



## **INTERNAL AUDIT DIVISION**

### **REPORT 2017/084**

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#### **Audit of the administrative management of the secretariat of the International Civil Service Commission**

**The secretariat needed to enhance annual planning, monitoring and evaluation of its activities, develop a governance mechanism for travel, and ensure compliance with the administrative instruction on consultants and individual contractors**

**18 August 2017  
Assignment No. AH2016/518/01**

# **Audit of the administrative management of the secretariat of the International Civil Service Commission**

## **EXECUTIVE SUMMARY**

The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the administrative management of the secretariat of the International Civil Service Commission (ICSC). The audit covered the period from 1 January 2015 to 31 December 2016 and included a review of the programme performance measurement system, management of human resources and compliance with rules and procedures for travel and consultancies.

ICSC achieved gender parity, including good representation of women in the managerial positions. ICSC also ensured staff members complied with financial disclosure requirements. However, other areas of administrative management of the secretariat needed to be improved.

OIOS made eight recommendations. To address issues identified in the audit, ICSC needed to:

- Improve its performance measurement system by preparing annual work plans, establishing procedures to monitor their implementation and conducting periodic evaluation of programmed activities;
- Ensure staff and their supervisors complete performance appraisals by the target date;
- Develop and implement a training and development plan to use related resources more efficiently;
- Develop a governance mechanism for travel;
- Evaluate the performance of institutional consultants;
- Develop a checklist to guide compliance with the administrative instruction on consultants and individual contractors; and
- Implement procedures to comply with the Secretary-General's bulletin on record-keeping.

The Office of Human Resources Management in the Department of Management (DM) needed to review the continued relevance of the provision to pay daily subsistence allowance to members of the Commission while in flight and revise the administrative instruction on the system of daily subsistence allowance accordingly.

ICSC and DM accepted the recommendations and have initiated action to implement them.

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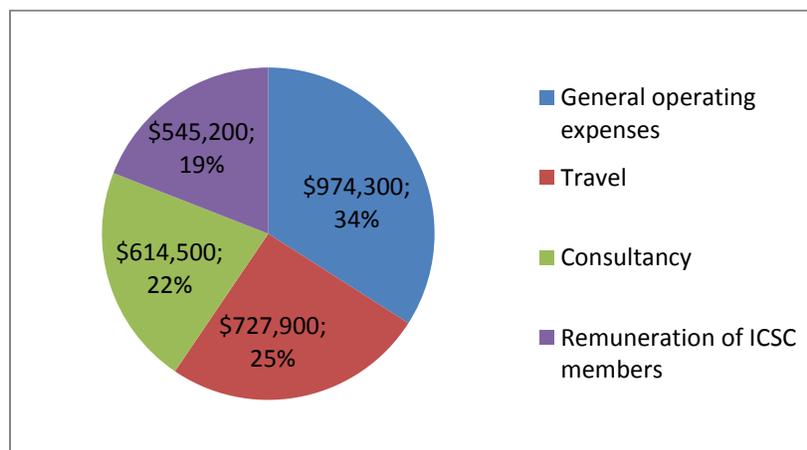
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# Audit of the administrative management of the secretariat of the International Civil Service Commission

## I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the administrative management of the secretariat of the International Civil Service Commission (ICSC).
2. The International Civil Service Commission (the Commission) is an independent expert body established by the United Nations General Assembly to regulate and coordinate conditions of service of staff in the United Nations common system, while promoting and maintaining high standards in the international civil service. The Commission is composed of 15 members who are appointed by the General Assembly and serve in their personal capacities. The Chairman and the Vice-Chairman are full-time members and are based in New York. The full Commission meets twice a year.
3. The Commission's substantive and administrative work is carried out by its secretariat in New York, which is headed by an Executive Secretary. ICSC has three divisions each headed by a division chief: Cost of Living Division; Human Resources Policies Division; and Salaries and Allowances Division. The budget of ICSC was \$19.2 million for the 2014-2015 biennium and remained the same for the 2016-2017 biennium. The secretariat is jointly financed by the organizations participating in the United Nations common system. The United Nations Secretariat's contribution to the ICSC budget was \$6.2 million in biennium 2014-2015 and \$6.5 million in 2016-2017. At the time of audit, ICSC had 45 authorized posts: 24 professional staff and 21 general service staff.
4. Staff costs of \$6.2 million accounted for 68 per cent of the secretariat's budgeted expenditure of \$9 million in 2016. Remaining budgeted costs of \$2.8 million included general operating expenses (lease, furniture and equipment, supplies and materials), travel of representatives and staff, consultancy and contractual services, and remuneration of the two full time Commission members. Figure 1 shows the breakdown of budgeted non-staff costs in 2016.

**Figure 1 – Budgeted non-staff costs in 2016**



5. ICSC is governed by administrative issuances of the United Nations Secretariat.
6. Comments provided by ICSC and the Department of Management (DM) are incorporated in italics.

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

7. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the administrative management of ICSC.

8. This audit was included in the 2016 risk-based work plan of OIOS due to operational risks in the management of the secretariat.

9. OIOS conducted this audit from December 2016 to March 2017. The audit covered the period from 1 January 2015 to 31 December 2016. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the administrative management of ICSC, which included: (a) the programme performance measurement system comprising strategic and annual work planning, monitoring and reporting; (b) management of human resources, including staff performance, vacancy management and training; and (c) compliance with rules and procedures for travel and consultancies.

10. The audit methodology included: (a) interviews of key personnel, (b) reviews of relevant documentation, (c) analytical reviews of data, and (d) sample testing of transactions. OIOS reviewed a statistical sample of 70 case files comprising: (i) 40 official travels of Commission members, staff and consultants amounting to \$255,055; and (ii) 30 consultancy contracts, including seven corporate contracts totaling \$309,742 and 23 individual contracts totaling \$194,085.

## **III. OVERALL CONCLUSION**

11. ICSC achieved gender parity, including good representation of women in the managerial positions. ICSC also ensured staff members complied with financial disclosure requirements. However, other areas of administrative management of the secretariat needed to be improved. Specifically, ICSC needed to: (a) enhance its programme performance measurement system through annual planning, monitoring, and evaluation of its activities; (b) ensure timely completion of staff performance appraisals; (c) develop and implement a training and staff development plan; (d) develop a governance mechanism for official travel; (e) evaluate the performance of institutional consultants; (f) ensure compliance with the provisions of the administrative instruction on consultants and individual contractors; and (g) implement records management procedures.

12. In addition, the Office of Human Resources Management (OHRM) needed to review the continued relevance of the provision to pay subsistence allowance to members of the Commission while in flight.

## **IV. AUDIT RESULTS**

### **A. Programme performance measurement system**

#### ICSC needed to further enhance its performance measurement system

13. The Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2016/6) require establishing a strategic framework, programme budget, programme performance report and an evaluation system. An effective internal performance measurement system should also translate the strategic framework into annual work plans, which clearly define annual objectives, describe activities to be implemented to attain these objectives, identify the expected accomplishments and establish indicators to assess progress made towards achievement of the objectives. Human and financial resources to achieve set objectives and activities need to be considered at the planning stage.

14. ICSC introduced certain elements of the programme planning and performance measurement system, which primarily focused on servicing and providing the Commission with the required deliverables on time. However, the following shortcomings were noted in the planning, monitoring and evaluation of the secretariat's activities:

- i. *Annual planning.* ICSC established a high level biennial programme of work that should have served as the basis for annual planning for the secretariat's divisions. However, only the Human Resources Policies Division prepared a comprehensive biennial plan that formally defined the Division's objectives (referred to as "strategies"), described activities to attain those objectives and laid out expected accomplishments. The various planning documents of the other divisions did not provide a comprehensive view of their planned objectives, activities and expected accomplishments. In addition, none of the divisions established annual targets to measure their performance and facilitate effective monitoring or estimated the time and resources that it would take to complete their planned activities. The absence of a link between resources and activities did not allow ICSC to measure the efficient use of its resources.
- ii. *Stakeholder consultations.* ICSC informally collected inputs for its programme of work from stakeholders, including member organizations. According to ICSC, such proposals were discussed during senior management meetings; but the meetings were not documented and therefore it was not clear to what extent such stakeholders' needs and expectations were considered in the secretariat's activities.
- iii. *Internal monitoring.* ICSC monitored its programme of work through senior management meetings that were held monthly or weekly. However, they were not documented and no internal management reports were prepared to monitor ICSC performance. Although ICSC reported that all indicators defined for the period 2012-2013 were met 100 per cent, it did not provide any underlying calculations or evidence to support this. For example, ICSC issued a report on hardship classification of field duty stations but did not maintain a record of the time taken to complete the activity. Therefore, it was not possible to verify that it had been completed within targeted 4 to 8 weeks identified in the strategic framework. Without a readily available portfolio of evidence, ICSC would not be able to substantiate how its indicators were met.
- iv. *Evaluating and measuring impact and added value of activities.* ICSC reviewed hits on its website annually and received informal feedback on its activities from stakeholders during Commission sessions. However, ICSC did not conduct any formal evaluation to measure the impact and added value of its activities.

15. The above occurred because ICSC did not implement a robust programme planning and performance measurement system. As a result, there is a risk that ICSC might not be achieving its objectives efficiently or adequately justifying its utilization of resources.

**(1) ICSC should improve its performance measurement system by: (i) ensuring its divisions prepare annual plans that include activities, required resources and timelines for implementation; (ii) establishing internal performance indicators and procedures to monitor the implementation of work plans; and (iii) conducting periodic evaluations of programmed activities.**

*ICSC accepted recommendation 1.* The recommendation remains open pending receipt of evidence of measures implemented to improve ICSC's performance measurement system.

## B. Management of human resources

### ICSC needed to prepare and implement an action plan to ensure timely appraisal of staff performance

16. According to the administrative instruction on performance management and development system (ST/AI/2010/5), each office is expected to complete performance evaluation of staff by 30 June of each year. ICSC did not monitor completion of individual staff performance evaluations. As of March 2017, performance evaluation documents for the 2015-2016 cycle had been completed for only 20 out of 38 staff members. As a result, staff performance was not adequately managed to promote achievement of organizational objectives and enhance career progression through recognition of successful performance and addressing underperformance.

**(2) ICSC should prepare and implement an action plan to ensure staff and their supervisors complete performance appraisals by the target date set in the administrative instruction on the performance management and development system.**

*ICSC accepted recommendation 2. The recommendation remains open pending receipt of evidence that staff performance appraisals for the 2015-2016 and 2016-2017 performance cycles have been completed.*

### ICSC needed to implement a training and development plan

17. The human resources function should formalize a training and development plan, which aims to enhance organizational performance and to use limited resources efficiently.

18. ICSC's annual training budget for 2015 and 2016 amounted to approximately \$7,000, which according to ICSC, did not sufficiently cover their needs. In addition to training expenses such as course fees, ICSC incurred travel expenses of \$8,588 in 2015 for travel of four staff members who attended different courses on survey methodology. Where several staff members had similar training needs, exploring the possibility of bringing training instructors in-house might allow for training of more staff while saving travel time and expenses. Furthermore, OIOS noted that the same two staff members attended a five-day annual human resources conference both in 2015 and in 2016. Given the restricted budgetary resources, this might not be perceived as fair by other staff members.

19. This occurred because ICSC had not developed a training and development plan. Planning of internal and external training activities, and considering different options such as on-site training or webinars can decrease travel expenses and provide training opportunities for more staff members.

**(3) ICSC should develop and implement a training and development plan to use related resources more efficiently.**

*ICSC accepted recommendation 3 and stated that in order to use resources efficiently, many ICSC staff members were already taking online classes, inside and outside the United Nations system. ICSC had also requested redeployment of resources in the next biennium as the training budget is considered inadequate. Recommendation 3 remains open pending receipt of ICSC training and development plan.*

### ICSC achieved gender balance

20. Recruitment of staff members for vacant positions should be conducted in an efficient and timely manner while maintaining gender balance in the organization. ICSC achieved gender parity. As of January 2017, 23 posts (52 per cent) in the secretariat of ICSC were occupied by women and 21 posts (48 per cent) by men. There was a good representation of women in the managerial positions with half of the posts at the director and section chief level occupied by women. Women were selected five times and men four times to fill the vacant posts in 2015 and 2016.

### ICSC ensured compliance with the financial disclosure requirements

21. The Secretary-General's bulletin on financial disclosure and declaration of interest statements (ST/SGB/2006/6) requires staff members meeting specified criteria to file an annual financial disclosure statement or a declaration of interest statement. As of 22 December 2016, ICSC implemented procedures to ensure compliance with these requirements.

## **C. Travel**

### ICSC needed to develop a governance mechanism for travel

22. In a letter dated 21 April 2017, the United Nations Secretary-General requested all staff to curtail travel to the extent possible, given the availability of numerous alternative means of communication. Travel of ICSC staff and Commission members was an integral part of their duties. However, OIOS identified the following areas where potential savings could be achieved by ICSC:

#### *i. Travel of senior officials*

23. Out of \$732,597 in 2016 travel expenditures analyzed by OIOS, \$293,536 (40 per cent) were incurred by Commission members; \$288,715 (39 per cent) by the senior management of ICSC; and \$150,346 (21 per cent) by professional and general service staff.

24. The administrative instruction on official travel (ST/AI/2013/3) requires ICSC to consider alternative methods to conduct mandated activities such as via video/audio conference or other remote business practices, such as online meetings. However, OIOS noted that between two and five senior ICSC officials sometimes travelled to participate in the same mission, briefing, meeting or conference during 2016. Participating in these activities by video conference could have allowed communicating simultaneously with several countries while saving time and money on travel.

25. According to ICSC, video conferences were used in certain instances but they did not always provide adequate insight into local conditions affecting staff. Nevertheless, limiting participation in conferences and other official travel to fewer senior representatives and increasing the use of remote methods of communication, such as video/audio conference could lead to substantial savings in the travel budget, free time of the senior management, and reallocate budgetary requirements to other areas.

#### *ii. Commission sessions organized outside New York*

26. ICSC organized two Commission sessions of two weeks each and one session of the Advisory Committee on Post Adjustment Questions (ACPAQ) every year. In 2015 and 2016, Commission sessions took place twice in New York, once in Vienna and once in Geneva. The ACPAQ sessions took place in Brindisi, Italy in 2015 and in Paris in 2016.

27. OIOS analysis of travel data in Umoja showed that the 82<sup>nd</sup> ICSC session held in New York in March 2016 cost \$114,258, while the 83<sup>rd</sup> session held in Geneva in July 2016 cost \$237,536, over \$100,000 more. In addition to travel required by non-permanent members of the Commission, the session organized in Geneva required travel of six senior managers, and six professional and general service staff from New York at a cost of \$95,331 (40 per cent of total cost). Furthermore, ACPAQ session in Paris in 2016 cost \$71,007 of which \$33,934 (48 per cent) were travel costs of two senior managers, and four professional and general service staff from New York. According to ICSC, they organized sessions outside of New York to come closer to different member organizations; however, ICSC could have achieved total savings of \$129,265 if all sessions of 2016 had been organized in New York. Reducing the number of staff supporting the sessions would also result in savings.

iii. *Travel authorization of the Chairman and the Vice-Chairman of the Commission*

28. Travel of the Commission's Chairman and Vice-Chairman were authorized by the Executive Secretary whose role was to check budget availability. Since the Chairman and Vice-Chairman were hierarchically senior to the Executive Secretary, this sign-off did not constitute an effective control. No alternative procedures to cover this gap in the control framework of ICSC were established.

**(4) ICSC should develop a governance mechanism for travel, including: (i) establishing criteria for senior officials attending the same event; (ii) exploring alternative methods of achieving objectives without travel; (iii) preparing a cost-benefit analysis of organizing Commission sessions in different locations to justify the additional cost to the organization; and (iv) strengthening control over executive travel to improve transparency.**

*ICSC accepted the recommendation 4 and stated that given the inter-agency and policy-setting role of the Commission, it was vital that senior officials participated in inter-agency meetings and international conferences. Also, ICSC Rules of Procedure allowed for holding sessions at other locations at the invitation of a participating organization, which lowers their travel cost. Furthermore, the Chairman and Vice-Chairman do not report to the United Nations Secretary-General, since they are directly elected by the General Assembly. Recommendation 4 remains open pending receipt of an action plan to improve governance over travel.*

OHRM needed to review the relevance of the payment of daily subsistence allowance to members of commissions while in flight

29. The Secretary-General's bulletin entitled rules governing payment of travel expenses and subsistence allowances in respect of members of organs or subsidiary organs of the United Nations (ST/SGB/107/Rev.6) apply to Commission members.

30. Sixteen of the travel transactions reviewed by OIOS were related to the official travel of Commission members. According to the rules, Commission members always flew business class and daily subsistence allowance (DSA) was paid at the standard rate for officials of the Secretariat plus 40 per cent. However, in five cases, the allowance was paid for travel time on board of flights. Whereas this was in compliance with the administrative instruction on the system of DSA (ST/AI/2014/2) which granted an exception to members of organs and/or subsidiary organs, committees, councils and commission of the United Nations, it was contradictory to the entitlement of DSA as stipulated in ST/SGB/107/Rev.6. As a result, ICSC incurred additional expenses on DSA.

**(5) OHRM should review the continued relevance of the provision to pay daily subsistence allowance to members of the International Civil Service Commission while in flight and**

**revise the administrative instruction on the system of daily subsistence allowance accordingly.**

*DM accepted recommendation 5 and stated that the current official travel policy did not support the payment of DSA to ICSC members while in-flight, although they may be entitled to an additional day of DSA under certain conditions. OHRM would clarify the current language in the administrative instruction on the system of DSA. Recommendation 5 remains open pending receipt of the revised administrative instruction.*

## **D. Institutional consultants**

### ICSC needed to evaluate performance of institutional consultants

31. Hiring of institutional and corporate consultants should be justified by the identified business need. Performance of a consultant should be formally evaluated as required by the Procurement Manual and payment for consultancy services should be properly authorized and executed in a timely manner.

32. OIOS reviewed all seven consultancy payments totalling \$309,742 in 2015 and 2016. Payments were properly authorized and contracts were all justified by the business need, and in most cases planned for. However, ICSC did not monitor and evaluate institutional and corporate consultants' performance against the performance criteria stipulated in the terms of reference and did not complete vendor performance rating forms as required by the Procurement Manual. As a result, there is a risk that non-performing consultants could be rehired in the future.

**(6) ICSC should implement a procedure to evaluate the performance of institutional consultants.**

*ICSC accepted recommendation 6. The recommendation remains open pending receipt of evidence of evaluation of the performance of institutional consultants.*

## **E. Individual contractors and consultants**

### ICSC needed to develop a checklist to ensure compliance with the provisions of the administrative instruction on consultants and individual contractors

33. The administrative instruction on consultants and individual contractors (ST/AI/2013/4) stipulates the requirements for their selection and management.

34. OIOS selected 23 contracts for review: 10 with consultants and individual contractors to provide temporary assistance to ICSC in New York; and 13 with pricing agents in different duty stations to collect local market prices for place-to-place surveys. The results of the review were as follows:

- i. *Temporary assistance to ICSC in New York.* ICSC complied with guidelines for hiring former and retired staff members and evaluated their performance before making payments. However, in some instances only two candidates were shortlisted instead of the required three and the case files did not include up-to-date personal history forms in most cases. The contracts did not sufficiently refer to the terms of reference included in the advertisement. Moreover, ICSC did not maintain records indicating how the fee level was determined. In one contract for processing cost of living data, the services provided did not meet the criteria for level C remuneration as described in the administrative instruction.

- ii. *Contracts with pricing agents.* For all contracts reviewed, ICSC scheduled place-to-place surveys in the survey plan. At least three curricula vitae were provided for each selection procedure. However, ICSC did not: (a) document technical evaluation of applicants and justification of final selection; (b) demonstrate verification of credentials; (c) countersign the contracts with the pricing agents; (d) include the General Conditions of Contracts for the Services of Consultants and Individual Contractors in the contract; (e) keep records indicating how the fee was determined; and (f) carry out formal output evaluation prior to final payment. In three cases, ICSC authorized payments to pricing agents two to five months after the survey was completed. In two cases, ICSC offered a higher fee as they based the fee on payments in previous years.

35. ICSC was not aware of all requirements of the administrative instruction on consultants and individual contractors. As a result, there is a risk that consultants could be remunerated at a higher rate or receive payments with unjustified delay.

**(7) ICSC should develop a checklist to guide compliance with the administrative instruction on consultants and individual contractors.**

*ICSC accepted recommendation 7 and provided an initial version of the checklist to OIOS. Recommendation 7 remains open pending receipt of the final checklist.*

## **F. Records management**

### ICSC needed to implement record management procedures

36. The Secretary-General's bulletin on record-keeping and the management of United Nations archives (ST/SGB/2007/5) stipulates responsibilities of staff members and departments and offices related to records management. Records management should ensure efficient and systematic control of the creation, receipt, maintenance, use and disposition of records.

37. OIOS noted that ICSC retained old files dating back to the 1990s, and floppy disks were lying on shelves. In some cases, requested information had to be retrieved from individual staff members' e-mail accounts and in several instances, ICSC was not able to retrieve the required records. This was because ICSC had not implemented proper record management procedures, including establishment of criteria for filing and retaining documents. Insufficient record management might lead to loss of valuable records, lost time in trying to retrieve information and higher storage costs due to maintaining records that are no longer necessary.

**(8) ICSC should implement procedures to comply with the Secretary-General's bulletin on record-keeping including: (i) developing file classification schemes to facilitate retrieval and access to records; (ii) retaining, organizing and managing e-mail records; and (iii) disposing of non-current records in accordance with their retention schedule.**

*ICSC accepted recommendation 8. The recommendation remains open pending receipt of an action plan to implement provisions of the Secretary-General's bulletin on record-keeping.*

## V. ACKNOWLEDGEMENT

38. OIOS wishes to express its appreciation to the management and staff of ICSC 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 the administrative management of the secretariat of the International Civil Service Commission

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
1	ICSC should improve its performance measurement system by: (i) ensuring its divisions prepare annual plans that include their activities, required resources and timelines for implementation; (ii) establishing internal performance indicators and procedures to monitor the implementation of work plans; and (iii) conducting periodic evaluations of programmed activities.	Important	O	Submission of evidence of measures implemented to improve ICSC's performance measurement system.	31 December 2017
2	ICSC should prepare and implement an action plan to ensure staff and their supervisors complete performance appraisals by the target date set in the administrative instruction on the performance management and development system.	Important	O	Submission of evidence that staff performance appraisals for the 2015-2016 and 2016-2017 performance cycles have been completed.	31 October 2017
3	ICSC should develop and implement a training and development plan to use related resources more efficiently.	Important	O	Submission of ICSC training and development plan.	31 December 2017
4	ICSC should develop a governance mechanism for travel, including: (i) establishing criteria for senior officials attending the same event; (ii) exploring alternative methods of achieving objectives without travel; (iii) preparing a cost-benefit analysis of organizing Commission sessions in different locations to justify the additional cost to the organization; and (iv) strengthening control over executive travel to improve transparency.	Important	O	Submission of an action plan to improve governance over travel.	15 January 2018

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

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

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

<sup>4</sup> Date provided by ICSC and DM in response to recommendations.

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of the administrative management of the secretariat of the International Civil Service Commission

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
5	The Office of Human Resources Management should review the continued relevance of the provision to pay daily subsistence allowance to members of the International Civil Service Commission while in flight and revise the administrative instruction on the system of daily subsistence allowance accordingly.	Important	O	Submission of the revised administrative instruction on the system of DSA.	31 March 2019
6	ICSC should implement a procedure to evaluate the performance of institutional consultants.	Important	O	Submission of evidence of evaluation of the performance of institutional consultants.	31 December 2017
7	ICSC should develop a checklist to guide compliance with the administrative instruction on consultants and individual contractors.	Important	O	Submission of the final checklist to guide engagement and administration of consultants and individual contractors.	15 August 2017
8	ICSC should implement procedures to comply with the Secretary-General's bulletin on record-keeping including: (i) developing file classification schemes to facilitate retrieval and access to records; (ii) retaining, organizing and managing e-mail records; and (iii) disposing of non-current records in accordance with their retention schedule.	Important	O	Submission of an action plan to implement provisions of the Secretary-General's bulletin on record-keeping.	15 January 2018

# **APPENDIX I**

## **Management Response**

DM/OUSG

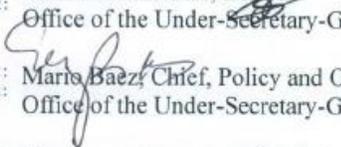
Out : 15Aug2017

DM-2017-08326

United Nations  Nations Unies  
INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

TO: Ms. Muriette Lawrence-Hume, Chief, New York Audit Service DATE: 14 August 2017  
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:  Maria Baez, Chief, Policy and Oversight Coordination Service  
DE: Office of the Under-Secretary-General for Management

SUBJECT: **Draft report on an audit of the administrative management of the secretariat of**  
OBJET: **the International Civil Service Commission (Assignment No. AH2016/518/01)**

1. In response to your memorandum dated 25 July 2017, please see the comments of the Department of Management on above subject draft report in the attached Appendix I.
2. Thank you for providing us with the opportunity to comment on the draft report.

## Management Response

## Audit of the administrative management of the secretariat of the International Civil Service Commission

Rec. no.	Recommendation	Critical <sup>5</sup> / Important <sup>6</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ICSC should improve its performance measurement system by: (i) ensuring its divisions prepare annual plans that include their activities, required resources and timelines for implementation; (ii) establishing internal performance indicators and procedures to monitor the implementation of work plans; and (iii) conducting periodic evaluations of programmed activities.	Important				
2	ICSC should prepare and implement an action plan to ensure staff and their supervisors complete performance appraisals by the target date set in the administrative instruction on the performance management and development system.	Important				
3	ICSC should develop and implement a training and development plan to use related resources more efficiently.	Important				
4	ICSC should establish a governance mechanism for travel, including: (i) establishing criteria for senior officials attending the same event; (ii) exploring alternative methods of achieving objectives without travel; (iii) preparing a cost-benefit	Important				

<sup>5</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>6</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 the administrative management of the secretariat of the International Civil Service Commission

	analysis of organizing Commission sessions in different locations to justify the additional cost to the organization; and (iv) strengthening control over executive travel to achieve transparency.					
5	The Office of Human Resources Management should review the continued relevance of the provision to pay daily subsistence allowance to members of the International Civil Service Commission while in flight and revise the administrative instruction on the system of daily subsistence allowance accordingly.	Important	Yes	Chief, Human Resources Policy Service, OHRM	31 March 2019	<p>The current official travel policy does not support the payment of Daily Subsistence Allowance (DSA) to ICSC members while in flight since in-flight DSA was discontinued by General Assembly Resolution 43/217 of 21 December 1988. The ICSC members, however, may be entitled to an additional day of DSA, as compared to staff members, under certain conditions provided for in section 10 of ST/SGB/107/Rev.6.</p> <p>OHRM accepts that the current language of the Administrative Instruction on this particular matter (ST/AI/2014/3) could be the source of confusion and undertakes to revise it accordingly.</p>
6	ICSC should implement a procedure to evaluate the performance of institutional consultants.	Important				
7	ICSC should develop a checklist to guide compliance with the administrative instruction on consultants and individual contractors.	Important				
8	ICSC should implement procedures to comply with the Secretary-General's bulletin on record-keeping including: (i) developing file classification schemes to	Important				

Management Response

Audit of the administrative management of the secretariat of the International Civil Service Commission

	facilitate retrieval and access to records; (ii) retaining, organizing and managing e-mail records; and (iii) disposing of non-current records in accordance with their retention schedule.					
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COMMISSION

COMMISSION DE LA FONCTION  
PUBLIQUE INTERNATIONALE

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

REFERENCE: ICSC 8-9 D-1 HRPD/ICSC

TO: Ms. Muriette Lawrence-Hume  
A: Chief, New York Audit Service, OIOS

DATE: 15 August 2017

FROM: Regina Pawlik *R. Pawlik*  
DE: Executive Secretary, ICSC

SUBJECT: **Draft report on an audit of the administrative management of the secretariat of the International Civil Service Commission (Assignment No. AH2016/518/01)**

In reference to your memorandum dated 25 July 2017 on the above topic we are providing you with comments of the ICSC secretariat in the attached Appendix I.

## Management Response

## Audit of the administrative management of the secretariat of the International Civil Service Commission

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ICSC should improve its performance measurement system by: (i) ensuring its divisions prepare annual plans that include their activities, required resources and timelines for implementation; (ii) establishing internal performance indicators and procedures to monitor the implementation of work plans; and (iii) conducting periodic evaluations of programmed activities.	Important	Yes	Executive Secretary	31 Dec 2017	
2	ICSC should prepare and implement an action plan to ensure staff and their supervisors complete performance appraisals by the target date set in the administrative instruction on the performance management and development system.	Important	Yes	Executive Secretary	31 Oct 2017	
3	ICSC should develop and implement a training and development plan to use related resources more efficiently.	Important	Yes	Sen. Advisor; Executive Secretary	31 Dec 2017	The ICSC focuses on policy and development and therefore has a relatively large need for training, development and networking. In order to use resources efficiently, many ICSC staff members are already taking online classes, inside and outside the UN system. The ICSC training budget is considered inadequate which is why additional resources (from other existing budget

<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.

APPENDIX I

Management Response

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						lines) have been requested for the next biennium.
4	ICSC should establish a governance mechanism for travel, including: (i) establishing criteria for senior officials attending the same event; (ii) exploring alternative methods of achieving objectives without travel; (iii) preparing a cost-benefit analysis of organizing Commission sessions in different locations to justify the additional cost to the organization; and (iv) strengthening control over executive travel to achieve transparency.	Important	Yes	Executive Secretary	15 Jan 2018	<p>Given the inter-agency and policy-setting role of the Commission, it is vital that senior ICSC officials participate in inter-agency meetings such as the CEB/HR Network meetings or the annual meetings of the large staff federations, in particular FICSA and CCISUA. To find out about current HR trends in (international) organizations and to network with relevant counterparts, it is important to participate in meetings of SHRM, AHRMIO, Eurostat and the World Statistic Congress, which are held annually.</p> <p>With regard to the proposal concerning the location of Commission sessions we wish to point out Rule 4 of the ICSC' Rules of Procedure, which allows for holding sessions at other locations at the invitation of a participating organization. Often, organizations ask the Commission to hold sessions or working group meetings in Europe to lower their travel cost. Having sessions exclusively in New York might be less expensive for the ICSC secretariat, but definitely not for the organizations, the majority of which are based in Europe.</p>

## Management Response

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						It is also important to note that the Chairman and Vice-Chairman do not report to the Secretary-General of the UN and are elected by the General Assembly.
5	The Office of Human Resources Management should review the continued relevance of the provision to pay daily subsistence allowance to members of the International Civil Service Commission while in flight and revise the administrative instruction on the system of daily subsistence allowance accordingly.	Important	n/a			
6	ICSC should implement a procedure to evaluate the performance of institutional consultants.	Important	yes	Sen Advisor, Exec Secty	31 Dec 2017	
7	ICSC should develop a checklist to guide compliance with the administrative instruction on consultants and individual contractors.	Important	yes	Sen Advisor, Exec Secty	15 Aug. 2017	An initial version of the checklist was prepared and forwarded to OIOS on 9 August 2017.
8	ICSC should implement procedures to comply with the Secretary-General's bulletin on record-keeping including: (i) developing file classification schemes to facilitate retrieval and access to records; (ii) retaining, organizing and managing e-mail records; and (iii) disposing of non-current records in accordance with their retention schedule.	Important	yes	Sen Advisor, Exec. Secty	15 Jan. 2018	

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