



## INTERNAL AUDIT DIVISION

### REPORT 2018/083

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Audit of benefits and entitlements at  
the United Nations Framework  
Convention on Climate Change

Controls relating to administration of benefits  
and entitlements needed to be strengthened

18 September 2018  
Assignment No. AA2018/241/01

# **Audit of benefits and entitlements at the United Nations Framework Convention on Climate Change**

## **EXECUTIVE SUMMARY**

The Office of Internal Oversight Services (OIOS) conducted an audit of benefits and entitlements at the United Nations Framework Convention on Climate Change (UNFCCC). The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the management of staff benefits and entitlements at UNFCCC. The audit covered the period 1 January 2017 to 31 March 2018 and included a review of overtime, rental subsidy, settling-in grant, medical insurance, and dependency benefits.

During the period under review, the UNFCCC secretariat processed five major categories of staff benefits and entitlements amounting to \$4.6 million. Controls over administration of settling-in grant were generally adequate. However, controls needed to be strengthened in the management of overtime, rental subsidy, medical insurance, and dependency benefits.

OIOS made five recommendations. To address the issues identified in the audit, the UNFCCC secretariat needed to:

- Strengthen the processes for authorizing and monitoring overtime and compensatory time off to ensure that they are regulated in accordance with applicable administrative instructions;
- Establish procedures to ensure that rental subsidy claims are verified in accordance with stipulated guidelines to ensure their validity and accuracy;
- Establish a mechanism to ensure that enrolment of new staff under the medical insurance plan and discontinuation of coverage of separated staff are completed within the stipulated timelines;
- Take measures to ensure that only eligible dependents are allowed to participate in the medical insurance plan; and
- Strengthen controls in monitoring the dependency benefits paid to staff by: adjusting the child dependency allowance based on grants paid to staff by the Government; initiating timely personnel action in the case of children turning 18; and recording the related personnel actions in Umoja.

The UNFCCC secretariat accepted the recommendations and has initiated action to implement them.

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# **Audit of benefits and entitlements at the United Nations Framework Convention on Climate Change**

## **I. BACKGROUND**

1. The Office of Internal Oversight Services (OIOS) conducted an audit of benefits and entitlements at the United Nations Framework Convention on Climate Change (UNFCCC).

2. UNFCCC is an international treaty established as an overall framework for intergovernmental process to combat climate change. The Convention, ratified by 192 countries, came into force in 1994. The Conference of the Parties is the Convention's supreme legislative body which is supported by the UNFCCC secretariat (hereinafter referred to as 'the secretariat'). The secretariat was required to primarily focus on providing support to intergovernmental negotiations, assisting the Parties in the regulatory functions required by the Kyoto Protocol and facilitating the flow of authoritative information on the implementation of the Convention. The Paris Agreement of December 2015 charted a new course in the global effort to combat climate change.

3. The Human Resources (HR) Unit of the secretariat administers the staff benefits and entitlements. The Chief of the HR Unit reports to the Director, Administrative Services who is overseen by the Deputy Executive Secretary.

4. Between 1 January 2017 and 31 March 2018, the secretariat processed the following five major categories of staff benefits and entitlements amounting to \$4.6 million:

(a) Overtime: In accordance with the secretariat's Administrative Guidelines on Management and Compensation of Overtime (AG/2003/3), staff members may be compensated for work performed in excess of the 40-hour work week or any time on a Saturday, Sunday or on an official holiday. Between 1 January 2017 and 31 March 2018, the secretariat compensated overtime work to its staff totalling \$191,527, excluding the staff assessment component.

(b) Rental subsidy: The purpose of rental subsidy is to facilitate the settlement of new staff members and to encourage mobility within the common system by subsidizing the rental costs of eligible staff members. ST/AI/2013/2 Rev.1 on rental subsidies and deductions, and ST/IC/2016/30 on rental subsidies and deductions, stipulate the eligibility requirements as well as terms and conditions of the scheme applicable to different duty stations. Between 1 January 2017 and 31 March 2018, the secretariat paid rental subsidy totalling \$29,185 for 17 staff.

(c) Settling-in grant: The purpose of settling-in grant, previously known as assignment grant, is to provide eligible staff members with a reasonable cash amount for relocation on initial appointment, assignment or transfer to a duty station. It is the total compensation payable by the organization for the costs incurred by the eligible staff member and his/her family members as a result of an appointment, assignment or transfer involving relocation, as well as any pre-departure expenses that the staff member may incur. Between 1 January 2017 and 31 March 2018, the secretariat paid \$543,715 towards settling-in grant to its eligible newly appointed staff.

(d) Medical insurance: The Medical Insurance Plan (MIP) is a health insurance scheme operated by the United Nations for the benefit of their locally recruited General Service and National Officer active staff members and eligible former staff members and their eligible family members serving at designated duty stations. MIP is a self-insured plan. All costs of MIP are borne by the United Nations and the covered

subscribers collectively through a cost-sharing arrangement approved by the General Assembly. Between 1 January 2017 and 31 March 2018, a total of 439 staff received medical insurance benefits totalling about \$1.6 million.

(e) Dependency benefits: Dependency status shall be recognized in accordance with the provisions of staff rule 3.6 which define dependency for the purposes of the Staff Regulations and the Staff Rules, and in accordance with the provisions of the ST/AI/2016/8. Eligible staff members shall be entitled to receive dependency benefits for those family members whose dependency status has been recognized, provided the applicable conditions are met. Between 1 January 2017 and 31 March 2018, the secretariat paid dependency benefits totalling \$2.2 million.

5. Comments provided by the UNFCCC secretariat are incorporated in italics.

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

6. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the management of staff benefits and entitlements at UNFCCC.

7. This audit was included in the 2017 risk-based work plan of OIOS due to the risk that control weaknesses in the management of benefits and entitlements may have a negative impact on the overall economy, efficiency, and effectiveness of operations at UNFCCC.

8. OIOS conducted this audit from May to July 2018 at the UNFCCC headquarters in Bonn, Germany. The audit covered the period from 1 January 2017 to 31 March 2018. Based on an activity-level risk assessment, the audit covered risk areas in the management of the various benefits and entitlements disbursed to UNFCCC staff.

9. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; and (d) tests of transactions using stratified random sampling.

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

## **III. AUDIT RESULTS**

### **A. Overtime**

#### Need to strengthen controls over compensation for overtime

11. According to the secretariat's Administrative Guidelines on Management and Compensation of Overtime issued in 2003, staff members may be compensated for work performed in excess of the 40-hour working week or any time on Saturdays, Sundays or official holidays. Overtime shall be compensated only when it is worked on the instruction and prior approval of the responsible Supervisor/Manager/Coordinator/Director. Overtime work may be compensated by compensatory time off (CTO) or payment, or a combination of both. Compensation through payment is available for General Service (GS) staff only; staff in the Professional category may be granted CTO subject to exigency of service.

12. Prior to implementation of Umoja, the respective programmes of the secretariat and the HR Unit were responsible for calculation and approval of staff overtime claims. In the Umoja environment, it is the

responsibility of the staff members and their supervisors (time managers) to initiate a request for overtime with appropriate justification which is approved by the certifying officer and the programme Director. After completing the assigned work, the staff member's completed timesheets (countersigned by the supervisor to confirm the actual number of hours worked/CTO claimed) are submitted in Umoja and included in payroll processing once the supervisor approves the requests in Umoja. After implementing Umoja, the secretariat noted several cases of overpayment which were reviewed and addressed by the HR Unit through separate sessions held for this purpose, known as 'overtime clinics'. The HR Unit conducted six overtime clinics attended by 217 staff, which resulted in correction of about 100 timesheets.

13. Nevertheless, OIOS' review showed the following:

- In a sample of 8 out of 18 (44 per cent) cases reviewed, the secretariat paid for ineligible overtime work ranging from 30 minutes to 22 hours per day.
- According to the secretariat's administrative instructions, the minimum unit of overtime was half-an hour; shorter periods should be disregarded. However, in 13 cases, the secretariat authorized overtime for 15 minutes at one and one-and-half hourly rate and twice the hourly rates.
- No overtime should be compensated beyond 40 hours per month unless explicitly approved by the programme coordinator and the Executive Secretary. However, in 14 cases the secretariat compensated overtime work beyond 40 hours per month and there was no record of their exceptional approval.
- In 148 cases reviewed, the secretariat allowed CTO accrual from 4.5 hours to 13.5 hours per day as against the stipulated limit of 4 hours per day resulting in accrual of ineligible 1,171 CTO hours which accounted for about 12 per cent of the total CTO accrued during the period under review.
- The secretariat did not monitor the requirement that CTO should be taken during the four months following the month in which overtime work took place and may not be carried forward beyond that limit. For example, as of March 2018, eight staff members each had accrued over 100 hours of CTO since 1 January 2017 but only five had used CTO totalling 40 days during this period.
- Part-time staff (who work for 32 hours per week) should not be compensated for overtime unless explicitly approved. However, the secretariat paid overtime to five part-time staff for 263 hours that did not pertain to the Conference of the Parties event held in November 2017 for which exceptional measures were granted for part-time staff to work overtime.

14. These discrepancies indicated the need for strengthening the internal controls relating to overtime and CTO to ensure that the applicable administrative instructions are complied with in the interests of staff as well as the Convention.

**(1) The UNFCCC secretariat should strengthen the processes for authorizing and monitoring overtime and compensatory time off to ensure that they are regulated in accordance with applicable administrative instructions.**

*The UNFCCC secretariat accepted recommendation 1 and stated that HRU will: (i) revise the policy on overtime (AG/2003/3 'Management and Compensation of Overtime'); and (ii) establish a monitoring system for checking the overtime data approved by Time Managers, and a system for monitoring use of accrued CTO. Recommendation 1 remains open pending receipt of evidence of revised policy guidelines on compensation for overtime work and its implementation.*

## **B. Rental subsidy**

### Need to strengthen controls over rental subsidy

15. According to paragraph 3.1 of ST/AI/2013/2/Rev 1 on rental subsidies and deductions for the purposes of calculating rental subsidy, 'rent paid by the staff member' shall be the recurring amount indicated in the lease agreement which the staff member, as a tenant, agrees to pay for the right to live in the rented dwellings, minus all rebates, gratuities and charges towards, but not limited to, furniture, car parking and gym and/or club membership. Paragraph 1 of ST/IC/2016/30 on rental subsidies and deductions requires that all rental subsidy applications are supported by adequate supporting documentation. Paragraph 5.5 of ST/AI/2013/2/Rev 1 requires offices to conduct periodic monitoring and compliance exercises of rental subsidy claims.

16. During the period under review, the secretariat paid rental subsidy to 17 staff members amounting to \$29,185. The secretariat conducted two monitoring exercises in March 2017 and February 2018 following which it rectified certain cases where the staff had claimed rental subsidy based on gross rent instead of net rent.

17. However, OIOS noted in 7 out of 13 cases reviewed that the secretariat did not complete the monitoring exercise in accordance with the criteria stipulated by United Nations Headquarters to assess whether staff were eligible for rental subsidy. For example, there was no evidence that the monitoring teams verified: (a) whether the staff member was in receipt of any other type of government housing or assistance; (b) the validity of the rental subsidy eligibility start date; (c) the number of eligible dependents; and (d) whether the spouse of the beneficiary worked for the United Nations common system.

**(2) The UNFCCC secretariat should establish procedures to ensure that rental subsidy claims are verified in accordance with stipulated guidelines to ensure their validity and accuracy.**

*The UNFCCC secretariat accepted recommendation 2 and stated that HRU will establish a monitoring system to ensure that rental subsidy claims are processed according to the provisions in ST/AI/2018/3. Recommendation 2 remains open pending receipt of evidence of procedures established to strengthen controls in rental subsidy payments.*

## **C. Settling-in grant**

### Controls over administration of settling-in grants were generally adequate

18. According to ST/AI/2016/5 on settling-in grant and ST/AI/2012/1 on assignment grant, an eligible staff member shall be entitled to payment of the grant (equivalent to one month's net salary plus post-

adjustment) when he or she has been authorized to proceed on travel involving relocation on initial appointment, assignment or transfer and when the period of service at the new duty station is expected to be for at least one year.

19. OIOS reviewed settling-in grant totalling \$204,041 paid to eight professional staff members appointed during the period under review. The audit confirmed that the staff were eligible, that their relocation involved travel, and that a full year was completed. OIOS therefore concluded that controls over administration of the settling-in grant were generally adequate.

## **D. Medical insurance**

### Need to ensure timely enrolment of new staff and cessation for separated staff

20. According to paragraph 35 of ST/IC/2016/13 on Renewal of the United Nations Headquarters-administered health insurance programme, effective 1 July 2016, staff members may be allowed to enrol in the Headquarters-administered medical and dental insurance plans within 31 days of their initial appointment through the Umoja employee self-service portal.

21. The secretariat developed an on-boarding process during which newly appointed staff completed the procedures related to enrolment to the medical scheme, among others. OIOS reviewed the enrolment status of six new local staff and 24 international staff recruited during the period under review. There were delays in enrolment of 8 out of 24 international staff (33.3 per cent) ranging from one to six months. The secretariat explained that the delays were due to the time taken by the staff to decide about their participation in the plan and Umoja access issues. Notwithstanding the explanation, there was a risk that newly appointed staff members and their dependents requiring urgent medical attention may not have access to authorized medical facilities.

22. Pursuant to paragraph 2.22 of ST/AI/2015/3 on MIP for locally recruited staff at designated duty stations away from Headquarters, a staff member participating in MIP remains covered to the last day of the month in which the employment ceases. Paragraph 54 of ST/IC/2016/13 on Renewal of the United Nations Headquarters-administered health insurance programme states that discontinuation of coverage must be completed in the Umoja employee self-service portal within 31 days of the qualifying event.

23. In 6 (25 per cent) out of 24 cases of separated staff members reviewed, the secretariat did not complete the discontinuation of coverage in Umoja within 31 days of separation and there were delays of 10 to 12 months in two cases. The secretariat attributed the delays to the time taken by the staff to submit their checkout sheets, administrative delays with the local government and Umoja access issues. The delay in termination of medical insurance coverage for separated staff members may result in financial loss to the Organization as the separated staff may continue to avail the benefits.

**(3) The UNFCCC secretariat should establish a mechanism to ensure that enrolment of new staff under the medical insurance plan and discontinuation of coverage of separated staff are completed within the stipulated timelines.**

*The UNFCCC secretariat accepted recommendation 3 and stated that HRU will create a monitoring system to ensure that enrolment/discontinuation of staff and their dependents to MIP has been done by United Nations Staff Mutual Insurance Society (UNSMIS) within the required timeline. Recommendation 3 remains open pending receipt of evidence of the mechanism established to strengthen controls over MIP coverage in accordance with the established guidelines.*



### Need to review the eligibility status of dependents

24. According to paragraph 30 of ST/IC/2017/18 on Renewal of the United Nations Headquarters-administered health insurance programme, eligible children for MIP refer to children of staff who meet the criteria for a dependent child under Staff Rule 3.6 (a) (iii).

25. OIOS review of the Umoja dependency status report and the profiles of beneficiaries in Umoja indicated the following:

(a) The secretariat did not utilize a system-generated report available in Umoja to review the eligibility status of dependents for MIP. Consequently, five ineligible dependent children of active staff members who were over 18 years of age and were not in full-time education attendance participated in MIP. As a result, the secretariat contributed its share for medical insurance in these cases. When contacted through the secretariat's HR Unit, the medical insurance service provider stated that the majority of the cases were a result of manual actions taken to override the system and assured to revert with a detailed report which was still not available at the time of writing this report.

(b) Employee status in Umoja showed 'retiree/withdrawn' in three cases although the staff were re-employed.

(c) The date of participation in MIP was not found in 38 cases of active GS staff subscribing to the plan.

26. The above were mainly due to inadequate review of the eligibility status of beneficiaries and lack of reconciliation of information in Umoja. Consequently, there was a risk that the secretariat was contributing to the health plans of ineligible dependents.

**(4) The UNFCCC secretariat should take measures to ensure that only eligible dependents are allowed to participate in the medical insurance plan.**

*The UNFCCC secretariat accepted recommendation 4 and stated that HRU will follow up with UNSMIS and review all the cases in question and request UNSMIS to do the corrective actions in the system, as required. Recommendation 4 remains open pending receipt of evidence of action taken to ensure that only eligible dependents are allowed to participate in MIP.*

## **E. Dependency benefits**

### Need to strengthen controls relating to dependency benefits paid to staff

27. Pursuant to paragraph 1.13 of ST/AI/2016/8 on dependency status and dependency benefits, the offices responsible for administering staff members' entitlements will be responsible for conducting periodic monitoring and compliance exercises to verify, to the extent possible, the accuracy of the data and information provided by the staff member on his or her application for a dependency benefit. As part of the monitoring process, the Organization may review the requested documentation and verify the information in the application in any other relevant way, which may include contacting other individuals.

28. In May 2017, the secretariat requested its staff to update their annual dependency details in Umoja. OIOS review of dependency status information in Umoja and the related documents pertaining to 42 staff indicated a need to strengthen controls in monitoring dependency benefits in the following areas:

- Adjustment of dependency allowance (child): In 275 cases, secretariat staff received German Government grants (child) at the determined rates effective 1 January every year. The rates were Euro 190 (2016), Euro 192 (2017) and Euro 194 (2018) per child per month. The secretariat was required to adjust the dependency allowance (child) paid to staff based on the yearly rates of the Government's grant and the results of the annual dependency review. However, the secretariat continued to pay the allowance at the unadjusted rates which results in overpayments.
- Allowance in the case of children turning 18: In Umoja, the field titled 'education attendance' under the benefits data remains unchecked for children under 18 and needs to be turned on either by the staff member (and then approved by the HR partner) or by the HR partner when it is confirmed that the child is in full time school attendance. The secretariat used a system-generated report on children turning 18 for an appropriate personnel action to continue or discontinue the allowance based on proof of school attendance. OIOS review of 15 records of dependent children that turned 18 in 2017 indicated that in four (26 per cent) cases the HR partners initiated the personnel actions four to nine months after the children attained 18 years. The secretariat attributed the delay to late receipt of confirmation of school attendance from the staff concerned and explained that pending receipt of proof of school attendance, the staff did not receive the allowance.
- Monitoring of dependency allowance (spouse): The United Nations Secretariat's guidelines stipulate that eligible staff members in the GS and related categories shall receive a spouse allowance with respect to a dependent spouse when the local conditions and/or the practices of comparator employers call for the establishment of such an allowance. Historically, the secretariat used the gross salary for the lowest entry level in force on 1 January of the year concerned at the base of the salary system (G-2, step 1 for Bonn) as a reference for determining the dependency status of a spouse. However, this decision was not based on an assessment undertaken in coordination with comparator employees to determine whether local conditions warranted payment of such an allowance. Additionally, the secretariat did not: (i) identify the number of GS staff impacted by this local decision, including the financial impact; and (ii) update staff profiles in Umoja using the spouses' earnings information available with it. The secretariat explained that it had referred the matter to Headquarters in March 2018 but it was yet to be resolved.
- Need to record the actions taken: HR partners did not consistently maintain a record of the personnel action taken in Umoja, including the key events to be monitored such as the effective date from which a staff member was not eligible for dependence allowance (spouse) and the reason. Consequently, there was no trail of the action taken for monitoring purposes.

29. The secretariat explained that it did not undertake the dependency review for 2017 because it received instructions from Headquarters to wait until the launch of an Organization-wide exercise through the annual declaration in Umoja. OIOS is of the opinion that pending annual dependency review, the secretariat could initiate appropriate and timely personnel actions using the reporting features available in Umoja to administer the dependency benefits during the routine monitoring exercises.

**(5) The UNFCCC secretariat should strengthen controls in monitoring the dependency benefits paid to its staff by: (i) adjusting the child dependency allowance based on grants paid to staff by the Government; (ii) initiating timely personnel action in the case of children turning 18; and (iii) recording the related personnel actions in Umoja.**

*The UNFCCC secretariat accepted recommendation 5 and stated that before 2017 Annual Declaration Exercise scheduled by United Nations Headquarters to be launched globally in 2018, HRU will: (i) follow up with the United Nations Chief Executives Board for Coordination network to find out if the threshold for spouse dependency allowance for Bonn should be kept at G-2, Step 1; (ii) ensure that staff members indicate in Employee Self Service module of Umoja if children who turned 18 were in full time studies, or not; and (iii) ensure timely processing of related personnel actions. During the 2017 Annual Declaration, HRU will correct Government grant rates where applicable in accordance with the standard rates. Recommendation 5 remains open pending receipt of evidence of strengthened monitoring in: adjusting the child dependency allowance in consideration of the Government grants paid to staff; initiating timely personnel action in the case of children turning 18; and recording the related personnel actions in Umoja.*

#### **IV. ACKNOWLEDGEMENT**

30. OIOS wishes to express its appreciation to the management and staff of UNFCCC 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 benefits and entitlements at the United Nations Framework Convention on Climate Change

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	The UNFCCC secretariat should strengthen the processes for authorizing and monitoring overtime and compensatory time off to ensure that they are regulated in accordance with applicable administrative instructions.	Important	O	Submission to OIOS of documentary evidence of revised policy guidelines on compensation for overtime work and its implementation.	31 December 2018
2	The UNFCCC secretariat should establish procedures to ensure that rental subsidy claims are verified in accordance with stipulated guidelines to ensure their validity and accuracy.	Important	O	Submission to OIOS of documentary evidence of procedures established to strengthen controls in rental subsidy payments.	31 December 2018
3	The UNFCCC secretariat should establish a mechanism to ensure that enrolment of new staff under the medical insurance plan and discontinuation of coverage of separated staff are completed within the stipulated timelines.	Important	O	Submission to OIOS of documentary evidence of evidence of the mechanism established to strengthen controls over Medical Insurance Plan coverage in accordance with the established guidelines.	31 December 2018
4	The UNFCCC secretariat should take measures to ensure that only eligible dependents are allowed to participate in the medical insurance plan.	Important	O	Submission to OIOS of documentary evidence of action taken to ensure that only eligible dependents are allowed to participate in MIP.	31 March 2019
5	The UNFCCC secretariat should strengthen controls in monitoring the dependency benefits paid to its staff by: (i) adjusting the child dependency allowance based on grants paid to staff by the Government; (ii) initiating timely personnel action in the case of children turning 18; and (iii) recording the related personnel actions in Umoja.	Important	O	Submission to OIOS of documentary evidence of strengthened monitoring in: adjusting the child dependency allowance in consideration of the Government grants paid to staff; initiating timely personnel action in the case of children turning 18; and recording the related personnel actions in Umoja.	31 March 2019

<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 UNFCCC in response to recommendations.

# **APPENDIX I**

## **Management Response**

## Management Response

## Audit of benefits and entitlements at the United Nations Framework Convention on Climate Change

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNFCCC secretariat should strengthen the processes for authorizing and monitoring overtime and compensatory time off to ensure that they are regulated in accordance with applicable administrative instructions.	Important	Yes	Chief HR, AS	December 2018	<p>a. HRU will revise the policy on overtime AG/2003/3 'Management and Compensation of Overtime (OT)'</p> <p>b. HRU will establish a monitoring system for checking of the OT data approved by Time Managers, and a system for monitoring use of accrued CTO.</p>
2	The UNFCCC secretariat should establish procedures to ensure that rental subsidy claims are verified in accordance with stipulated guidelines to ensure their validity and accuracy.	Important	Yes	Chief HR, AS	December 2018	HRU will establish a monitoring system to ensure that rental subsidy claims are processed according to the provisions in ST/AI/2018/3.
3	The UNFCCC secretariat should establish a mechanism to ensure that enrolment of new staff under the medical insurance plan and discontinuation of coverage of separated staff are completed within the stipulated timelines.	Important	Yes	Chief HR, AS	December 2018	HRU will create a monitoring system to ensure that enrolment/discontinuation of staff and their dependents to MIP has been done by UNSMIS within the required timeline.
4	The UNFCCC secretariat should take measures to ensure that only eligible dependents are	Important	Yes	Chief HR, AS	March 2019	HRU will follow up with UNSMIS and review all the cases in question and request UNSMIS to do the

<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.

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	allowed to participate in the medical insurance plan.					corrective actions in the system, as required.
5	The UNFCCC secretariat should strengthen controls in monitoring the dependency benefits paid to its staff by: (i) adjusting the child dependency allowance based on grants paid to staff by the Government; (ii) initiating timely personnel action in the case of children turning 18; and (iii) recording the related personnel actions in Umoja.	Important	Yes	Chief HR, AS	March 2019	<p><b>Before 2017 Annual Declaration Exercise</b> scheduled by UNHQ to be launched globally in Q4 2018:</p> <ul style="list-style-type: none"> <li>a. HRU will follow up with the CEB network to find out if threshold for spouse dependency allowance for Bonn should be kept at G2st1.</li> <li>b. HRU will ensure that staff members indicate in Employee Self Service (ESS) if children who turned 18 are in full time studies, or not.</li> <li>c. HRU will ensure timely processing of related personnel actions.</li> </ul> <p><b>During the 2017 Annual declaration:</b></p> <ul style="list-style-type: none"> <li>a. HRU will correct Government grant rates where applicable in accordance with the standard rates.</li> </ul>