that roles be properly mapped for transactional users. In addition, all certifying and approving officers needed to have a clear delegation of authority.

25. ICTY and MICT correctly mapped roles to transactional users. ICTY had also taken action to map 11 staff to appropriate time managers. In addition, all certifying and approving officers involved in human resources management had appropriate delegation of authority to perform their roles.

E. Payroll management

ICTY and MICT effectively managed payroll

26. Payroll needs to be thoroughly scrutinized on a monthly basis to prevent payment of entitlements that are not due to staff, and also to ensure that no deductions are made from staff emoluments without justification. With the implementation of Umoja, extra attention needed to be paid to this process to ensure that no such erroneous payments or deductions were made, and in case they occurred, the errors were quickly identified and rectified.

27. OIOS reviewed the emoluments paid to 853 staff and concluded that ICTY and MICT had thoroughly scrutinized the payroll to ensure that payments made to staff were properly calculated, and that no staff were over- or underpaid in error.

V. ACKNOWLEDGEMENT

28. OIOS wishes to express its appreciation to the management and staff of ICTY and MICT 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 implementation of the Umoja human resources management module at the
International Criminal Tribunal for the former Yugoslavia and the Mechanism for International Criminal Tribunals**

Rec. no.	Recommendation	Critical¹/ Important²	C/ O³	Actions needed to close recommendation	Implementation date⁴
1	ICTY and MICT should update all types of leave records in Umoja and operationalize the leave element so that staff members could certify their monthly and annual leave balances in Umoja.	Important	O	Evidence showing that certified sick leave and all other types of leave records have been updated in Umoja for all ICTY and MICT staff.	30 June 2017
2	ICTY and MICT should ensure that all transactional users have completed the required training and update the training records accordingly.	Important	O	Evidence showing that all transactional users have completed the required training.	30 June 2017

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

³ C = closed, O = open

⁴ Date provided by ICTY and MICT in response to recommendations.

APPENDIX I

Management Response

Management Response

**Audit of implementation of the Umoja human resources management module at the International Criminal Tribunal
for the former Yugoslavia and the Mechanism for International Criminal Tribunals**

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ICTY and MICT should update all types of leave records in Umoja and operationalize the leave element so that staff members could certify their monthly and annual leave balances in Umoja.	Important	YES	Chief, Human Resources Section	30 June 2017* (*Dependent on Umoja team resolving the technical issue)	It is expected that the Human Resources Section staff will be able to update all staff leave records, and utilize Umoja for all leave types by 30 June 2017 so long as the Umoja team is able to resolve the technical issue.
2	ICTY and MICT should ensure that all transactional users have completed the required training and update the training records accordingly.	Important	YES	Chief, Human Resources Section	30 June 2017	The IT Training Coordinator has worked diligently with transactional users to ensure that they understand their responsibility to complete required courses and to submit certificates of completion. In cases where staff neither acknowledge nor respond to the IT Training Coordinator and Chief, Human Resources section messages regarding required training, will be referred to the tribunal principals for further action.

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.