



## INTERNAL AUDIT DIVISION

### REPORT 2015/037

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Audit of delegation of human resource management authority by the Department of Field Support

Overall results relating to effective delegation of human resource management authority by the Department of Field Support were initially assessed as partially satisfactory. Implementation of two important recommendations remains in progress

FINAL OVERALL RATING: PARTIALLY SATISFACTORY

6 May 2015  
Assignment No. AP2014/615/01

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# AUDIT REPORT

## Audit of delegation of human resources management authority by the Department of Field Support

### I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the delegation of human resources management authority by the Department of Field Support (DFS).
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. The Assistant Secretary-General for Human Resources Management, Department of Management (DM) delegated to the Under-Secretary-General of DFS most authorities for human resources management in respect of peacekeeping and special political missions. Subsequently, the Under-Secretary-General DFS sub-delegated the authority for recruiting staff up to the D-1 level and hiring consultants and individual contractors to heads of missions where capacity to exercise such authority existed. DFS also sub-delegated the administration (with certain exceptions, such as, for example, classification of posts) of the delegation of authority to the directors / chiefs of mission support (D/CMSs). As at 30 June 2014, DFS had sub-delegated human resources management authorities and administration of such authorities to heads of missions and D/CMSs of 33 peacekeeping and special political missions.
4. The Field Personnel Division of DFS was responsible for monitoring the authorities delegated to Heads of Missions and D/CMSs and exercising human resources management authorities in respect of missions that lacked capacity.
5. Comments provided by the Department of Field Support are incorporated in italics.

### II. OBJECTIVE AND SCOPE

6. The audit was conducted to assess the adequacy and effectiveness of DFS governance, risk management and control processes in providing reasonable assurance regarding the **effective delegation of human resources management authority by DFS**.
7. The key controls tested for the audit was delegation of authority. For the purpose of this audit, OIOS defined this key control as the one that provides reasonable assurance that authority for human resources management has been delegated formally and in accordance with relevant regulations and rules. This control also includes periodic reporting and monitoring of the execution of delegated authority.
8. The key control was assessed for the control objectives shown in Table 1. Certain control objectives (shown in Table 1 as “Not assessed”) were not relevant to the scope defined for this audit.
9. OIOS conducted the audit from April to September 2014. The audit covered the period from 1 July 2012 to 30 September 2014. The audit included a review of the activities performed by DFS, DM and six peacekeeping field missions related to delegation of human resources management by DFS.

10. 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

11. The DFS governance, risk management and control processes examined were initially assessed as **partially satisfactory**<sup>1</sup> in providing reasonable assurance regarding the **effective delegation of human resources management authority by DFS**. OIOS made two recommendations to address the issues identified. DFS had implemented procedures to ensure that D/CMSs and other designated officers met requirements to perform human resources management functions and for monitoring its delegation of authorities to heads of missions and D/CMSs. However, DFS in collaboration with the Department of Peacekeeping Operations (DPKO) and DM needed to develop and provide additional guidance and training to senior leadership on the exercise of delegated human resources management authority. DFS also needed to complete its review of the delegations of authority framework to objectively determine whether existing authorities should be adjusted.

12. The initial overall rating was based on the assessment of key controls presented in Table 1. The final overall rating is **partially satisfactory** as implementation of two important recommendations remains in progress.

**Table 1: Assessment of key control**

Business objective	Key control	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
<b>Effective delegation of human resources management authority by DFS</b>	Delegation of authority	Partially satisfactory	Not assessed	Not assessed	Partially satisfactory
<b>FINAL OVERALL RATING: PARTIALLY SATISFACTORY</b>					

#### Delegation of authority

DFS had taken steps to ensure that staff performing significant human resource functions had been designated as required

13. The Secretary-General’s Bulletin on the designation of staff performing significant functions required DFS to establish whether candidates had been designated by DM before delegating them significant human resources management functions. The designation process required DM to verify qualifications and conduct background checks to establish whether candidates possessed: (a) the requisite

<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.

qualifications and experience to carry out the relevant functions in compliance with the Organization's regulations; and (b) proper conduct.

14. A review of the delegation of authority to 11 D/CMSs appointed between July 2013 and June 2014 indicated that DFS had verified their designation with DM before delegating human resources management authorities to them. Also, whenever a D/CMS was reassigned, DFS performed background checks to establish that the individuals continued to possess proper conduct. DFS also provided guidance to heads of missions on sub-delegating authority to staff designated to perform significant functions in the management of human resources. OIOS concluded that adequate procedures were in place to ensure that D/CMSs were duly designated for human resource functions.

Adequate procedures were in place for monitoring the performance of individuals in exercising their delegated authorities

15. The General Assembly resolutions 53/221 and 66/257 required the Secretary-General to establish procedures on monitoring of delegation of authority.

16. The Secretary-General had established a Management Performance Board to monitor senior management compacts, including aspects of delegated human resources management authorities. Additionally, DM had: (a) established a Performance Review Group, comprised of senior managers to review and provide feedback on strategic human resources management indicators; and (b) developed a Balanced Scorecard that was used by DFS to monitor missions' performance against five strategic indicators, such as gender parity. DFS had also established: (a) the Organisation Performance Measurement Team within the Field Personnel Division that coordinated monitoring activities related to delegated authorities to missions and provided data to the Performance Review Group; (b) a Monitoring Priorities Sheet for monitoring field missions' reporting on strategic and operational indicators; and (c) a Human Resources Dashboard to monitor operational indicators related to travel, salary and time and attendance.

17. A review of minutes of the Performance Review Group and the Management Performance Board meetings, outputs from the Balanced Scorecard system, the Monitoring Priorities Sheet and related activities of the regional desk officers at DFS indicated that DFS and DM implemented adequate procedures for monitoring delegated human resources management authorities. OIOS concluded that DFS and DM had implemented adequate controls for monitoring the performance of individuals in exercising their delegated human resources management authorities.

There was inadequate training on the exercise of delegation of authority

18. The General Assembly resolution 53/221 required the Secretary-General to implement training on the exercise of delegation of authority. A review of current practices and training provided to heads of missions and D/CMSs, such as the Senior Leadership Programme, indicated that although some guidance and training material were available, DFS needed to further develop its training materials to provide more specific guidance and direction to heads of missions and D/CMSs on delegated authority for human resources management. The lack of adequate guidance increased the risk of managers with delegated authority for human resources approving actions that were contrary to United Nations staff rules and procedures.

<p><b>(1) DFS should collaborate with DPKO and DM to develop additional guidance and training materials on the exercise of delegated human resources management authority by Heads of Missions and Directors/Chiefs of Mission Support.</b></p>
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*DFS accepted recommendation 1 and stated that it would work with the Office of Human Resources Management, DM and the Policy Evaluation and Training Division, DPKO to implement the recommendation. Recommendation 1 remains open pending the receipt of evidence that additional guidance and training materials have been developed on the exercise of delegated human resources management authority by heads of missions and D/CMSs.*

There were no formal arrangements for periodic reviews of delegated authorities

19. The Secretary-General's report dated 5 August 1994 on the establishment of a transparent and effective system of accountability and responsibility required programme managers to be given authority commensurate with their level of responsibility and accountability. DM had delegated human resources authority to DFS in 2007, but this required review, as necessary, to assess whether the delegated authorities needed to be adjusted in line with the changing responsibilities of DFS due to the evolution of field operations.

20. DFS advised that it had started an internal comprehensive review of authorities delegated to field missions, and on occasion requested DM for additional human resources management authorities. Additionally, DM informed that DFS had participated in its weekly meetings where delegation of authority was often discussed. However, these meetings and assessments were done informally and records were not maintained; therefore DM and DFS had no formal evidence to demonstrate the nature and extent of reviews conducted regarding delegated authorities.

21. In the absence of formal reviews, DFS and DM had been precluded from objectively determining whether delegated authorities were adequate and were being exercised as intended.

**(2) DFS should complete its review of the delegation of authority framework to determine whether existing authorities should be adjusted.**

*DFS accepted recommendation 2 and stated that it was conducting a comprehensive internal review of authorities delegated to the Field Personnel Division, DFS and field missions to determine where authorities for human resources management decision-making rested to advise missions on: the scope of their delegation; to allow effective monitoring; and to identify additional authorities that could be delegated from the Office of Human Resources Management. Recommendation 2 remains open pending receipt of a copy of the results of the comprehensive internal review of delegated authorities and evidence of implementation of its conclusions.*

#### **IV. ACKNOWLEDGEMENT**

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

(Signed) David Kanja  
Assistant Secretary-General for Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of delegation of human resources management authority by the Department of Field Support

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	DFS should collaborate with DPKO and DM to develop additional guidance and training materials on the exercise of delegated human resources management authority by Heads of Missions and Directors/Chiefs of Mission Support.	Important	O	Receipt of evidence that additional guidance and training materials have been developed on the exercise of delegated human resources management authority by heads of missions and D/CMSs.	31 March 2016
2	DFS should complete its review of the delegation of authority framework to determine whether existing authorities should be adjusted.	Important	O	Receipt of a copy of the results of the comprehensive internal review of delegated authorities and evidence of implementation of its conclusions.	31 March 2016

<sup>2</sup> Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

<sup>3</sup> Important recommendations address important deficiencies or weaknesses in governance, risk management or internal 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 DFS in response to recommendations.

# **APPENDIX I**

## **Management Response**





**CONFIDENTIAL**


Routine

TO: Ms. Eleanor Burns, Director,  
A: Internal Audit Division, OIOS

DATE: 24 April 2015

THROUGH:  
S/C DE:

REFERENCE: UNHQ-AR-BOI-Memo-2-  
2015-4155

FROM:   
Anthony Banbury, Assistant Secretary-General  
DE: for Field Support

SUBJECT: **Audit of delegation of human resources management authority by the**  
OBJET: **Department of Field Support (Assignment No. AP2014/615/01)**

1. Please refer to your memorandum dated 25 February 2015, regarding the above-mentioned audit. Please find attached our comments on the recommendations contained in the draft report as Appendix I.
2. Thank you for the opportunity to comment on the draft report. We stand ready to provide any further information that may be required.

Cc: Mr. Khare  
Ms. Avena-Castillo

APPENDIX I

Management Response

Audit of delegation of human resources management authority by the Department of Field Support

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	DFS should collaborate with DPKO and DM to develop additional guidance and training materials on the exercise of delegated human resources management authority by Heads of Missions and Directors/Chiefs of Mission Support.	Important	Yes	USG/DFS	First quarter of 2016	DFS will work with other divisions responsible for training in DM and DPKO, such as the Office of Human Recourses Management in DM and the Policy Evaluation and Training Division in DPKO.
2	DFS should complete its review of the delegations of authority framework to determine whether existing authorities should be adjusted.	Important	Yes	USG/DFS	First quarter of 2016	DFS is currently conducting a comprehensive internal review of authorities delegated to FPD and field missions to determine where the authorities for human resources management decision-making lies to be able to advise missions on the scope of their delegation, to allow effective monitoring and to identify additional authorities that may be delegated from the Office of Human Recourses Management .

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

<sup>2</sup> Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.