



INTERNAL AUDIT DIVISION

OFFICE OF INTERNAL OVERSIGHT SERVICES

AUDIT REPORT

Audit of human resources management in UNFICYP

31 December 2007

Assignment No. AP2007/654/02

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OFFICE OF INTERNAL OVERSIGHT SERVICES · BUREAU DES SERVICES DE CONTROLE INTERNE

TO: Mr. Michael Moller
A: Special Representative of the Secretary-General
United Nations Peacekeeping Force in Cyprus

DATE: 31 December 2007

REFERENCE: AUD-7-5-2 (08-00842)

FROM: Dagfinn Knutsen, Director
DE: Internal Audit Division, OIOS



SUBJECT: **Assignment No. AP2007/654/02: Audit of human resources
management in UNFICYP**

1. I am pleased to present the report on the above-mentioned audit, which was conducted from February to April 2007.

2. Based on your comments, we are pleased to inform you that we will close recommendations 3, 4 and 11 in the OIOS recommendations database as indicated in Annex 1. OIOS is reiterating recommendations 2 and 8, and requests that you reconsider your initial response concerning this recommendation. In order for us to close the remaining recommendations, we request that you provide us with the additional information as discussed in the text of the report and also summarized in Annex 1.

3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as critical (i.e., recommendations 1, 2, 6, 8 and 12), in its annual report to the General Assembly and semi-annual report to the Secretary-General.

4. IAD is assessing the overall quality of its audit process and kindly requests that you consult with your managers who dealt directly with the auditors and complete the attached client satisfaction survey form.

cc: Ms. Alicia Barcena, USG/DM
Mr. B. Lynn Pascoe, USG/DPA
Ms. Jane H. Lute, ASG/DPKO
Ms. Jan Beagle, ASG/OHRM
Mr. Philip Cooper, Director, DFS
Mr. Francis Clancy, Chief Administrative Officer, UNFICYP
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS
Mr. Tilchand Acharya, Chief Resident Auditor, OIOS Middle East Regional Audit Office, UNIFIL

INTERNAL AUDIT DIVISION

FUNCTION

“The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization” (General Assembly Resolution 48/218 B).

CONTACT INFORMATION

DIRECTOR:

Dagfinn Knutsen, Tel: +1.212.963.5650, Fax: +1.212.963.2185,
e-mail: knutsen2@un.org

DEPUTY DIRECTOR:

Fatoumata Ndiaye: Tel: +1.212.963.5648, Fax: +1.212.963.3388,
e-mail: ndiaye@un.org

ACTING CHIEF, PEACEKEEPING AUDIT SERVICE:

William Petersen: Tel: +1.212.963.3705, Fax: +1.212.963.3388,
e-mail: petersenw@un.org

EXECUTIVE SUMMARY

Human resources management in UNFICYP

OIOS conducted an audit of human resources management in the United Nations Peacekeeping Force in Cyprus (UNFICYP) from February to April 2007. The main objectives of the audit were to assess whether: (a) the Mission, within its delegated authority, complied with the UN Regulations and Rules, and administrative instructions governing the appointment and administration of staff; (b) UNFICYP's career development, performance management, and vacancy management practices were harmonized with its operational requirements as well as with the Organization's human resources management principles; (c) the Organization's principles and policies on staff safety and security were complied with; and (d) the staffing and other resources of the Office of the Secretary-General's Special Advisor for Cyprus were adequate. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

Accountability for human resources management principles

OIOS identified several control deficiencies in UNFICYP's human resources management practices leading to 12 recommendations for corrective actions. Nine of these recommendations were accepted and OIOS requests that management reconsider the acceptance of two of the remaining three recommendations.

OIOS found that there was no human resources management action plan to be used as a tool to monitor compliance with human resources management principles. Furthermore, the Mission needs to formally describe in an information circular the roles and responsibilities of the executive direction and management and all UNFICYP organizational units defining their reporting lines, oversight and monitoring mechanisms, and accountability. UNFICYP's vacancy management needs to be improved as its vacancy rate for international staff ranged between 15 per cent and 19 per cent for the three consecutive 2004-2005, 2005-2006, and 2006-2007 fiscal years.

Compliance with UN Regulations and Rules, and administrative instructions

UNFICYP's local staff as of 31 December 2006 consisted of 30 per cent non-Cypriot nationals despite the availability of skills locally and the enthusiasm of Cypriot nationals to take up local general service level positions. The OHRM Classification Panel based its review of UNFICYP post classification requests on the changed or added functions, and did not review the entire job description. As a result, the review could not result in changes to grade levels. This also occurred in cases where staff in higher grade levels were encumbering lower level posts.

UNFICYP has established an Integrated Training Cell but has not yet prepared timelines and milestones to implement the integrated training plan. The Mission needs to maintain parity between the international and national staff in the application of internal guidelines regarding performance appraisal ratings.

Safety and security

UNFICYP's Chief Security Officer reports to the Chief Administrative Officer, which is at variance with the established practice where this Officer reports to the Chief of Mission. Also, the Mission needs to urgently implement the zone warden system in order to ensure the safety and security of UNFICYP staff.

Staffing and other resources of the Office of the Secretary-General's Special Advisor for Cyprus

Three posts appropriated for the Office of the Secretary-General's Special Advisor (OSGSA) had not been utilized since 2004. Therefore, the Department of Political Affairs should assess the continued need for these posts.

Additionally, OIOS recommended that the UNFICYP SRSG, in consultation with the Department of Political Affairs, develop a proposal outlining the United Nations role in implementing the 8 July 2006 agreement to the Turkish and Greek Cypriot leaders in order to secure necessary funds to facilitate the implementation process. UNFICYP noted that it had no objection to the recommendation, but questioned its relevance, while the Department of Political Affairs stated that it is important to have this recommendation in the report.

TABLE OF CONTENTS

Chapter	Paragraphs
I. INTRODUCTION	1-5
II. AUDIT OBJECTIVES	6
III. AUDIT SCOPE AND METHODOLOGY	7-8
IV. AUDIT FINDINGS AND RECOMMENDATIONS	
A. Governance and accountability	9-23
B. Post classifications	24-32
C. Training	33-36
D. Performance management	37-41
E. Safety and security	42-46
F. Office of the Secretary-General's Special Advisor for Cyprus	47-58
V. ACKNOWLEDGEMENT	59
ANNEX 1 – Actions needed to close audit recommendations	

I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of human resources management in the United Nations Peacekeeping Force in Cyprus (UNFICYP) from February to April 2007.
2. In its resolution 186 (1964), the Security Council established UNFICYP's mandate. The most recent extension of this mandate was authorized by the Council in its resolution 1758 (2007) of 15 June 2007.
3. Table 1 provides details of UNFICYP's personnel resources covering the three most recent fiscal years.

Table 1: Budget appropriations/proposals and post levels¹

Items	2004-2005	2005-2006	2006-2007
I. Total appropriations/proposal (000 of \$)	48,514.8	45,615.5	46,393.3
II. Posts Incumbency			
Military contingents	1,230	860	860
Civilian police	69	69	69
International staff	46	41	42
National staff	109	113	111
Total:	1,454	1,083	1,082
III. Posts in UNFICYP CCPO			
P and above		1	1
Field Service		1	1
National staff		3	2
Total:	-	5	4

4. General Assembly resolution A/RES/61/244 sets out the Organization's human resources management principles and new directions. Currently, administrative instruction ST/AI/2002/3 governs the performance appraisal system.
5. OIOS received separate comments on its draft report from UNFICYP, the Department of Field Support, which commented on the recommendation that had been addressed to the Department of Peacekeeping Operations (DPKO), the Department of Political Affairs (DPA), the Department of Management (DM) and the Office of Human Resources Management (OHRM). Their comments have been incorporated in this report and are shown in *italics*.

¹ UNFICYP: 2004-2005 (A/60/584); 2005-2006 (A/60/592), and 2006-2007 proposal (A/60/592)

II. AUDIT OBJECTIVES

6. The major objectives of the audit were to assess whether:
- (a) The Mission, within its delegated authority, complied with UN Regulations and Rules, and administrative instructions governing the appointment and administration of staff;
 - (b) UNFICYP's career development, performance management, and vacancy management practices were harmonized with its operational requirements and the Organization's human resources management principles;
 - (c) The Organization's principles and policies on staff safety and security were complied with; and
 - (d) The staffing and other resources of the Office of the Secretary-General's Special Advisor for Cyprus were adequate.

III. AUDIT SCOPE AND METHODOLOGY

7. The audit focused on UNFICYP's human resources management for two fiscal years from 1 July 2004 to 30 June 2005, and 1 July 2005 to 30 June 2006 covering:

- Recruitment and staffing
- Performance management and accountability
- Safety and security of UN personnel
- Office of the Secretary-General's Special Advisor for Cyprus

8. OIOS reviewed a sample of recruitment and staffing activities, performance appraisals, and the activities of UNFICYP's security office to validate control effectiveness in each audit area. In this regard, OIOS reviewed approximately 50 per cent of the international staff files and about 35 per cent of the national staff files. In addition, we reviewed staff and other resources in the Office of the Secretary-General's Special Advisor for Cyprus; systems, processes and procedures used to record, track and manage personnel and safety and security information. Personnel responsible for managing, supervising and administering staff were interviewed to gain an understanding of risk areas and potential control weaknesses.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Governance and accountability

Human Resources Action Plan

9. Under the delegated authority from the Office of Human Resources Management (OHRM), the Department of Peacekeeping Operations (DPKO) is responsible for recruitment and staffing in field missions. However, in its resolution 56/241, the General Assembly reaffirmed the role of OHRM to remain the central authority in articulating overall human resources policies and in monitoring how departments and offices exercise the authority delegated to them in order to ensure that the highest standards of efficiency, competence and integrity serve as the paramount consideration in the employment of staff.

10. According to resolution A/RES/61/244, the General Assembly considered the Secretary-General's reports, including those on human resources management (A/61/228 and Corr.1), on investing in people (A/61/255), and on reforming the Field Service Category: investing in meeting the human resources requirements of United Nations peace operations in the twenty-first century (A/61/255/Add.1). The resolution decided on 17 human resources management issues, including:

- Recruitment and staffing
- Mobility
- Contractual arrangements
- Reform of the field service
- Measures to improve equitable geographical distribution
- Gender representation
- Accountability
- Employment of retired staff

11. OHRM uses the Human Resources Action Plan as a standard tool to monitor compliance by major organizational units with the above principles. Toward that end, OHRM had agreed to implement OIOS' recommendation, in the context of the DPKO management audit (A/60/717), to establish a DPKO-OHRM Human Resources Action Plan in each peacekeeping mission. However, despite UNFICYP being an established mission operating since 1964 under prior Security Council mandates, DPKO and OHRM have not developed a Human Resources Action Plan for UNFICYP.

Recommendation 1

(1) DPKO and OHRM should establish a Human Resources Action Plan for UNFICYP in order to monitor compliance with the Organization's human resources management principles.

12. *UNFICYP accepted recommendation 1, stating that currently there is no Human Resources Action Plan developed between DPKO/OHRM and UNFICYP. In this regard, the Department of Management also accepted the recommendation informing OIOS that OHRM and the Department of Field Support (DFS) have developed a pilot project on Human Resources Action Plans, which DFS intends to implement in 2007-2008, and that based on the results of this pilot, all peacekeeping missions will eventually have individual Human Resources Action Plan. OIOS will close recommendation 1 in its database upon receipt of a copy of the Human Resources Action Plan between DFS/OHRM and UNFICYP by the end of 2008.*

Roles and responsibilities of UNFICYP's organizational units

13. UNFICYP's mandate consists of four components: (a) military; (b) political and civil affairs; (c) United Nations police; and (d) support. The Mission's executive direction and management is responsible for overseeing these components to ensure that programme activities are carried out effectively and in accordance with the Organization's regulations and rules. Coordination of these four components and integration of military and civilian personnel for logistical support are crucial in the delivery of the Mission's mandate. In addition, UNFICYP's SRSG has also been assuming the role of the Secretary-General's Special Advisor for Cyprus since January 2006.

14. Each of these programme components is structured into several organizational units. However, the roles and responsibilities of these organizational units were not formally described in an information circular that defines their reporting lines and accountability. Also, a description of executive direction and management functions is critical in establishing accountability and monitoring mechanisms for policy direction, coordination, public information and reporting functions.

15. In May 2005, the Secretary-General established the Management Performance Board (ST/SGB/2005/13) to monitor and analyze the manner in which senior managers exercise all aspects of their authority to ensure that they are properly carrying out their responsibilities, including achievement of the objectives in human resources action plans and fulfilling performance expectations in their compacts with the Secretary-General. In addition, the Secretary-General's report A/61/312 outlines measures to strengthen accountability in the United Nations. The measures include improving executive-level decision-making, enhancing the Performance Appraisal System, ensuring ethical conduct and enhancing transparency.

Recommendation 2

(2) UNFICYP Management should issue an information circular, which formally describes the roles and responsibilities of executive direction and management and those of all UNFICYP organizational units; and defines their

reporting lines, oversight and monitoring mechanisms and accountability.

16. UNFICYP Management did not accept recommendation 2, stating that clearly defined substantive and administrative roles and reporting lines are contained in the mission's budget documents. It asserted that roles and responsibilities are also defined in the UN Regulations and Rules and various manuals, ePAS guidelines, standard operating procedures, job descriptions/job classifications, and other officially promulgated rules and regulations. UNFICYP Management believed that these documents are readily available upon request and all concerned are very much aware of and in compliance with these documents. It further asserted that information circulars do not play any role in establishing accountability and are not an appropriate monitoring tool. OIOS acknowledges Management's comments but wishes to note that, in its view, the availability of budget documents and regulations and rules is not sufficient to ensure that the heads of organizational units understand their responsibilities and carry them out in compliance with the Organization's principles. OIOS believes that the roles and responsibilities of the heads of organizational units should be clearly defined and disseminated in a manner similar to the use of ST/SGBs (Organization) at Headquarters. Therefore, OIOS reiterates recommendation 2 and requests that UNFICYP management reconsider its initial response to this recommendation.

Vacancy rates

17. Table 2 shows the Mission's vacancy rates for international and national posts for the 2004-2005 and 2005-2006 fiscal years.

Table 2: Status of recruitment and vacancy rate

Posts	Authorized		Encumbered		Vacancy rate (%)	
	2004-05 ²	2005-06 ³	2004-05	2005-06	2004-05	2005-06
International	46	41	39	33	15.2	19.5
National	109	113	108	109	1.0	3.5

18. As at 24 April 2007, six international posts and four general service local level posts were vacant with the vacancy rate of 14.6 per cent for the former and 3.6 per cent for the latter. OIOS acknowledges UNFICYP's success in managing vacancies of national posts. Given that UNFICYP is an established Mission, its international staff vacancy rate of almost 15 per cent indicates that there is room for improving vacancy management. The continued existence of vacancies could negatively affect UNFICYP's operations.

² Secretary-General's report A/59/656 on UNFICYP's 2005-2006 budget proposal

³ ACABQ report A/60/785 as at 28 February 2006

Recommendation 3

(3) UNFICYP Management should fill all vacant posts to the extent possible to ensure that all appropriated resources are utilized.

19. *UNFICYP Management accepted recommendation 3, stating that it is making every effort to fill vacant posts in a timely manner. It also provided detailed explanations on the status of each vacant post. Based on the action being taken by the Mission, recommendation 3 has been closed.*

Composition of local staff

20. As at 30 January 2007, UNFICYP's staffing table included 104 local staff. As shown in Table 3, 31 staff or 30 per cent were non-Cypriot nationals, although ideally all national posts should be encumbered by host country nationals. Furthermore, 23 per cent of the local staff were nationals of the United Kingdom. All of these staff were recruited after 1995 when the UN took over operation of the Mission from the United Kingdom.

Table 3: Composition of local staff

Sl. No.	Nationality	No. of staff	Percentage
1	United Kingdom	24	23
2	Denmark	2	2
3	Austria	1	1
4	Egypt	1	1
5	Bulgaria	1	1
6	Lebanon	1	1
7	Ireland	1	1
8	Cyprus	73	70
	Total:	104	

21. General Service positions at the local level are generally filled by host country nationals. In cases where the skills are not available locally or where the host country nationals do not accept the positions due to uncompetitive compensation, consideration is given to employing non-host country nationals. However, Cypriot nationals are well qualified to perform general service position because Cyprus is an EU member, its literacy rate is high, and the nationals are willing to assume such positions as evidenced by the fact that vacancy announcements for general service (national level) posts, elicit large numbers of applicants.

22. Under Section XII, paragraph 4 of its resolution A/RES/61/244, the General Assembly requested "the Secretary-General to strengthen efforts to achieve greater transparency at all levels". The current emphasis is on nationalizing even international posts in order to achieve cost savings. Therefore, the continued recruitment of non-Cypriot nationals against general service local level positions indicates a lack of transparency in the recruitment and staffing of UNFICYP without justifying that there is lack of interest by

Cypriot nationals or that there is lack of skills locally. The UNFICYP Administration explained that 10 non-Cypriot nationals in UNFICYP actually have dual citizenship, including Cypriot citizenship and six others have one parent who is a Cypriot. Furthermore, the Mission is obliged to accept applicants from European Union member states given that Cyprus is now a full European Union member. OIOS acknowledges this information but believes that more can be done recruit Cypriot nationals.

Recommendation 4

(4) UNFICYP Management should ensure transparency in recruiting general service local level positions so that Cypriot nationals receive due consideration before employing non-Cypriot nationals.

23. *The UNFICYP Management accepted recommendation 4 and stated that it conducts a transparent and fair recruitment and selection process for all staff based on guidelines issued by OHRM and PMSS (now the Field Personnel Division). It also presented a detailed history of local posts held by non-Cypriot nationals. Based on the action taken by the UNFICYP Management, recommendation 4 has been closed.*

B. Post classifications

Pending classification notices

24. UNFICYP Administration submitted over a dozen post classification requests to OHRM proposing changes in grade levels as a result of changes in functions. UNFICYP's Chief Civilian Personnel Officer explained that in May 2007, the Mission received classification notices from OHRM for a few cases. However, as shown in Table 4, eight of these requests were with OHRM for review.

Table 4: Post classification requests pending with OHRM

Post No.	Nature of post	Functional Title	Post Level	Nature of issue
L-227	National	Senior Administrative Assistant (Integrated Support Services)	TBC (localized post from FS-5. Proposed change in grade to GSL-5)	Pending Classification Notice
L-065	National	Office Equipment Technician (Integrated Support Services)	Proposed change in grade level to GSL-5 upon review of duties.	Pending Classification Notice
IMIS-57123	International	Senior Civil Affairs Officer (Civil Affairs Branch)	New Post. P-5	Pending Classification Notice
IMIS-10	International	Administrative Assistant (Civil Affairs Branch)	Post redeployed from Contracts Management Unit (P-	Pending Classification Notice

			3) to Civil Affairs Branch (revision of duties/proposed change in grade to FS-5)	
IMIS-57125	International	Political Affairs Officer (Office of the SRSG/ Chief of Mission)	New Post. P-4	Pending Classification Notice
IMIS-8	International	Property Management Officer	FS6 (post to be localized in 2007/2008 budget).	Pending Classification Notice
IMIS-11357	International	Transport Officer	FS6 (post to be localized in 2007/2008 budget).	Pending Classification Notice
IMIS-11367	International	Telecommunications Technician (Communications and Information Technology Section)	FS-5 (upgraded from FS-4)	Pending re-classification notice:

Recommendation 5

(5) UNFICYP Management should pursue with OHRM the early finalization of classification requests in order to determine the appropriate grade levels of posts.

25. *The UNFICYP Management accepted recommendation 5 and stated that UNFICYP continues to follow up with OHRM. OHRM provided clarifications on the status of eight classification requests in Table 4, as follows:*

- *In two cases original classification requests from UNFICYP were never received;*
- *Two classification requests were yet to be submitted by UNFICYP;*
- *Two cases were under review by OHRM, one pending receipt of additional information from UNFICYP; and*
- *Classification requests were issued for two cases.*

26. *OHRM also pointed out that requests for classification, particularly those involving upgrading or downgrading must be carefully examined not only in terms of the duties and responsibilities of the post but also in terms of its organizational setting. Recommendation 5 remains open pending UNFICYP consultations with OHRM to clarify the status of the eight post classification requests shown in Table 4.*

27. *As shown in Table 5, UNFICYP's staffing table at 31 December 2006 showed six staff who encumbered posts at levels lower than their grades.*

Table 5: Staff encumbering posts at levels lower than their grade levels

Sl. No.	Post No.	Post level	Functional title	Incumbent's grade level
1	31929	GL-4	Inventory & Supply Clerk	GL-5
2	L130	GL-4	Information Assistant	GL-5
3	L021	GL-4	Administrative Clerk	GL-5
4	L091	GL-4	Inventory & Supply Clerk	GL-5
5	L080	GL-2	Driver	GL-3
6	L065	GL-4	Office Machine Maintenance Worker	GL-5

28. OIOS reviewed a list of posts for which preliminary classification results were submitted by OHRM in May 2007, but the final classification notice was awaited. As shown in Table 6, OIOS is concerned that OHRM did not approve changes in grade levels for all of these posts.

Table 6: Post classification requests not properly justified

L-062	Administrative Clerk (CITS/Telephone Accounts and Switchboard Unit)	Proposed change in grade level to GSL-5 upon review of duties.	Received: Classification Notice received 09/05/07 Post to stay at GSL-4 level. Appeal forwarded to OHRM 06/06/07
L-068	Inventory and Supply Clerk (CITS/Assets Management Unit)	Proposed change in grade level to GSL-5 upon review of duties.	Received: Classification Notice received 09/05/07 Post to stay at GSL-4 level.
L-075	Transport Inventory & Supply Clerk (Integrated Support Services)	GSL-4 (no change in grade/level)	Received: Classification Notice received 09/05/07 Post to stay at GSL-4 level.
L-086	Transport Inventory & Supply Clerk (Integrated Support Services)	GSL-4 (no change in grade/level)	Received: Classification Notice received 09/05/07 Post to stay at GSL-4 level.
IMIS-11361	Sector Administrative Officer (General Services Section)	FS-5 (revision of duties/proposed change in grade to FS-6)	Received: Classification Notice received 06/03/07 Post to stay at FS-5. Appeal forwarded to OHRM 22/03/07, follow up by PMSS to OHRM on 7/06/07

29. It appeared that the classification panel focused its review mainly on paragraph 4, Section B of the job description [form 270 (7-02)]. This paragraph is completed by the supervisor of the post responding to the following query: If the job description is to be used for requesting a review of the classification level,

indicate the changes that have occurred in the duty assignment. OIOS believes that OHRM should have reviewed the job description of the posts requested for reclassification in their entirety rather than limiting the review to only paragraph 4, Section B of the job description.

30. Paragraph 4, Section B of the job description (form 270 (7-02) did not clearly show increased functions of the posts being proposed for reclassification. As a result, in most cases, OHRM rejected the proposals stating that “duties are essentially the same as those of the previous job description”. Proper documentation regarding changes in job description is key to justifying classification requests and to obtaining OHRM’s approval.

31. A number of staff including the local staff union representative and the six staff members whose posts were not reclassified expressed disappointment that the functions were not comprehensively reviewed and noted that they intended to appeal. Their morale was low, which could affect their performance and productivity.

Recommendation 6

(6) UNFICYP Management should submit post classification requests to OHRM with sufficient justification and documentation regarding changes in functions, and request the OHRM Classification Panel to review the functions in their entirety rather than limiting the review to the changes in function.

32. *UNFICYP Management accepted recommendation 6. OHRM explained the post classification process and asserted that its review of classification requests was not limited to paragraph 4, section B of job descriptions but entailed a thorough review of the duties and responsibilities of the posts in question, including their respective organizational settings and previously classified job descriptions. OHRM further pointed out that UNFICYP often submitted poorly documented or incomplete or ambiguously written job descriptions, that unnecessarily slowed the review process, as OHRM is compelled to request clarification or additional information, at times involving a lengthy exchange of correspondence. In addition, OHRM stated that UNFICYP should have a quality control mechanism to ensure that its classification requests met General Assembly resolution 56/253 prior to their submission to OHRM for classification review. While OIOS acknowledges OHRM’s explanation, the observation was based on OHRM notes in paragraph 4, section B of the job description which stated that “duties are essentially the same as those of the previous job description.” Therefore, recommendation 6 will remain until UNFICYP provides OIOS with documentation showing that it has submitted the pending reclassification cases to OHRM with the necessary justification and documentation for changes in function.*

C. Training

Need for an Integrated Training Cell

33. UNFICYP's 2004-2005 financial performance report A/60/785 indicated that not all funds allotted for training were utilized. The report showed that \$792,700 or 1.6 per cent of the appropriation as savings, which resulted from, among other things, reduced requirements for official travel to destinations outside the mission and training-related travel owing to the application of a "train-the-trainers" policy and provision of training locally. In addition, there were lower training fees, owing to the reduced number of training courses undertaken.

34. During its visit to UNFICYP in April 2007, the DPKO evaluation team recommended that the Mission establish an Integrated Mission Training Cell. Accordingly, the Mission established the Integrated Training Cell in April 2007 comprising four training focal points: Military, UNPOL, Civil Affairs and Administrative. The Integrated Training Cell has been tasked with identifying training needs in the Mission, formulating budgetary proposals for additional resources required and coordinating and implementing the training programmes for personnel. In addition, the cell is to develop an integrated training plan for UNFICYP.

35. In its 2006-2007 budget UNFICYP proposed \$58,200 in training resources (A/60/592). OIOS noted that the plan is being prepared, but timelines and related milestones for completing and implementing the plan have not been developed.

Recommendation 7

(7) UNFICYP Management should prepare timelines and milestones for completing and implementing the integrated training plan.

36. *The UNFICYP Management accepted recommendation 7 and stated that the integrated training plan will be completed in August 2007. Recommendation 7 will remain open pending receipt from UNFICYP of a copy of the completed training plan and documentation that it has been implemented.*

D. Performance management

Performance ratings statistics

37. OIOS reviewed the 2006-2007 performance appraisal statistics, which as of 24 April 2007, showed completion rates of 68.4 per cent for the international staff and 93 per cent for the national staff. There were no records on file to clarify why 31.6 per cent of the international staff appraisals were not completed.

38. There were significant differences in the ratings of international and national staff. As shown in Table 7, it appeared that a higher percentage of international staff received 1 and 2 ratings as compared with national staff.

Table 7: Performance ratings

Ratings	International		National	
	No. of staff	Percentage	No. of staff	Percentage
1. Consistently exceeds performance expectations	5	19	4	4
2. Frequently exceed performance expectations	9	35	19	19
3. Fully satisfactory performance	12	46	79	77
4. Partially meets expectations	-		-	
5. Does not meet expectations	-		-	
Total:	26	100	102	100

39. According to the minutes of the 9 January 2007 Section Chiefs meeting (CYP-02/2007), the following performance appraisal guidelines for 1, 2, and 3 ratings, (which were based on DPKO's guidelines on PAS rating distribution), were established for UNFICYP:

- (a) No more than 15 per cent of staff may receive a rating of "consistently exceeds performance expectations";
- (b) No more than 35 per cent of staff may receive a rating of "frequently exceeds performance expectations"; and
- (c) Approximately 50 per cent may receive a rating of "fully satisfactory performance".

40. UNFICYP did not comply with some of its guideline thresholds in the performance rating spread. The first guideline states that no more than 15 per cent of staff may receive a "1" rating. However, 19 per cent of international staff received this rating, while only 4 per cent of national staff received a "1" rating. The second guideline states that no more than 35 per cent of staff should receive a "2" rating. International staff ratings conformed exactly to the guideline, while only 19 per cent of national staff received this rating. The 50 per cent guideline for "3" ratings was not met for national staff, 77 per cent of whom received a 3 rating. It is important to maintain consistency in performance appraisal ratings between the international and national staff in keeping with the Secretary-General's pronouncement that all UN staff members are international civil servants.

Recommendation 8

(8) UNFICYP Management should ensure that there is parity between the performance appraisal ratings of international and national staff.

41. *The UNFICYP Management did not accept recommendation 8 and stated that the guideline is a guideline, and, as such, is not mandatory. The Mission Administration also pointed out that the DPKO guidelines on ratings distribution do not separate the two categories of staff, and that it has no intention of arbitrarily dictating to supervisors what rating they should give to their staff. In OIOS' view, UNFICYP's response does not specifically address the recommendation, which called for parity between international and national staff appraisals. OIOS, therefore, reiterates recommendation 8, and will keep it open in its recommendations database.*

E. Safety and security

Reporting structure

42. General Assembly resolution A/RES/59/276 provides for the strengthened and unified security management system in the United Nations. The Assembly considered the Secretary-General's reports A/59/365 and A/57/365, OIOS report A/59/396, ACABQ report A/59/539 in deciding, inter alia, to establish the Department of Safety and Security to implement the Organization's safety and security programme. Standard operating security procedures are promulgated in field missions, which are required to establish Security Management Teams with clear responsibilities and reporting lines.

43. In accordance with the Department of Safety and Security Framework for Accountability for the United Nations Security Management system, the Chief Security Officer in a peacekeeping mission will normally be appointed as the Chief Security Advisor to the Head of Mission. The Chief Security Officer, when not appointed as Chief Security Adviser, is required to administratively report to the Designated Official. The Chief Security Officer in UNFICYP reports administratively to the Chief Administrative Officer (CAO). UNFICYP's staffing table shows the Chief Security Officer post as part of the CAO's office. OIOS was informed that the Chief Security Officer post was always under CAO since inception of the Mission.

Recommendation 9

(9) In line with the Department of Safety and Security guideline, UNFICYP management should consider revising the existing reporting relationship to ensure that the Chief Security Officer reports directly to the Chief of Mission.

44. *The UNFICYP Management accepted recommendation 9 and stated that effective with the new financial reporting period of 2007-2008, this reporting line has been implemented. Recommendation 9 will remain open pending receipt from UNFICYP of documentation showing the new reporting line of the Chief Security Officer.*

Zone Warden System

45. It is UN policy to prepare for the onset of crisis or emergency situations through the development of a three part programme consisting of communications, precautionary measures and emergency responses, which has at its core, the Zone Warden Plan. However, UNFICYP had not yet established the warden system, although the newly recruited Chief Security Officer has recognized the need for the Zone Warden system. The zone warden system is an integral part of security management and involves maintaining contact details of staff members' residences, which are categorized into zones represented by a warden. The Chief Security Officer noted that a draft zone warden plan is being considered by UNFICYP management and that it will be implemented upon approval.

Recommendation 10

(10) UNFICYP Management should implement the zone warden system in the Mission as early as possible in order to protect UNFICYP staff from security risks.

46. *The UNFICYP Management accepted recommendation 10 and stated that the recommendation has been implemented in July 2007.* Recommendation 10 will remain open pending receipt from UNFICYP of documentation showing the implementation of the Zone Warden System.

F. Office of the Secretary-General's Special Advisor for Cyprus

47. OIOS received separate comments from UNFICYP, DPKO and DPA on the audit of the Office of the Secretary-General's Special Advisor for Cyprus (OSGSA). The UNFICYP Management asserted that auditing the OSGSA was not within the purview of the OIOS Resident Audit Team, and the Chief Administrative Officer questioned the resident auditor's qualifications to audit political missions. The Department of Field Support stated that the issues relating to the OSGSA appear to fall into the political rather than the administrative realm. The Department of Political Affairs (DPA) believed that it did not see the relevance of the OSGSA as part of the UNFICYP human resources management audit.

48. OIOS acknowledges UNFICYP's comments but believes that it has the authority to audit the OSGSA, which is a special political mission. Under General Assembly resolution 48/218 B, OIOS is mandated to audit the UN Secretariat departments, and DPA's special political missions constitute a part of the Secretariat department. Furthermore, in OIOS' view, the Resident Audit Team was correct to cover OSGSA's staff and other resources as part of UNFICYP's human resources management audit because:

- UNFICYP's staffing table included OSGSA's posts.

-
- The UNFICYP SRSG specifically requested the Resident Audit Team to cover the staff and other resources of OSGSA as he expressed difficulty in securing resources to fund the activities arising out of the 8 July 2006 Agreement. The SRSG provided the Resident Audit Team with documents covering several exchanges of correspondence between UNFICYP, DPA and the Controller.

49. Moreover, during the audit exit conference with UNFICYP management, the relevance of the audit and the authority of the OIOS Resident Audit team to cover the OSGSA were not questioned. More importantly, two of the three recommendations in question have been accepted by UNFICYP and DPA, which stated that it was important to reflect recommendation 12 in this report.

Post management

50. OSGSA is a special political mission funded from the regular budget. The political mission's 2006-2007 programme budget totaled \$571,000, which included \$334,000 for three posts: one USG, one P-4, and one local general service. The remaining \$237,000 was earmarked for operational expenses.

51. The political mission's 2006 budget performance information showed that all three posts were vacant and that only \$24,000 was expended against the appropriation for operational expenses. In fact, OSGSA had no presence in Cyprus since 2004 until the new Special Representative of the Secretary-General (SRSG) for UNFICYP was appointed in January 2006.

52. OIOS is concerned that idle resources were maintained for OSGSA which could have been allocated to other priority activities under the peace and security area. This situation reflects the need for closer assessment of the Special Advisor's activities by the Department of Political Affairs.

Recommendation 11

(11) The Department of Political Affairs should assess the continued need for the posts of the Under-Secretary-General, a P-4 and one General Service local staff appropriated for the Office of the Secretary-General's Special Advisor for Cyprus.

53. *DPA accepted recommendation 11 and reiterated the continued need to secure contingency funds for the OSGSA for Cyprus. It emphasized that the Secretary-General must be equipped with resources which enable him to carry out his mission of good offices as mandated by the Security Council and to appoint a new Special Advisor at short notice, if and when he determines that conditions are ripe for such an appointment. There are indeed indications that full-fledged negotiations might be possible to resume in the course of 2008. It should be noted that: (a) for the first time since July last year, the Greek- and Turkish-Cypriot leaders met on 5 September 2007, and agreed to continue their contact through the UN and meet again when appropriate; and (b) UN action is expected by relevant parties following the elections in the southern part of the*

island in February 2008. Based on DPA's explanation, recommendation 11 has been closed.

Funding for the 8 July 2006 agreement

54. In December 2006, the UNFICYP SRSG approached UN Headquarters requesting \$2.5 million in funds to implement the agreement signed on 8 July 2006 by the Turkish and the Greek Cypriots in the presence of the then Under-Secretary-General for the Department of Political Affairs. The SRSG proposed that the funds come from the Secretary-General's unforeseen budget. The cost estimate of \$2.5 million included the recruitment of a Coordinator at the D-2 level to facilitate the preparatory process in the implementation of the 8 July agreement. UN Headquarters did not accept the proposal, but suggested that the SRSG explore the possibility of obtaining funds from the appropriation for the Office of the Secretary-General's Special Advisor for Cyprus. Accordingly, the UNFICYP SRSG prepared a funding request for \$400,000. However, the Controller's office sought clarifications on the following issues:

- (a) The exact role of the United Nations in implementing the 8 July agreement.
- (b) The activities that should be covered with the \$400,000 appropriated for the Office of the Secretary-General's Special Advisor for Cyprus, and the proportion of the budget proposal expected to be covered from voluntary contributions.

55. In his 6 February 2006 note to the Chef de Cabinet, Mr. Gambari, in justifying the additional resources, spelled out the following prerequisites to be met if the Organization is to facilitate the implementation of the 8 July agreement.

- (a) As soon as the two sides announce the start of the implementation of the 8 July agreement the relevant resource requirements to support the UN facilitation role in the process should be sub-allotted, as necessary, from the 2007 budget of the Office of the Special Advisor of the Secretary-General on Cyprus to the UNFICYP SRSG.
- (b) Depending on the developments on the ground, the UNFICYP SRSG, in coordination with DPA, should formulate the request for additional resources (regular budget or voluntary contributions) to enable continued support for 8 July Agreement process.

56. On 16 February 2007, the Under-Secretary-General for Political Affairs confirmed to the UNFICYP SRSG that the Chef de Cabinet accepted his recommendations but requested him to respond to the Controller's queries summarized above. However, according to the UNFICYP Administration, the Controller's office did not support the release of funds from the Office of the Secretary-General's Special Advisor for Cyprus because the exact role of the United Nations concerning the 8 July agreement had not been clarified.

57. The Greek and Turkish Cypriot leaders agreed to establish technical committees as a way forward towards a comprehensive settlement. While the United Nations had made a diligent effort to anticipate its role on the 8 July agreement, and accordingly prepared cost estimates, there was no indication by the Turkish and Greek Cypriots as to their common understanding of the United Nations role.

Recommendation 12

(12) The UNFICYP SRSG, in consultation with the Department of Political Affairs, should propose an outline of the United Nations role in implementing the 8 July agreement to the Turkish- and Greek-Cypriot leaders in order to facilitate the implementation process and to secure necessary funds.

58. *Although UNFICYP questioned the relevance of this recommendation to the audit's objectives, it nonetheless accepted the recommendation and stated that it has no objection to providing further explanation of the UN's role in the implementation of the 8 July 2006 agreement. The Department of Political Affairs commented that it is important to reflect this recommendation in this report and that it has requested UNFICYP to obtain from the Turkish- and Greek-Cypriot communities on the type of UN assistance that they would like to receive in order to implement the 8 July 2006 agreement, since no information has been received from UNFICYP to date. Recommendation 12 will remain pending receipt from UNFICYP of a copy of the proposed outline of the United Nations role in implementing the 8 July 2006 agreement presented to the Turkish and Greek Cypriot leaders is received.*

V. ACKNOWLEDGEMENT

59. We wish to express our appreciation to the Management and staff of UNFICYP for the assistance and cooperation extended to the auditors during this assignment.

STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	C/O ¹	Actions needed to close recommendation	Implementation date ²
1	O	Submission to OIOS a copy of the Human Resources Action Plan between DPKO/OHRM and UNFICYP by the end of 2008	End 2008
2	O	Reconsideration by the Mission of its initial response to the recommendation	
3	C		Ongoing
4	C		Current practice
5	O	Submission to OIOS of documentation showing UNFICYP consultations with OHRM to clarify the status of the eight post classification requests shown in Table 4	Current practice
6	O	Submission to OIOS of documentation showing that the Mission has provided the pending reclassification cases to OHRM with the necessary justification and documentation for changes in function	Current practice
7	O	Submission to OIOS of a copy of the completed training plan	August 2007
8	O	Reconsideration by the Mission of its initial response to the recommendation	
9	O	Submission to OIOS of documentation showing the new reporting line of the Chief Security Officer	Current practice
10	O	Submission to OIOS of documentation showing the implementation of the Zone Warden System	July 2007
11	C	Action completed	September 2007
12	O	Submission to OIOS of a copy of the proposed outline of the United Nations role in implementing the 8 July 2006 agreement presented to the Turkish- and Greek-Cypriot leaders	

¹ C = closed, O = open² Date provided by UNFICYP in response to recommendations

UNITED NATIONS



OIOS Client Satisfaction Survey

Audit of: Human resources in UNFICYP

(AP2007/654/02)

	1	2	3	4	5
By checking the appropriate box, please rate:	Very Poor	Poor	Satisfactory	Good	Excellent
1. The extent to which the audit addressed your concerns as a manager.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The audit staff's understanding of your operations and objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Professionalism of the audit staff (demeanour, communication and responsiveness).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The quality of the Audit Report in terms of:					
• Accuracy and validity of findings and conclusions;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Clarity and conciseness;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Balance and objectivity;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Timeliness.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The extent to which the audit recommendations were appropriate and helpful.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The extent to which the auditors considered your comments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Your overall satisfaction with the conduct of the audit and its results.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please add any further comments you may have on the audit process to let us know what we are doing well and what can be improved.

Name: _____ Title: _____ Date: _____

Thank you for taking the time to fill out this survey. Please send the completed survey as soon as possible to:
 Director, Internal Audit Division, OIOS
 By mail: Room DC2-518, 2 UN Plaza, New York, NY 10017 USA
 By fax: (212) 963-3388
 By E-mail: knutsen2@un.org