



## INTERNAL AUDIT DIVISION

### REPORT 2016/016

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Audit of administration of staff  
compensation claims in New York

Overall results relating to the effective administration of staff compensation claims in New York were initially assessed as partially satisfactory. Implementation of six important recommendations remains in progress.

FINAL OVERALL RATING: PARTIALLY  
SATISFACTORY

18 March 2016  
Assignment No. AH2015/511/03

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# **AUDIT REPORT**

## **Audit of administration of staff compensation claims in New York**

### **I. BACKGROUND**

1. The Office of Internal Oversight Services (OIOS) conducted an audit of administration of staff compensation claims in New York.
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure: (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. According to Appendix D to the Staff Rules, staff members are entitled to compensation in the event of death, injury or illness attributable to the performance of official duties on behalf of the United Nations. Monetary compensation granted in the case of service-incurred injury or illness includes cost of medical treatment; lump sum payment for permanent disfigurement or loss of a member or function; and monthly compensation for total or partial disability. In case of service-incurred death, the monetary compensation includes medical costs, funeral costs and monthly compensation payment to surviving spouse and/or dependents. Non-monetary compensation includes granting sick leave entitlement upon the exhaustion of regular sick leave entitlement. Compensation under Appendix D supplements benefits awarded under the regulations of the United Nations Joint Staff Pension Fund (UNJSPF). The United Nations Secretariat will present a revised Appendix D to the General Assembly in the resumed session in 2016.
4. Under the Staff Regulations and Rules, staff members are also entitled to reasonable compensation relating to loss or damage to personal effects attributable to service within the limits and under terms and conditions established by the Secretary-General. The relevant administrative instruction (ST/AI/149/Rev.4) defines the conditions of such compensation.
5. The Advisory Board on Compensation Claims (ABCC) was established as a joint staff and management mechanism to review Appendix D claims from staff members of the United Nations common system, and claims above the delegated authority to the United Nations Office at Geneva (UNOG) and the ABCC Secretary. ABCC is composed of three member representatives from the Administration appointed by the Secretary-General and another three representatives also appointed by the Secretary-General on the recommendation of the Staff Committee. ABCC has a Secretary and three ex-officio members from Medical Service Division (MSD), Office of Legal Affairs (OLA) and UNJSPF. ABCC recommendations are subject to approval of the Secretary-General, which was delegated to the Controller. ABCC considered 161 cases from 2012 to 2014. The Secretary of ABCC has delegated authority to pay medical expenses up to \$4,500 per claim per year for straight-forward claims, while UNOG has delegated authority of up to \$15,000 per claim. Claimants may request reconsideration of decisions on their claims within 30 days of the notice of decision.
6. The United Nations Claims Board (UNCB) acts in an advisory capacity to the Controller to review claims relating to loss or damage of personal effects. It is composed of five members and their alternates. All five members and their alternates are nominated by the Controller in consultation with the heads of offices/departments. The ABCC Secretary is also secretary of the UNCB.

7. The Claims and Compensation Unit in the Commercial Insurance and Compensation Section, Accounts Division, Office of Programme Planning Budget and Accounts (OPPBA) serves as the secretariat for both the ABCC and UNCB. It processes claims that are received directly from staff members or through the executive offices or focal points of some of the entities in the United Nations common system. The Unit consists of two professional staff (Secretary and Finance Officer) and three general service staff.

8. According to ABCC secretariat, monthly beneficiary payments for survivors, total disability and partial disability benefits were approximately \$468,000 from regular, peacekeeping, extra-budgetary and agencies' accounts. Table 1 shows the number of new compensation claims processed by ABCC secretariat under Appendix D for the period from 2012 to 2014:

**Table 1: Number of new Appendix D compensation claims processed by ABCC secretariat from 2012 to 2014**

<b>Number of compensation claims</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total</b>
Claims created	81	89	86	256
Potential claims (Not yet fully supported with documents to create a claim)	25	48	39	112

Source: ABCC secretariat

9. Table 2 presents the number of new claims reviewed by UNCB and value of awards from 2012 to 2014.

**Table 2: Number of new claims for personal effects reviewed by UNCB and value of awards from 2012 to 2014**

<b>Year</b>	<b>Number of Claims Considered</b>	<b>Amount Awarded \$</b>
2012	62	172,917
2013	67	37,350
2014	36	196,473
<b>Total</b>	<b>165</b>	<b>406,740</b>

Source: UNCB secretariat

10. The joint ABCC and UNCB secretariat was also engaged in: formal and informal dispute resolution; reconsideration of decisions following submission of new information; and appeals of decisions through the United Nations Dispute Tribunal and the United Nations Appeals Tribunal. ABCC secretariat also administered monthly compensation to 619 beneficiaries and medical claims of all accepted service-incurred injury or illness for the lifetime of the claimant. These activities are not reflected in Tables 1 and 2.

11. Comments provided by the Department of Management are incorporated in *italics*.

## **II. OBJECTIVE AND SCOPE**

12. The audit was conducted to assess the adequacy and effectiveness of OPPBA governance, risk management and control processes in providing reasonable assurance regarding the **effective administration of staff compensation claims in New York**.

13. The audit was included in the 2015 OIOS risk-based work plan due to the operational and financial risks of administering staff compensation claims.

14. The key controls tested for the audit were: (a) governance and monitoring mechanisms; and (b) regulatory framework. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Governance and monitoring mechanisms** - controls that provide reasonable assurance that adequate and effective processes are established to guide the functioning of ABCC and UNCB.

(b) **Regulatory framework** - controls that provide reasonable assurance that policies and procedures: (i) exist to guide the processing of staff compensation claims; (ii) are implemented consistently; and (iii) ensure financial and operational information is reliable and produced with integrity.

15. The key controls were assessed for the control objectives shown in Table 3. One control objective shown in Table 3 as “Not assessed” was not relevant to the scope defined for this audit.

16. OIOS conducted this audit from August to October 2015. The audit covered the period from 1 January 2012 to 31 December 2014.

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

### III. AUDIT RESULTS

18. The OPPBA governance, risk management and control processes examined were initially assessed as **partially satisfactory**<sup>1</sup> in providing reasonable assurance regarding the **effective administration of staff compensation claims in New York**. OIOS made six recommendations in the report to address issues identified in the audit.

19. The ABCC secretariat needed to formalize the rules of procedures governing their operations. OPPBA needed to: (a) provide ABCC members with specialized training; (b) develop tools and generate information to effectively monitor the claims compensation process and manage the related administrative risks; and (c) reduce delays in the time taken to complete and process claims. UNCB was largely operating adequately. Payments of compensation claims and claims related to loss of or damage to personal effects were supported by adequate evidence. The ABCC secretariat implemented a mechanism to escalate potential fraudulent claims and adequately monitored the ongoing compensation payments to dependents.

20. The initial overall rating was based on the assessment of key controls presented in Table 3 below. The final overall rating is **partially satisfactory** as implementation of six important recommendations remains in progress.

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

**Table 3: Assessment of key controls**

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective administration of staff compensation claims in New York	(a) Governance and monitoring mechanisms	Partially satisfactory	Not assessed	Satisfactory	Partially satisfactory
	(b) Regulatory framework	Partially satisfactory	Partially satisfactory	Satisfactory	Partially satisfactory
<b>FINAL OVERALL RATING: PARTIALLY SATISFACTORY</b>					

### **A. Governance and monitoring mechanisms**

There was a need for ABCC to formalize the rules of procedure governing its operations

21. Appendix D to the Staff Rules stated that ABCC may decide on such procedures as it may consider necessary for the purpose of discharging its responsibilities under its provision.

22. ABCC did not have formalized rules of procedure stipulating frequency of meetings, minimum number of members to achieve a quorum, term limit of members and adjudication process of claims, including timeline from submission of verified and complete claims. Three ABCC meetings were held in 2012. Starting in April 2013, meetings were held monthly.

23. OIOS reviewed 21 minutes and recommendations of ABCC meetings. There were on average 53 days (41 days since the implementation of monthly meetings) between the conclusion of ABCC meetings and the approval of the minutes and recommendations by the Chairperson of ABCC. This was due to requests for additional documents from the claimant or pending advice from MSD. The Controller accepted all the recommendations made by the ABCC during the period under review.

24. According to ABCC members, there was no need for formal rules of procedures since the meetings were running smoothly. The process used for making a recommendation on a claim was recorded in the meeting minutes that were approved by the ABCC. However, with the increasing number of appeals lodged with the United Nations' administration of justice system, the ABCC may be unable to adequately support its recommendations without formal rules of procedures. (ABCC secretary estimated that at least 50 per cent of his time was spent on dispute resolution.) Furthermore, formal rules of procedures would guide new board members regarding the adjudication process.

**(1) OPPBA should require the Advisory Board on Compensation Claims to formalize its rules of procedure for transparency and consistency.**

*OPPBA accepted recommendation 1 and stated that rules of procedure were included in ABCC meeting minutes, published guidelines and orientation training of new ABCC board members. OPPBA would nonetheless further formalize the rules of procedure in a separate document. Recommendation 1 remains open pending the issuance of the formalized rules of procedure for ABCC.*

There was a need to provide members of ABCC with specialized training

25. Appendix D required members of ABCC to have expertise in administrative and personnel matters.

26. The ABCC secretariat provided new members with an orientation briefing on Appendix D and workers' compensation. The ABCC secretariat issued a Managers' Guide to Appendix D that accumulated all relevant information related to Appendix D into a single document. During the period under review, it also organized the first and only external training for ABCC members on workers' compensation in December 2012. However, five new members had been appointed to the ABCC since 2012. Lack of resources prevented the ABCC secretariat from providing additional training on workers' compensation. Inadequate training of ABCC members may contribute to delays in processing complex claims and potential appeals.

**(2) OPPBA should implement a policy to provide periodic training on workers' compensation to members of the Advisory Board on Compensation Claims.**

*OPPBA accepted recommendation 2 and stated that it would, subject to budgetary constraints, issue a policy for periodic training of ABCC members and secretariat. Recommendation 2 remains open pending the issuance of the policy for periodic training on workers' compensation of ABCC members.*

UNCB was largely operating adequately

27. The administrative instruction on compensation for loss or damage to personal effects attributable to service provided guidance on the operation of UNCB.

28. UNCB meetings were held on an ad-hoc basis depending on the volume of claims filed. Seven meetings were held during the audit period; and there was no backlog of claims. On average, there were 50 days between the conclusion of UNCB meetings and the approval of the minutes by the Chairperson. The delay in the approval of the minutes by the Chairperson was due to the UNCB requesting additional documents from the claimant or the focal point. UNCB was largely operating adequately, although their activities could be enhanced with formal rules of procedure to improve transparency and consistency.

## **B. Regulatory framework**

Payments of compensation claims were adequately supported

29. Appendix D and the Manager's Guide to Appendix D required claims and documentary evidence, such as accident reports or notice of injury or death, to be submitted to the ABCC secretariat.

30. OIOS reviewed 32 out of 161 claims (or 20 per cent) submitted to ABCC during the audit period. All 32 claims were adequately supported with required documentation by the time the claim was recommended for award. The compensation payment calculation was accurate for all but one sampled item. The ABCC secretariat took appropriate measures to remedy the error.

31. OIOS concluded that controls were adequate to ensure documentary evidence was provided to authorize the payment of compensation claims.

OPPBA needed tools and information to effectively monitor the claims compensation process and manage the related administrative risks

32. The ABCC secretariat was expected to generate relevant, quality information to support the functioning of internal controls over the compensation claims process. The minutes of the ABCC meeting held on 27 January 1988 indicated the Board's recommendation that its Secretary and the Officer-in-Charge of compensation claims in UNOG provide semi-annual reports on authorized disbursements made based on their delegation of authority.

33. During the period under review, ABCC secretariat and UNOG did not prepare any reports to ABCC or the Controller's Office. The ABCC secretariat did not have adequate tools to effectively monitor compensation claims as all information was kept in paper files. There was therefore no readily available information on the types of claims, geographical distribution of claims, reasons for claims, claimant's gender and occupation, multiple submissions from the same claimant, time taken to process the claim, number and value of claims approved under the delegation of authority of the Secretary of ABCC, number of claims recommended or rejected for award by ABCC, and number of appeals and their disposition. The ABCC Chairperson stated that such information would enable the Board to make more informed recommendations.

34. In May 2015, the ABCC secretariat developed a new database in-house; however, it was not fully operational and lacked reporting capabilities. OIOS noted that UNOG had a compensation claim data management system since 2007. The database contained all pertinent claims information as well as comprehensive search and reporting capabilities. There was no evidence that the ABCC secretariat reviewed the UNOG system before embarking on developing its database in 2015.

35. The ABCC secretariat stated that it was not aware of the reporting requirement in the 1988 minutes. Furthermore, the updated delegation of authority to the Director of Administration of UNOG from the Controller dated 21 March 2011 did not include any reporting requirements. The ABCC secretariat also stated that lack of resources delayed implementation of the database, as all information technology resources were focused on Umoja.

36. Without appropriate tools, the ABCC secretariat would not be able to identify inefficiencies and patterns in the claims compensation process and provide relevant information for ABCC decision making.

**(3) OPPBA should request the Advisory Board on Compensation Claims secretariat and UNOG to provide reports on their activities relating to review of Appendix D compensation claims.**

*OPPBA accepted recommendation 3 and stated that it would require the ABCC secretariat and UNOG to provide reports on their activities. Recommendation 3 remains open pending issuance of guidelines requiring the ABCC secretariat and UNOG to report on their activities to OPPBA.*

**(4) OPPBA should develop appropriate tools and establish a mechanism to monitor the Appendix D compensation claims process in order to effectively manage related risks.**

*OPPBA accepted recommendation 4 and stated that it would further enhance the capabilities of the claims database and include reporting facilities, subject to the availability of information technology resources. Recommendation 4 remains open pending the establishment of tools and a mechanism to monitor the compensation claims process.*

OPPBA needed to reduce delays in the time to complete and process claims

37. The ABCC secretariat was responsible for timely processing of compensation claims.
38. It took, on average, 23 months between submission of claims to the ABCC secretariat and issuance of a recommendation by ABCC. ABCC informed OIOS that in many cases claims were not complete and required the submission of additional documentation from multiple sources including claimants, their medical providers, national, legal and police authorities. Timely provision of additional information by stakeholders was outside the control of ABCC secretariat. ABCC secretariat had to ensure completeness of a claim before it was submitted to the ABCC for adjudication.
39. For the total population of 161 claims, MSD took four months on average to respond to ABCC secretariat's requests for advice. OIOS also noted that only one medical doctor reviewed all the compensation claims while having other work obligations. Incomplete documentation and the medical complexity of the compensation claim were also factors in the length of time taken for review.
40. Another reason for delays was the time taken to calculate the pension benefit for disability claims by UNJSPF, which was used to calculate the final compensation award. OIOS noted that for the five disability claims selected, it took an average of eight months for the UNJSPF to provide the pension benefit calculation to the ABCC.
41. The delays in processing claims may further increase due to removal of the Field Personnel Division in the Department of Field Support (DFS) as a liaison between the ABCC secretariat and the field missions. The Field Personnel Division ensured completeness of claims submitted from field missions. The impending restructuring of DFS is expected to significantly increase the ABCC secretariat's workload placing additional demands on its resources. The ABCC secretariat estimated that 75 per cent of claims originated from field missions.
42. The delays in processing complete claims could lead to low morale, hardship for claimants and a loss of trust from staff members and their dependents. It could also adversely affect the reputation of the United Nations system organizations covered under Appendix D.
43. ABCC secretariat informed OIOS of measures already taken to reduce delays such as conduct of monthly ABCC meetings, outreach and issuance of guidelines, and reallocation of a post from another unit.

**(5) OPPBA should develop, in coordination with MSD, UNJSPF and DFS, an action plan to remedy the causes of delays affecting timely processing of Appendix D claims related to death, injury or illness.**

*OPPBA accepted recommendation 5 and stated that it would develop an action plan with the mentioned partners. Recommendation 5 remains open pending the development of the action plan to remedy the causes of delays in processing of Appendix D claims.*

**(6) OPPBA should establish benchmarks for processing complete Appendix D claims and monitor performance against targets.**

*OPPBA accepted recommendation 6 and stated that it would establish benchmarks for processing complete Appendix D claims and monitor performance against targets. Recommendation 6 remains open pending the establishment of benchmarks for processing complete Appendix D claims.*

#### ABCC secretariat was taking steps to address late receipt of compensation claims

44. Under Appendix D, compensation claims should be submitted within four months of the death of the staff member or the injury or onset of the illness. The Staff Rules states that in exceptional circumstances the Secretary-General may accept a late claim for consideration.

45. For the sample under review, ABCC issued deadline waivers for 57 and 27 per cent of injury and death claims, respectively. According to the ABCC members and secretariat, claimants routinely asserted being unaware of the requirements of Appendix D to the Staff Rules as the cause of their late claims. The issuance of waivers could encourage delays in submitting claims. To limit the issuance of waivers to exceptional circumstances in the future, the claim filing deadline will be increased from four months to one year in the revised Appendix D to be presented to the General Assembly in the resumed session in 2016. The ABCC secretariat planned an outreach campaign to focal points in executive offices, Ombudsman's office, Office of Staff Legal Assistance, relevant human resource officers at Headquarters, field missions and United Nations system organizations once the revised Appendix D is approved. Therefore, OIOS did not make a recommendation at this time.

#### There were procedures to ensure that the payment of claims related to loss of or damage to personal effects was adequately supported

46. According to the administrative instruction on compensation for loss or damage to personal effects and the guide to UNCB, a staff member was required to submit: a signed claim form; a brief narrative of the circumstances of the incident; an inventory of lost or damaged effects; a police or United Nations security report, and statements signed by eyewitnesses.

47. OIOS performed a walkthrough of the UNCB process for claims related to loss of or damage to personal property. Where present, local claims review boards at the claimants' duty stations adjudicated the claims before forwarding their findings and all relevant information for claims in excess of their delegation of authority to the UNCB secretariat, which ensured completeness of the claim file. Where there was no local claims review board, claims were forwarded to the UNCB for initial review.

48. OIOS concluded that the design of the procedures for reviewing claims pertaining to compensation for loss or damage to personal effects was adequate.

#### ABCC implemented a mechanism to escalate potential fraudulent claims

49. The Staff Rules stated that staff members have a duty to report any breach of the Organization's regulations and rules to the officials whose responsibility it is to take appropriate action.

50. The ABCC secretariat implemented a procedure to bring any potential fraudulent claim encountered during the intake process to the attention of the executive office of the requesting office for further investigation. The ABCC secretariat could also refer potential fraudulent claims to the self-evaluation unit in the Insurance and Disbursement Service of OPPBA, which determined whether or not to escalate the claims to OIOS. The current draft of revised Appendix D included a new article to address fraudulent claims making them subject to the disciplinary measures under the Staff Rules. In the period under review, the Management Evaluation Unit in the Department of Management referred a possible misconduct case to the Investigations Division of OIOS. The ABCC secretariat had also suggested to the relevant executive office that the case be considered for investigation.

51. OIOS concluded that there was a mechanism in place to report potential fraudulent claims for further investigation.

There was adequate monitoring of compensation payments to dependents

52. Appendix D of the Staff Rules stated that compensation to a child shall be paid until the end of the month in which the child reaches 18 years of age. If the child is in full-time attendance at an educational institution or is totally disabled, compensation shall be continued until the end of the month in which the child reaches 21 years. The United Nations shall pay to the deceased staff member's widow (or disabled widower) an annual compensation until death or remarriage.

53. The ABCC secretariat required beneficiaries of compensation claims payments to submit an annual certification to continue receiving the monthly compensation payments. The form was to be signed by the beneficiary and also certified by a legal professional, minister of religion or medical doctor.

54. Out of 32 claims reviewed by OIOS, there were 6 claims where the claimants were recipients of monthly benefit. Only three claims were due for annual certification in the period under review. For two claims, the annual certifications were provided by dependents as required. For the remaining claim, the beneficiary did not provide the annual certification form after several reminders. The ABCC secretariat requested the appropriate office to discontinue the compensation payment.

55. OIOS therefore concluded that there was adequate monitoring of compensation payment to dependents.

#### **IV. ACKNOWLEDGEMENT**

56. OIOS wishes to express its appreciation to the Management and staff of the Department of Management for the assistance and cooperation extended to the auditors during this assignment.

*(Signed)* Eleanor T. Burns  
Director, Internal Audit Division  
Office of Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of administration of staff compensation claims in New York

Recom. no.	Recommendation	Critical <sup>2</sup> / Important <sup>3</sup>	C/ O <sup>4</sup>	Actions needed to close recommendation	Implementation date <sup>5</sup>
1	OPPBA should require the Advisory Board on Compensation Claims to formalize its rules of procedure for transparency and consistency.	Important	O	Issuance of the formalized rules of procedure for ABCC.	31 December 2016
2	OPPBA should implement a policy to provide periodic training on workers' compensation to members of the Advisory Board on Compensation Claims.	Important	O	Issuance of the policy for periodic training on workers' compensation of ABCC members.	30 September 2016
3	OPPBA should request the Advisory Board on Compensation Claims secretariat and UNOG to provide reports on their activities relating to review of Appendix D compensation claims.	Important	O	Issuance of guidelines requiring the ABCC secretariat and UNOG to report on their activities to OPPBA.	31 March 2017
4	OPPBA should develop appropriate tools and establish a mechanism to monitor the Appendix D compensation claims process in order to effectively manage related risks.	Important	O	Establishment of tools and a mechanism to monitor the compensation claims process.	30 June 2017
5	OPPBA should develop, in coordination with the MSD, UNJSPF and DFS, an action plan to remedy the causes of delays affecting timely processing of Appendix D claims related to death, injury or illness.	Important	O	Development of an action plan to remedy the causes of delays in processing of Appendix D claims.	31 December 2016
6	OPPBA should establish benchmarks for processing complete Appendix D claims and monitor performance against targets.	Important	O	Establishment of benchmarks for processing complete Appendix D claims.	30 June 2016

<sup>2</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>3</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>4</sup> C = closed, O = open

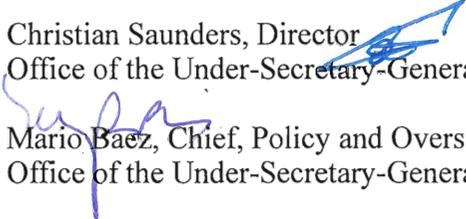
<sup>5</sup> Date provided by DM in response to recommendations.

# **APPENDIX I**

## **Management Response**

TO: Ms. Muriette Lawrence-Hume, Chief, New York Audit Service      DATE: 14 March 2016  
A: Internal Audit Division, Office of Internal Oversight Services

THROUGH: Christian Saunders, Director  
S/C DE: Office of the Under-Secretary-General for Management

FROM:  Mario Baez, Chief, Policy and Oversight Coordination Service  
DE: Office of the Under-Secretary-General for Management

SUBJECT: **Draft report on an audit of administration of staff compensation claims in New York**  
OBJET: **(Assignment No. AH2015/511/03)**

1. We refer to your memorandum dated 24 February 2016 regarding the above subject draft report and provide comments of the Department of Management in the attached Appendix I.
2. Thank you for giving us the opportunity to provide comments on the draft report.

## Management Response

## Audit of administration of staff compensation claims in New York

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	OPPBA should require the Advisory Board on Compensation Claims to formalize its rules of procedure for transparency and consistency.	Important	Yes	Advisory Board on Compensation Claims Secretary	31 December 2016	Rules of procedure have been included in the Advisory Board on Compensation Claims' meeting minutes and in published guidelines, and are included in the orientation training of new members of the Advisory Board on Compensation Claims. OPPBA will nonetheless further formalize the rules of procedure in a separate document.
2	OPPBA should implement a policy to provide periodic training on workers' compensation to members of the Advisory Board on Compensation Claims.	Important	Yes	Advisory Board on Compensation Claims Secretary	30 September 2016	OPPBA agrees, subject to budgetary constraints, to institute a policy for periodic training of members and secretariat of the Advisory Board on Compensation Claims.
3	OPPBA should request the Advisory Board on Compensation Claims secretariat and UNOG to provide reports on their activities relating to review of Appendix D compensation claims.	Important	Yes	Advisory Board on Compensation Claims Secretary	31 March 2017	OPPBA will request the Advisory Board on Compensation Claims Secretariat and UNOG to provide annual reports summarizing their activities relating to review of Appendix D compensation claims.

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

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

## Management Response

## Audit of emergency preparedness at the United Nations Headquarters in New York

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4	OPPBA should develop appropriate tools and establish a mechanism to monitor the Appendix D compensation claims process in order to effectively manage related risks.	Important	Yes	Advisory Board on Compensation Claims Secretary	30 June 2017	This recommendation has been partially implemented already with the development of a new database in 2015. OPPBA agrees to further enhance the capabilities of the database and to include reporting facilities, subject to the availability of information technology resources, which are currently focused on Umoja post-implementation support.
5	OPPBA should develop, in coordination with the MSD, UNJSPF and DFS, an action plan to remedy the causes of delays affecting timely processing of Appendix D claims related to death, injury or illness.	Important	Yes	Advisory Board on Compensation Claims Secretary	31 December 2016	OPPBA will engage with MSD, UNJSPF and DFS in developing the recommended action plan.
6	OPPBA should establish benchmarks for processing complete Appendix D claims and monitor performance against targets.	Important	Yes	Advisory Board on Compensation Claims Secretary	30 June 2016	OPPBA will establish benchmarks for processing complete Appendix D claims and monitor performance against targets.