



INTERNAL AUDIT DIVISION

REPORT 2023/021

Audit of survivor's benefits in the Pension Administration of the United Nations Joint Staff Pension Fund

**The Pension Administration needs to
strengthen follow-up mechanisms to improve
the processing times relating to survivor's
benefits**

20 June 2023

Assignment No. AS2022-800-02

Audit of survivor's benefits in the Pension Administration of the United Nations Joint Staff Pension Fund

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of survivor's benefits in the Pension Administration of the United Nations Joint Staff Pension Fund (UNJSPF). The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in ensuring effective administration of survivor's benefits in UNJSPF. The audit covered the period from January 2019 to December 2022 and included a review of: (i) policies and procedures; (ii) the process of awarding and disbursing survivor's benefits; and (iii) the process of suspending and terminating survivor's benefits.

The audit indicated the need for the Pension Administration to strengthen follow-up mechanisms to improve the processing times relating to survivor's benefits.

OIOS made seven recommendations. To address the issues identified in the audit, the Pension Administration needed to:

- Submit proposals to the Plan Review Group for adopting language in the Fund's Regulations and Rules that is gender-inclusive, particularly for provisions relating to survivor's benefits;
- Submit proposals to the Plan Review Group to: clarify the issue of apportionment of retirement benefits among multiple divorced surviving spouses under Article 35 bis (c); and review the need for continuation of Article 34 (h) in the Fund's Regulations and Rules;
- Expand the existing network to: facilitate obtaining the required documents for death-in-service survivor's benefit cases expeditiously; and reduce the processing times for such cases;
- Establish a task force to review and expedite the processing of long outstanding survivor's benefits cases;
- Strengthen its internal procedures for processing of survivor's benefits by providing a standard checklist of the required documents to the deceased retiree's family immediately after receiving the death notification; establishing a timeframe for initial case review by the Pension Entitlements Section (PES); and ensuring that PES staff upload follow-up requests in the Integrated Pension Administration System (IPAS) for effective monitoring;
- Institute a mechanism to send periodic reminders to beneficiaries to update their personal status; develop a tool for obtaining feedback from users on their experience in using the website to find information on survivor's benefits; and review the existing resources/tools available to beneficiaries on survivor's benefits and provide additional tools/resources on its website to assist in achieving its strategic objective of a simplified client experience; and
- Strengthen termination procedures by: ensuring that the emergency contact information of the survivor is updated in IPAS; and implementing mechanisms to obtain the phone number and e-mail address of the emergency contact person to ensure prompt termination of the case and to determine overpayment after the death of a survivor.

The Pension Administration accepted the recommendations and has initiated action to implement them. Actions required to close the recommendations are indicated in Annex I.

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Audit of survivor's benefits in the Pension Administration of the United Nations Joint Staff Pension Fund

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of survivor's benefits in the Pension Administration of the United Nations Joint Staff Pension Fund (UNJSPF).

2. UNJSPF was established in 1949 by the General Assembly to provide retirement, death, disability and related benefits for the staff of the United Nations and other organizations admitted to the membership of the Fund. UNJSPF is administered by the United Nations Joint Staff Pension Board (the Pension Board). It serves 137,261 active participants and 82,312 beneficiaries of the United Nations and other member organizations. In 2021, UNJSPF made periodic benefit payments of about \$3 billion in 17 different currencies.

3. The Fund operates under its Regulations and Rules, including Financial Rules as approved by the General Assembly. The administration of survivor's benefits is regulated by Article 34 (widow's benefits), Article 35 (widower's benefits), Article 35 bis (divorced surviving spouse's benefits), Article 35 ter (annuity for spouse married after separation), Article 36 (child's benefit), and Article 37 (secondary dependent's benefits) of the Fund's Regulations. After the death of a participant/retiree, a residual settlement is payable under Article 38 of the Regulations only if, upon exhaustion of all entitlements payable to the participant, the amount paid by the Fund is less than the participant's own contribution. The Pension Administration disbursed \$1.9 million, \$1.2 million, and \$1.9 million as residual settlements in 2019, 2020 and 2021, respectively.

4. Survivors' benefits are regular monthly benefits payable to the eligible survivor/s of a UNJSPF participant who was entitled to retirement, early retirement, deferred retirement, or disability benefit at the date of death-in-service or death-after-service. The surviving spouse/s' benefit is generally half of the amount of the participant's retirement or disability benefit payable to the deceased participant subject to certain minimum levels; for surviving children, the amount is one-third of the benefit payable. The secondary dependent's benefit under Article 37 is payable only if no other survivor's benefit under Article 34, Article 35 and Article 36 is or was payable. Table 1 shows the survivor's benefits payments under Article 34, Article 35, Article 36, and Article 37 from 2019 to 2021.

Table 1: Total survivor's benefits from 2019 to 2021

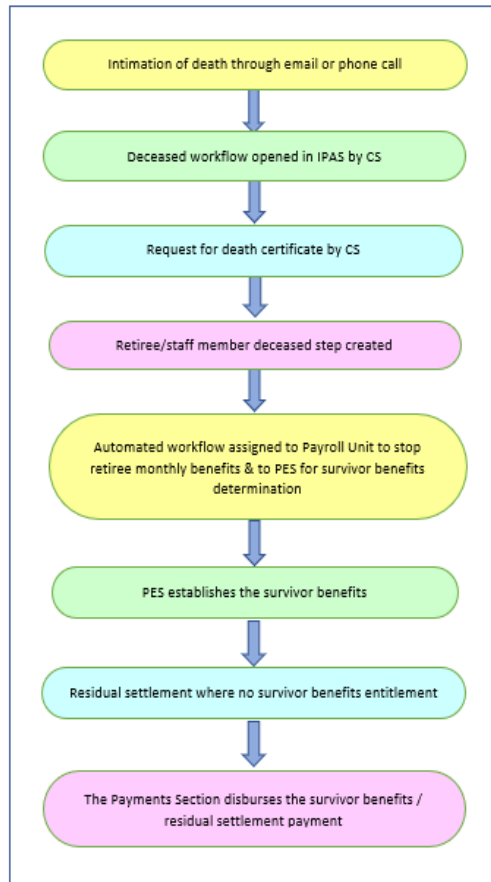
(Thousands of United States Dollars)

Category	2019		2020		2021	
	Number	Amount	Number	Amount	Number	Amount
Widow/Widower's benefits	12,896	259,194	13,163	274,790	13,567	290,178
Child Benefits	3,588	10,494	3,508	11,045	3,570	11,348
Other Secondary Benefits ¹	34	626	34	627	33	605
Total	16,518	270,314	16,705	286,462	17,170	302,131

5. Upon receipt of notification of the death of a UNJSPF participant, Client Services opens a workflow in the Integrated Pension Administration System (IPAS) for the Pension Entitlements Section (PES) to determine the eligibility of survivors. Once the eligibility is determined after receiving the required documentation, the case is released to the Payments Section for disbursement, as shown in Figure 1.

¹ Benefits to surviving parents or dependent siblings

Figure 1: Survivor's benefit process



6. PES coordinates with the Fund's Legal Office to determine the eligibility of the surviving spouse/s for claims by multiple spouses other than the one declared in the Fund's record. For death-in-service cases, member organizations facilitate obtaining the required information for the Fund to establish the survivor's benefits. For death-after-service cases, the Fund needs to follow up on the documents from the dependents of the deceased retiree. In 2020, the Pension Administration established an Operations Coordination and Liaison Unit to serve as a bridge between member organizations and PES to facilitate gathering the required information and providing assistance to the staff of member organizations on pension-related matters.

7. Comments provided by the Pension Administration are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in ensuring effective administration of survivor's benefits in UNJSPF.

9. This audit was included in the 2022 OIOS risk-based work plan for UNJSPF due to the risk that potential weaknesses in administration of survivor's benefits may have an adverse impact on the Fund's beneficiaries as well as the reputation of the Pension Administration.

10. OIOS conducted this audit from October 2022 to March 2023. The audit covered the period from 1 January 2019 to 31 December 2022. Based on an activity-level risk assessment, the audit covered risk areas in the administration of survivor's benefits which included: (i) policies and procedures; (ii) the process of awarding and disbursing survivor's benefits; and (iii) the process of suspending and terminating survivor's benefits.

11. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; and (d) review of sample survivor's benefit cases.

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

III. AUDIT RESULTS

A. Policies and Procedures

13. Policies and procedures are an essential element of internal control for guiding the implementation of accepted practices. OIOS reviewed the policies and procedures for survivor's benefits and noted the following.

Guidelines for retrospective recognition of same-sex unions were being developed

14. According to Articles 34 and 35 of the Fund's Regulations and Rules, widow/widower's benefit shall be payable to the surviving spouse of a participant who was entitled to retirement benefits if she/he was married to the participant at the date of separation from service, and remained married to her/him until the participant's death.

15. In 2013, after deliberations on the scope of Articles 34 and 35 in the context of non-traditional unions, the Pension Board adopted guidelines for recognition of non-traditional unions in cases where national legislation granted such unions the same legal standing as marriage, including pension rights. Separately, the Secretary-General issued ST/SGB/2004/13/Rev.1 (Personal status for purposes of United Nations entitlements) which changed the basis for recognition of personal status from the nationality of the staff member to the location where the status was entered into. Subsequently, with effect from 1 September 2016, the Fund issued revised guidelines allowing prospective recognition (for the purpose of spousal benefits under Articles 34 and 35) of unions/registered partnerships recognized by the competent authority of the jurisdiction where the status was established, provided that they confer substantially the same rights and obligations as marriage, including pension rights. However, these guidelines were not applicable to participants who separated before 2016.

16. Implementation of these revised guidelines with prospective effect was in accordance with Article 50 of the Fund's Regulations which states that no provision shall be construed as applying retroactively unless expressly stated therein, or specifically amended to such effect by the General Assembly. The intent behind recognizing non-traditional unions was to provide equal and consistent treatment to all participants and their spouses/eligible partners for the purpose of survivor's benefits.

17. Subsequently, the General Assembly in its resolution 77/258 requested the Pension Board to provide a framework for extending the guidelines to allow retrospective recognition of beneficiaries arising from marriages where changes under national legislation occurred after the former participants' separation from service. This was in light of a judgment (No. 2020-UNAT-996) of the United Nations Appeals Tribunal where the Tribunal, while dismissing an appeal of a retiree who could not formalize his same-sex

union before separation from service in 1998, observed that the Fund's Regulations and Rules were outdated and discriminatory for those individuals who could not formalize their union prior to separation from service. The Tribunal requested its Registrar to bring its judgment to the attention of the Secretary-General and the General Assembly.

18. During the audit, based on the request in General Assembly resolution 77/258, the Pension Administration submitted to the Pension Board a revised framework for spousal benefits under Articles 34 and 35 of the Regulations with a specific timeframe of one year for retrospective recognition of marriages where changes under national legislation occurred after former participants' separation from service. In view of the action taken by the Pension Administration, OIOS did not make a recommendation on this aspect.

Need to adopt gender-inclusive language

19. The United Nations guidelines on gender-inclusive language recommend using gender-inclusive language to promote gender equality and eradicate gender bias. These guidelines may be applied to any type of communication, whether it is oral or written, formal or informal, or addressed to an internal or external audience.

20. OIOS noted that the language in the Fund's Regulations and Rules, especially in Articles 34 and 35, was not gender inclusive. Article 34 regulates widow's benefits whereas Article 35 regulates widower's benefits, even though the provisions relating to administration of survivor's benefits were the same for both widow's and widower's benefits. If gender-inclusive language is introduced, there would be no requirement for a separate provision for widower benefits. The rest of the Regulations relating to survivor's benefits were drafted using gender-inclusive language, such as Article 35 bis and Article 35 ter, where the word "spouse" was used. The Pension Administration stated that it is assisting the Plan Review Group established by the Pension Board to come up with proposals for simplification of the Fund's Regulations and Rules.

(1) The Pension Administration should submit proposals to the Plan Review Group for adopting language in the Fund's Regulations and Rules that is gender-inclusive, particularly for provisions relating to survivor's benefits.

The Pension Administration accepted recommendation 1 and stated that it will submit proposals to the Pension Board Plan Review Group to adopt gender-inclusive language in the provisions of the Fund's Regulations and Rules related to survivor's benefits.

Need to clarify certain provisions in the Fund's Regulations and Rules

(a) Apportionment of benefits among multiple spouses and multiple former spouses

21. UNJSPF recognizes multiple surviving spouses in countries where polygamy is legal. However, clarity was needed on apportionment of benefits among multiple spouses. Article 34 (g) states that the benefit is to be divided equally between more than one surviving spouse, and Article 35 bis (c) provides that in case of one surviving spouse and former spouse(s), the benefit payable under Article 34 and 35 shall be divided between the spouse and former spouse(s) in proportion to the duration of their marriage. In the scenario where a beneficiary has multiple spouses and former spouse(s), Article 34 (g) does not provide clear direction. There is a need to clarify Article 35 bis (c) to address the issue of apportionment of benefits among multiple spouses and multiple divorced surviving spouses.

(b) Provisions relating to remarriage of surviving spouse

22. Prior to 1999, upon remarriage, if a lump sum payment was made to the surviving spouse, entitlement to periodic survivor's benefits was forfeited. In April 1999, Article 34 (h) was introduced to change the provision to provide the one-time option to the surviving spouse whose benefit was stopped due to remarriage. Article 34 (h) provided that the remarried surviving spouse could re-avail their survivor benefit by reimbursing any lump sum amount received along with interest when their benefit was discontinued. Since Article 34 (h) was relevant for remarriage cases prior to 1999 with a one-time option to be exercised within a specific timeframe and has no relevance in the current scenario, the Pension Administration needs to review the need for continuation of Article 34 (h) in the Regulations and Rules.

(2) The Pension Administration should submit proposals to the Plan Review Group to: (i) clarify the issue of apportionment of retirement benefits among multiple divorced surviving spouses under Article 35 bis (c); and (ii) review the need for continuation of Article 34 (h) in the Fund's Regulations and Rules.

The Pension Administration accepted recommendation 2 and stated that it will make proposals to the Plan Review Group to: clarify the issue of apportionment of retirement benefits among multiple divorced surviving spouses under Article 35 bis (c); and review the relevance of continuation of Article 34 (h) in the Fund's Regulations and Rules.

B. Process of awarding and disbursing survivor's benefits

Service delivery to clients could be improved

23. The Fund's iNeed service desk portal is the first point of contact between the client and the Fund for pension-related queries. After receiving survivor benefit-related queries, service desk agents generate a request for service (RFS) ticket and escalate it to Client Services for further action. All such queries need to be assigned "high" priority and resolved by Client Services within seven business days for PES to establish survivor's benefits.

24. During the period January 2019 to December 2022, 13,221 RFS tickets were generated for survivor benefit-related queries, out of which 7,997 tickets were opened to record reported death cases. Even though all 7,997 tickets should have been assigned "high" priority to be resolved within seven business days, 3,811 tickets were assigned "medium" priority, causing delays in processing the cases. OIOS' review of 60 sample RFS tickets indicated that the Pension Administration did not provide feedback to clients in 98 per cent of the cases. The absence of feedback instigated the client to make multiple requests resulting in generation of multiple tickets for the same cause. In ten of the 60 cases reviewed, the client generated more than one ticket to request the same service. Since a recommendation was made on this issue in OIOS' Report 2021/031, no additional recommendation is made in the present report.

Need for coordinated action of stakeholders for timely processing of death-in-service cases

25. Developing a strong global partnership network is one of the three pillars of the Pension Administration's "Client-focused, Action-oriented, Relations-builder, and Efficiency-driven strategy" (CARE). To achieve this objective, the Pension Administration aims to meet regularly with Staff Pension Committees (SPCs) of member organizations to discuss technical issues in administration of pension benefits. The Pension Administration's key performance indicator is to process the pension benefits within 15 days of receiving the required information. Since survivor's benefits are also paid by the Fund, the Pension Administration is ultimately responsible for obtaining the documents required to process them.

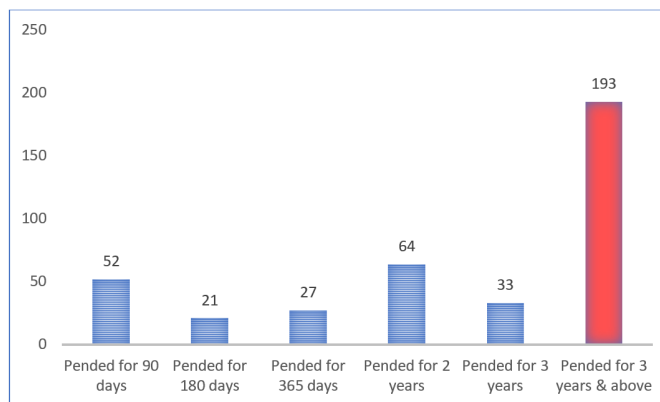
26. The Pension Administration processed 2,652 benefit cases between January 2019 and December 2022 for survivors of participants who died in service. OIOS noted that the average time to process the survivor's benefits for death-in-service cases was 620 days (from the date of entitlement to final disbursement), mainly due to delays in receipt of required documents from member organizations. OIOS' analysis of the average processing time for survivor's benefits relating to death-in-service cases indicated that only 55 per cent of cases were processed within 365 days, as shown in Table 2.

Table 2: Time taken to process survivor's benefits

Category	Within 90 days	91 to 180 days	181 to 365 days	1 to 2 years	2 to 3 years	More than 3 years	Total
Spouse	111	177	169	130	34	72	693
Child	164	338	497	510	92	350	1,951
Secondary	1	3	3	-	-	1	8
Total	276	518	669	640	126	423	2,652

27. As of 31 December 2022, there were 390 outstanding death-in-service cases where survivor's benefits were yet to be processed, as shown in Figure 2.

Figure: Outstanding death-in-service cases



28. OIOS noted that 94 per cent of survivor's benefit cases were outstanding due to the non-receipt of required documents to process them. The Pension Administration stated that a status report has been shared every month with each member organization listing the number of cases processed and pended cases, with an aging analysis. According to Pension Administration, member organizations were facing difficulty in obtaining the required information from surviving family members, and this was sometimes compounded by language barriers.

29. The Pension Administration stated that it continues to broaden its outreach to ensure global support and has planned a Business Intelligence dashboard to allow member organizations to proactively take action on missing documents. In addition, personal e-mail addresses will be regularly shared to improve the inventory of contact information. During the audit, the Pension Administration organized a workshop with the focal points of the member organizations to resolve the long outstanding cases. OIOS recognizes the initiatives taken by the Pension Administration to strengthen coordination with member organizations.

30. Nevertheless, delays in establishing the entitled survivor's benefits after the death of the staff member add to the hardships of the dependent family members. Concerted efforts are required to address the causes of delays in benefit processing. The Fund needs to develop a strong global network involving focal points of SPCs and human resources offices of its member organizations, national staff associations, and the Association of Former International Civil Servants (AFICS) as appropriate to facilitate obtaining the required documents for establishing survivor's benefits.

(3) The Pension Administration, in coordination with its stakeholders, should expand the existing network to: (i) facilitate obtaining the required documents for death-in-service survivor's benefit cases expeditiously; and (ii) reduce the processing times for such cases.

The Pension Administration accepted recommendation 3 and stated that though the Fund is unable to share information relating to survivor's benefits with third parties due to confidentiality controls embedded in benefit processing, including Administrative Rule B.4, to address the recommendation, it will continue working with existing network of stakeholders, including AFICS and local offices, and implement additional tools to facilitate the collection of the required documents to process death-in-service survivor's benefits.

Need to improve processing times for death-after-service cases

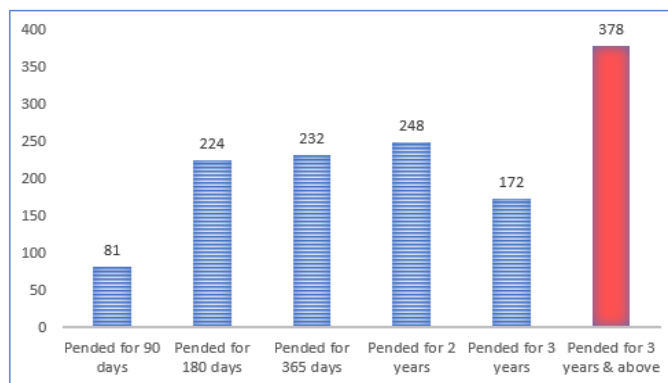
31. After the death of a retiree, the Fund is required to follow up with the survivors of the retiree to obtain supporting documents required to establish survivor's benefits. Between January 2019 and December 2022, the Pension Administration processed 3,053 survivor's benefit cases. The average processing time from the date of entitlement to final disbursement was 208 days, as shown in Table 3.

Table 3: Time taken to process death-after-service survivor's benefits

Category	90 days	91 to 180 days	181 to 365 days	1 to 2 years	2 to 3 years	More than 3 years	Total
Spouse	1,146	870	510	205	46	47	2,824
Child	68	35	54	39	18	15	229
Total	1,214	905	564	244	64	62	3,053

32. As of 31 December 2022, there were 1,335 outstanding death after-service cases where survivor's benefits were yet to be established by the Pension Administration, as shown in Figure 3 below.

Figure 3: Outstanding death-after-service cases



33. Out of 1,335 cases, 798 (60 per cent) were outstanding for more than one year, and 58 were outstanding for more than ten years. The Pension Administration attributed this to the absence of required documents from the survivor/s of the retiree.

34. After the receipt of a death notification, Client Services, while sending a request for a death certificate, opens a deceased workflow in IPAS with “high” priority assigned to it. The Payroll Section and PES are simultaneously notified to stop further periodic pension payments to the deceased retiree, and to establish the survivor's benefits after determination of eligibility. After receiving the death certificate of the retiree, PES conducts an initial case review to determine eligibility for survivor's benefit and comes up with the required supporting documents depending on the merits of the case. The Fund’s procedures did not stipulate a timeframe for initial case review by PES. The Pension Administration needs to establish a timeframe for initial review by PES to improve timeliness in the overall processing of survivor's benefits.

35. Considering the need to improve the processing times for survivor's benefit cases, OIOS is of the view that the Pension Administration needs to send a standard checklist to the family of the deceased, immediately after receipt of death notification, indicating the required documents. The Pension Administration stated that each survivor's benefits case is unique, and that providing a standard checklist may create false hope among the family members of the deceased retiree. To address this risk, the Pension Administration may add a disclaimer that the establishment of survivor's benefit is subject to confirmation of eligibility after review of documents.

36. On its website, the Pension Administration provides information on how to notify the Fund in case of the death of a beneficiary. The Pension Administration needs to increase its efforts to encourage participants to upload standard documents such as marriage certificate, birth certificate of spouse, divorce decree, and birth certificates of children under the age of 21 in the Member Self-Service Portal before their separation from service to enable early processing. The Pension Administration stated that participants were advised during the pre-retirement seminars to maintain a pension file with all relevant documents and keep it in the custody of family members.

37. OIOS’ review of 20 pending cases indicated that the efforts made by the Pension Administration to follow up on the required documents were not adequate. In 15 out of 20 cases pended as of 31 December 2022, follow-up requests to provide the required information were not made in a timely manner. In six out of 20 cases, follow-up e-mails to request the documents were issued after one year. The Pension Administration stated that follow-up requests were made to survivors for required documents; however, they were not recorded in IPAS. OIOS noted that specific instructions were not included in the procedures for uploading the follow-up requests in IPAS. In the circumstances, the Pension Administration’s monitoring mechanism was not effective.

38. Considering the hardships faced by families of deceased retirees, the Pension Administration needs to establish a task force to conduct a special drive to process long outstanding survivor's benefit cases and revise its internal procedures for processing of survivor's benefits.

(4) The Pension Administration should establish a task force to review and expedite the processing of long outstanding survivor's benefits cases.

The Pension Administration accepted recommendation 4 and stated that it will assemble a temporary team to re-examine the long-outstanding survivor's benefits cases and take actions such as termination, follow up, or processing for payment where feasible.

(5) The Pension Administration should strengthen its internal procedures for processing of survivor's benefits by: (i) providing a standard checklist of the required documents to the deceased retiree's family immediately after receiving the death notification; (ii) establishing a timeframe for initial case review by PES; and (iii) ensuring that PES staff upload follow-up requests in IPAS for effective monitoring.

The Pension Administration accepted recommendation 5 and stated that: (i) a checklist is sent to the survivor after PES reviews the case and the action will be tracked in IPAS; (ii) death cases continue to be treated as high priority and therefore will be reviewed within seven business days after receipt of death notification; and (iii) further training will be provided to teams to upload the follow-up requests in IPAS as per the existing guidelines.

Information tools could be improved for a better client experience

39. One of the three pillars of the CARE strategy adopted by the Pension Administration is to improve the client experience by modernizing and simplifying client interactions by providing quick and updated information to beneficiaries. To achieve this objective, the Pension Administration launched various information tools since 2020, such as a newly designed website focused on user experience with topic-specific videos, e-learning modules providing essential pension information, and revised topic-specific booklets on pension benefits and the Fund's Regulations and the Rules.

40. OIOS' review of the various information sources to educate retirees and beneficiaries on survivor's benefits showed that the information on survivor's benefits was scattered over multiple places on the website; a retiree or beneficiary had to browse various links to get the required information. Further, the Pension Administration revises the flat rate amounts for survivor's benefits under Articles 34 and 35 bis for the surviving spouse if there has been a change in the consumer price index. However, changes in benefit amount were not reflected in the Fund's website and survivor's benefits booklet.

41. As explained earlier in the report, 1,335 death-after-service cases were outstanding for more than two years. OIOS was informed that the absence of updated information from the retiree/beneficiary upon change of their personal family status due to marriage/remarriage/divorce/childbirth adds to delays in clearing those long outstanding cases. OIOS noted that the Fund did not institute a mechanism to send periodic reminders to beneficiaries to update their personal status. Prior to 1994, the template for certificate of entitlement had a declaration statement on the personal status of the beneficiary.

42. The Pension Administration stated that to disseminate information about pension-related matters, a quarterly UNJSPF newsletter is shared with all the participants, retirees, and beneficiaries. Further, the Fund is also holding seminars and workshops with member organizations, SPCs and AFICS and providing training to the staff of member organizations. OIOS considers that the Pension Administration needs to review the existing resources provided to beneficiaries and further improve the quality of information/resources on survivor's benefits by sharing the links to training, workshops, and seminars on survivor's benefits on its website and through quarterly newsletters to reach all the beneficiaries. In addition, the Fund could consider implementing a tool for obtaining feedback from users on their experience in using the website to find information on survivor's benefits.

(6) The Pension Administration should: (i) institute a mechanism to send periodic reminders to beneficiaries to update their personal status; (ii) develop a tool for obtaining feedback from users on their experience in using the website to find information on survivor's benefits; and (iii) review the existing resources/tools available to beneficiaries on survivor's benefits and provide additional tools/resources on its website to assist in achieving its strategic objective of a simplified client experience.

The Pension Administration accepted recommendation 6 and stated that it will: (i) periodically inform beneficiaries of the importance to keep the Fund informed in a timely manner of any changes in their personal status, through the annual letter or periodic newsletter or web article at least once year on this topic; and (ii) obtain feedback from a recently established group of website test users on their experience using the website to obtain information on this topic. As a standard practice, the Fund regularly reviews and enhances the available self-service tools and contents of the website, including those relating to survivors and death to determine whether enhancements and/or additions are required. The Fund is currently updating the survivor's video and the related booklet will be updated later in the year. The Fund is considering the creation of a flyer providing in brief essential information for retirees and beneficiaries with regard to survivor's benefits.

C. Process of suspension and termination of survivor's benefits

Controls over the process for suspension of survivor's benefits were adequate

43. Article 46 of the Fund's Regulations and Rules provides that the right to continued eligibility for survivor's benefits may be forfeited where the beneficiary has failed to submit the duly signed certificate of entitlement or payment instructions, or has failed or refused to accept the periodic benefit payment for a period of two years.

44. OIOS reviewed 40 survivor's benefit cases and noted that except in two cases, the Pension Administration duly complied with suspension procedures. The Pension Administration attributed one case to a glitch in the system; for the other case, the suspension was marked "pending" and Client Services was trying to obtain missing certificates of entitlement.

45. To ensure the continued eligibility of surviving child benefits, the surviving parent or guardian in receipt of the child benefit as payee needs to submit the signed certificate of entitlement. Once the child reaches the age of 21 years, the surviving child benefit should be discontinued except for disability cases. OIOS' review of 30 child benefit cases showed that the Pension Administration complied with the suspension procedures.

Need for updating the emergency contact information of survivors for termination purposes

46. Section J of the Fund's Administrative Rules provides that any payments made to a participant, beneficiary of a participant, or a third person otherwise than in accordance with the Fund's Regulations may be recovered from the person or the estate of the person to whom such payments were made.

47. OIOS reviewed a sample of 20 survivor's death cases where the date of death was not known. The intimation of death was received by the Pension Administration either during a follow-up exercise due to non-receipt of the previous year's certificate of entitlement, or receipt of bank notification for returned payment on account of closure of bank account. The review showed that the Pension Administration could not assess the quantum of overpayments for recovery due to a lack of information about the date of death and the related death certificates. Recovery of overpayment (if any) in such cases would be possible only if the Fund had updated contact information of the beneficiary who received the survivor's benefits.

48. At the time of establishing the benefit, the Pension Administration captures the emergency contact information of surviving beneficiaries in Form Pens.E/2 by including details such as name of the contact person, relationship with the survivor, address, phone number and e-mail address. Prior to 2010, such details were not part of Form Pens.E/2. Notably, there were more than 2,000 survivor beneficiaries whose

benefits were established prior to 2010 without their emergency contact information. Even for survivor benefit cases established after 2010, Form Pens.E/2 obtained at the time of establishing the benefit may not have been updated to reflect subsequent changes.

49. There is a provision in IPAS to record emergency contact information, but this was not updated consistently at the time of establishing survivor's benefits. Further, there was no provision in the Member Self-Service portal to include the phone number and e-mail address of the emergency contact for prompt access in case of death of a survivor that was receiving retirement benefits.

50. OIOS' review of 10 cases where emergency contact details were available in Form Pens.E/2 indicated that the Fund's efforts to obtain the death certificate of survivors were not adequate and timely. In five cases, the Pension Administration had sent letters asking for the death certificate to the address of the deceased rather than to the emergency contact person's address. In four cases, a request letter was not sent to the estate of the beneficiary to submit the death certificate. In one case, even though a close family member informed the Fund about the death of the beneficiary, no action was taken for almost two years; payments continued to be made to the beneficiary for 22 months in an aggregate amount of \$72,000.

51. In case of death of a retiree, there is a possibility of recovery of overpayment of retirement benefit from the eligible survivor's benefits, but chances of recovery of survivor's benefit are remote after the death of its recipient. The Pension Administration needs to implement measures to minimize this risk by updating the emergency contact information of survivors, and sending request letters to the correct address to obtain death certificates and terminate such cases in a timely manner.

(7) The Pension Administration should strengthen its termination procedures by: (i) ensuring that the emergency contact information of the survivor is updated in IPAS; and (ii) implementing mechanisms to obtain the phone number and e-mail address of the emergency contact person to ensure prompt termination of the case after the death of a survivor.

The Pension Administration accepted recommendation 7 and stated that it will ensure that emergency contact information of the survivor, collected through various channels, is updated in IPAS. Among other actions, Client Services will update emergency details whenever these are received as part of form submission. It will explore and adopt the fastest mechanism to obtain the phone number and e-mail address of emergency contacts, considering various projects that are planned or already underway.

IV. ACKNOWLEDGEMENT

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

Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of survivor's benefits in the Pension Administration of United Nations Joint Staff Pension Fund

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1.	The Pension Administration should submit proposals to the Plan Review Group for adopting language in the Fund's Regulations and Rules that is gender-inclusive, particularly for provisions relating to survivor's benefits.	Important	O	Receipt of evidence that proposals have been submitted to the Pension Board Plan Review Group for adopting gender-inclusive language in the Fund's Regulations and Rules, particularly related to provisions on survivor's benefits.	31 October 2023
2.	The Pension Administration should submit proposals to the Plan Review Group to: (i) clarify the issue of apportionment of retirement benefits among multiple divorced surviving spouses under Article 35 bis (c); and (ii) review the need for continuation of Article 34 (h) in the Fund's Regulations and Rules.	Important	O	Receipt of evidence that proposals submitted to the Plan Review Group to: clarify the issue of apportionment of retirement benefits among multiple divorced surviving spouses under Article 35 bis (c); and to review the relevance of continuation of Article 34 (h) in the Fund's Regulations and Rules.	31 October 2023
3.	The Pension Administration, in coordination with its stakeholders, should expand the existing network to: (i) facilitate obtaining the required documents for death-in-service survivor's benefit cases expeditiously; and (ii) reduce the processing times for such cases.	Important	O	Receipt of evidence that the Pension Administration has expanded its existing network with various stakeholders and implemented additional tools to facilitate the collection of required documents to improve the processing times for death-in-service survivor's benefit cases.	31 December 2023
4.	The Pension Administration should establish a task force to review and expedite the processing of long outstanding survivor's benefits cases.	Important	O	Receipt of evidence that a task force has been established to review and expedite the processing of long outstanding survivor's benefits cases.	30 September 2024

² Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

³ Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

⁴ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁵ Date provided by Pension Administration in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of survivor's benefits in the Pension Administration of United Nations Joint Staff Pension Fund

5.	The Pension Administration should strengthen its internal procedures for processing of survivor's benefits by: (i) providing a standard checklist of the required documents to the deceased retiree's family immediately after receiving the death notification; (ii) establishing a timeframe for initial case review by PES; and (iii) ensuring that PES staff upload follow-up requests in IPAS for effective monitoring.	Important	O	Receipt of evidence that action has been taken to strengthen the internal procedures for processing of survivor's benefits.	31 December 2023
6.	The Pension Administration should: (i) institute a mechanism to send periodic reminders to beneficiaries to update their personal status; (ii) develop a tool for obtaining feedback from users on their experience in using the website to find information on survivor's benefits; and (iii) review the existing resources/tools available to beneficiaries on survivor's benefits and provide additional tools/resources on its website to assist in achieving its strategic objective of a simplified client experience.	Important	O	Receipt of evidence of action taken to: (i) inform the beneficiaries periodically to update their personal status; (ii) obtain feedback from users on their experience in using the website; and (iii) review/update of the existing resources/tools on the Fund's website for a simplified client experience.	31 July 2024
7.	The Pension Administration should strengthen its termination procedures by: (i) ensuring that the emergency contact information of the survivor is updated in IPAS; and (ii) implementing mechanisms to obtain the phone number and e-mail address of the emergency contact person to ensure prompt termination of the case after the death of a survivor.	Important	O	Receipt of evidence of action taken to strengthen termination procedures by: (i) ensuring that the emergency contact information of the survivor is collected and updated in IPAS; and (ii) a mechanism has been implemented to obtain contact information to facilitate prompt termination of survivor's benefit.	31 December 2024

APPENDIX I

Management Response

MEMORANDUM

Ref: UNJSPF/CEPA/16062023

New York, 16 June 2023

To / A: Mr. Gurpur Kumar, Deputy Director Internal Audit Division, OIOS

From / De : Rosemarie McClean, Chief Executive of Pension Administration, United Nations Joint Staff Pension Fund

Subject / Objet: **UNJSPF response to draft report of audit of survivor's benefits in the Pension Administration of the United Nations Joint Staff Pension Fund (Assignment No. AS2022-800-03)**

1. Reference is made to your memorandum dated 2 June 2023, in which you submitted for the Fund's review and comments, the draft report of the above-mentioned audit.
2. As requested, the Pension Administration's comments to the audit recommendations are included in **Annex I**.
3. The Pension Administration would like to thank OIOS auditors for the constructive exchanges with management.

cc.: Mr. D. Penklis, Deputy Chief Executive
Ms. M. O'Donnell, Chief of Operations
Mr. A. Blythe, Chief Client Services
Ms. K. Manosalvas, Risk Officer, Audit Focal Point

ANNEX I

Audit Recommendations audit of survivor’s benefits in the Pension Administration of the United Nations Joint Staff Pension Fund

Rec. no.	Recommendation	Critical¹/ Important²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1.	The Pension Administration should submit proposals to the Plan Review Group for adopting language in the Fund's Regulations and Rules that is gender-inclusive, particularly for provisions relating to survivor's benefits.	Important	Yes	Chief Legal Office	October 2023	The Pension Administration will submit to the Pension Board Plan Review Group proposals to adopt gender-inclusive language in the provisions of the Fund’s Regulations and Rules related to survivor’s benefits.
2.	The Pension Administration should submit proposals to the Plan Review Group to: (i) clarify the issue of apportionment of retirement benefits among multiple divorced surviving spouses under Article 35 bis (c); and (ii) review the need for continuation of Article 34 (h) in the Fund's Regulations and Rules.	Important	Yes	Chief Legal Office	October 2023	The Pension Administration will make proposals to the Plan Review Group to: (i) clarify the issue of apportionment of retirement benefits among multiple divorced surviving spouses under Article 35 bis (c); and (ii) review the relevance of continuation of Article 34 (h) in the Fund's Regulations and Rules.
3.	The Pension Administration, in coordination with its stakeholders, should expand the existing network to: (i) facilitate obtaining the required documents for death-in-service survivor’s benefit cases expeditiously; and (ii) reduce the processing times for such cases.	Important	Yes	Operations / Chief Operations Support Section	December 2023	The Fund is unable to share information relating to survivor’s benefits with third parties due to confidentiality controls embedded in benefit processing, including Administrative Rule B.4. In this light, to address the recommendation, the Fund will continue working with the established network of stakeholders, including AFICS and local offices; and implement additional tools to facilitate the collection of the required documentation to process death-in-service survivor’s benefit cases.

¹ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

² Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4.	The Pension Administration should establish a task force to review and expedite the processing of long outstanding survivor's benefits cases.	Important	Yes	Operations / Chief Pension Entitlements (New York and Geneva)	September 2024	The Pension Administration will assemble a temporary team to 're-examine long-outstanding survivor's benefits cases and take required actions, such as termination, follow up, or processing for payment where feasible.
5.	The Pension Administration should strengthen its internal procedures for processing of survivor's benefits by: (i) providing a standard checklist of the required documents to the deceased retiree's family immediately after receiving the death notification; (ii) establishing a timeframe for initial case review by PES; and (iii) ensuring that PES staff upload follow-up requests in IPAS for effective monitoring.	Important	Yes	Operations / Chief of Pension Entitlements (New York and Geneva)	December 2023	(i) Checklist is sent to the survivor after PES reviews the case, this action will be tracked in IPAS (ii) Death cases will continue to be treated as high priority and therefore reviewed immediately i.e. within the first week after receipt of the death notification; (iii) This aspect is covered in the existing guideline and further training will be provided to the teams.
6.	The Pension Administration should: (i) institute a mechanism to send periodic reminders to beneficiaries to update their personal status; (ii) develop a tool for obtaining feedback from users on their experience in using the website to find information on survivor's benefits; and (iii) review the existing resources/tools available to beneficiaries on survivor's benefits and provide additional tools/resources on its website to assist in achieving its strategic objective of a simplified client experience.	Important	Yes	Chief Client Services	July 2024	(i) The Pension Administration will periodically inform beneficiaries of the importance to keep the Fund informed in a timely manner of any changes in their personal status, through the Annual Letter or periodic Newsletter or web article at least once year on this topic. (ii) The Pension Administration will obtain feedback from a recently established group of website test users on their experience using the website to obtain information on this topic. (iii) As a standard practice, the Fund regularly reviews and enhances the available self-service tools and contents of the website, including

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						those relating to survivors and death to determine whether enhancements and/or additions are required. The Fund is currently updating the survivor's video and the related booklet will be updated later in the year. The Fund is considering the creation of a flyer providing in brief essential information for retirees and beneficiaries with regard to survivor's.
7.	The Pension Administration should strengthen its termination procedures by: (i) ensuring that the emergency contact information of the survivor is updated in IPAS; and (ii) implementing mechanisms to obtain the phone number and e-mail address of the emergency contact person to ensure prompt termination of the case after the death of a survivor.	Important	Yes	Chief Client Services, Operations / Operations Support Section	December 2024	<p>(i) The Pension Administration will ensure that emergency contact information of the survivor, collected through various channels, is updated in IPAS. Among other actions, CSS will update emergency details whenever these are received as part of form submissions handled by CSS.</p> <p>(ii) The Pension Administration will explore and adopt the fastest mechanism to obtain the phone number and e-mail address of emergency contacts, considering various projects that are planned or already underway.</p> <p>Nevertheless, the addition of email and phone to emergency contact details in MSS might not necessarily allow the prompt termination of a case following death/preventing overpayments; indeed, the Fund would normally communicate with the party that communicated a death to the Fund (which may not be an emergency contact recorded in our records) and recorded family member/s, to advise them of any relevant information for a death case.</p>