



INTERNAL AUDIT DIVISION

OFFICE OF INTERNAL OVERSIGHT SERVICES

AUDIT REPORT

Audit of the Use of Consultants and Individual Contractors by DESA

29 October 2007

Assignment No. AN2007/540/2

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OIOS · BSCI

TO: Mr. Zukang Sha, Under-Secretary-General,
A: Department of Economic and Social Affairs

DATE: 29 October 2007

REFERENCE: AUD-File no. (07- 00679)

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



SUBJECT: **Assignment No. AN2007/540/02 - Audit of the Use of Consultants and**
OBJET: **Individual Contractors by DESA**

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

2. Based on your comments, we are pleased to inform you that we have amended recommendations 6 and 10 and closed recommendation 9 in the OIOS recommendations database as indicated in Annex 1. 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 6-8 and 10-11), 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. Jan Beagle, ASG, Office of Human Resources Management
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. William Petersen, Chief, New York Audit Service

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).

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EXECUTIVE SUMMARY

Audit of the use of Consultants and Individual Contractors by DESA

OIOS conducted an audit of the use of Consultants and Individual Contractors by the Department of Economic and Social Affairs (DESA) from January to March 2007. The main objectives of the audit were to assess DESA's compliance with UN administrative instructions governing the use of consultants and the efficiency, economy and transparency of DESA's practices for the hiring of consultants. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

During the period January 2004 to December 2006, DESA entered into a total of 1,318 consultancy agreements, amounting to \$13.6 million, to perform specialized services and produce technical outputs in accordance with its mandate. About \$10 million of these consultancies were funded from extrabudgetary resources.

Based on a review of a sample of contracts, OIOS found that DESA had generally complied with UN administrative instructions governing the use of consultants. However, these instructions do not clarify the requirements for competitive selection of consultants, including documentation of the process.

In processing consultancy contracts, the DESA Technical Cooperation Management Services (DESA-TCMS) did not generally document competitive selection. The contracts processed by the DESA Executive Office (DESA-EO) were seemingly supported by consideration of three candidates; however these candidates were often the same for different contracts, thus giving the impression of a formalistic rather than serious consideration. Based on these findings, OIOS could not conclude that DESA had ensured the competitive selection of its consultants.

The Office of Human Resources Management (OHRM) envisaged establishing in 1999 a centralized roster of consultants, to assist competitive selection. However, the roster was not in existence in 2007. Meanwhile, OHRM had not discussed or formulated any interim measures with the departments which were generally relying on informal means to source their consultants. For example, although DESA had made two attempts to establish and maintain a roster in the past, a departmental roster for consultants was not being used at the time of the audit due to lack of resources.

The OHRM delegation of authority to DESA-TCMS was issued in 1979 and had not been updated since then, despite many re-organizations within DESA. OHRM had not monitored the functioning of this delegation to DESA through reviews of the levels of appointment of consultants and of documentation of personnel actions taken.

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I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the use of Consultants and Individual Contractors by the Department of Economic and Social Affairs (DESA) from January to March 2007. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

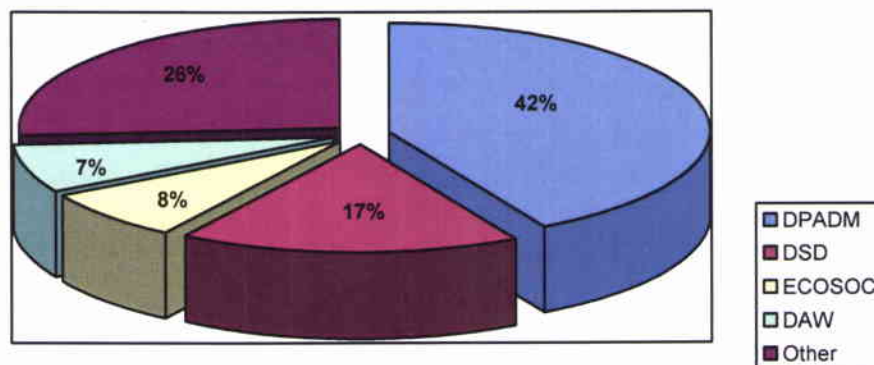
2. The mission of DESA is to: (i) gather and assess a wide range of economic, social and environmental data and information for use by Member States; (ii) facilitate the negotiations amongst intergovernmental bodies on ongoing or emerging global challenges; and (iii) advise Governments on the implementation of UN policy frameworks at the country level and, through technical assistance, help build national capacities. DESA routinely procures specialized knowledge and expertise outside the Organization that are not readily available on a full-time basis in DESA, as a vital means to achieving its mandate.

3. A series of administrative instructions¹ set out the procedures for departments that hire the professional services of consultants and individual contractors. Resources for consultants are provided on the basis of DESA's programme of work biennially under the regular budget, and annually by project in the case of technical cooperation services. Consultancies are funded by both regular budgetary and extrabudgetary resources accordingly. The DESA Technical Cooperation Management Services (TCMS), which is responsible for its technical assistance projects, has delegation of authority from OHRM to hire consultants. This is covered under the delegation of authority for the administration of the 200 Series of Staff Rules which regulates the management of project personnel. All other consultancies are processed by the DESA Executive Office (EO) and approved by the Office of Human Resources Management (OHRM).

4. During January 2004 to December 2006, DESA engaged a total of 1,318 consultancies, at an average cost of \$10,000 per consultancy, to perform specialized services and produce technical outputs in accordance with its mission. Total consultancies for the period amounted to \$13.6 million. Principally, these consultancies were funded from extrabudgetary resources amounting to more than \$9.7 million (71 percent of all consultancies during the period). The regular budget accounted for approximately 29 percent of the DESA consulting activities for the same period. The allocation by division is illustrated in Figure 1.

¹ ST/AI/296, dated 19 November 1982, ST/AI/295, dated 19 November 1982. Other UN policy and procedure documents that guide consulting engagements include ST/GB/177/1982, ST/AI/295, dated 19 November 1982; ST/AI/295/Amend. 1, dated 5 July 1995; ST/AI/296, dated 19 November 1982; ST/AI/295/Amend.1, dated 5 July 1995; ST/GB/2002/9, ST/AI 231, ST/AI/1999/7, and more generally, ST/AI/2002/4, ST/AI/2005/8, and ST/AI/2006/3.

Figure 1. 2004 - 2006 Consultancy Expenditures, by division



5. Comments made by DESA and OHRM, as applicable, are shown in *italics*.

II. AUDIT OBJECTIVES

6. The major objectives of the audit were to:
- (a) Assess the compliance of DESA with the UN established policies and procedures for the hiring of consultants; and
 - (b) Assess the efficiency, economy and transparency of DESA practices for the hiring of consultants.

III. AUDIT SCOPE AND METHODOLOGY

7. The audit covered 67 consulting contracts, including 37 in TCMS and 30 in the EO, procured from 1 January 2004 to 31 December 2006. The 67 sampled contracts were awarded to 28 consultants and individual contractors (14 in TCMS and 14 in the EO) during the period reviewed. The audit included interviews with relevant personnel responsible for various aspects of the recruitment of consultants and review of documentation in DESA and OHRM. OIOS also used a questionnaire to benchmark the practices of ten major departments at Headquarters.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Compliance with UN administrative instructions

8. DESA had generally complied with UN administrative instructions governing the use of consultants. OIOS found that in general:

-
- Consultants were hired for the purpose established by the DESA programme of work, and specific project objectives;
 - Consultants' qualifications and experience appeared to meet job requirements;
 - Remuneration was in accordance with OHRM guidelines;
 - Consultants had not performed services for more than 24 months in a 36-month period;
 - Terms of reference laid out objectives and targets and had measurable outputs and delivery dates;
 - Payments were released in accordance with the terms of the contract and after certification by the authorized officials;
 - Final performance evaluation were completed in the prescribed forms;
 - Travel, medical clearance and daily subsistence allowance (DSA) payments were in accordance with UN standards;
 - Modifications in contracts were stated in accordance with needs of the work programme; and
 - Work location of consultants had adequate justification.

9. However, in a few cases, OIOS found areas of non-compliance due to administrative oversight. From its review of 30 contracts processed by the EO, OIOS found that:

- In four contracts, the terms of reference for the job should have led to hiring an individual contractor rather than a consultant, conditions which could impact the possible duration and costs of the related contracts;
- In one contract, an advance payment of \$7,500 was made which was not permissible under the financial rules;
- Two contract files lacked documentation for contract amendments although amendments had been made in IMIS;
- Three files did not have original signed contracts on file;
- Four contracts were signed after the effective starting date of the consultancy;
- In three contracts, the date on the advance signed copies were different from the signed original document on file;
- Two of ten contracts requiring the six-month interim performance evaluation did not have them on file;
- Three contracts had no medical certificate submitted as required when working in the UN premises; and
- One contract file did not have the endorsement of the certifying officer on payment request on file.

10. In 10 out of 37 contracts processed by TCMS, the offer had been accepted after the start date of the contract.

Recommendations 1 and 2

(1) DESA should ensure full compliance with UN administrative instructions.

(2) DESA should ensure the maintenance of complete files of consultants.

11. *DESA accepted recommendation 1 and stated that as reflected in paragraph 8, DESA had generally complied with UN administrative instructions governing the use of consultants, and will continue to do so. Further, the use of the standard checklist should assist the department in minimizing occasional errors due to administrative oversight which the Department does not view as non-compliance with UN administrative instructions. Recommendation 1 remains open pending submission of standard checklist.*

12. *DESA accepted recommendation 2 and stated that the use of a standard checklist should assist the Department in ensuring that all supporting documentation is systematically included in the consultants' files. Recommendation 2 remains open pending submission of standard checklist.*

B. Competitive selection of consultants

13. According to paragraph (g) of ST/AI/1999/7 dated 25 August 1999 circulated by the Under-Secretary-General, Management, "consultants shall be selected as the most competent person for the work from as wide a number of nationalities as possible, from a roster of qualified male and female candidates." There is, however, no instruction from OHRM on how to ensure the most competitive selection of consultants other than the mention of a centralized roster that OHRM was to have created.

14. A review of the distribution of contracts issued during 2004-2006 showed that a total of 193 consultants had been awarded 524 contracts. Approximately 280 contracts awarded to 118 consultants were for less than \$30,000 cumulatively by consultant, 193 contracts awarded to 63 consultants had a cumulative value by consultant ranging from \$30,000 to \$99,000, and 51 contracts awarded to 12 consultants exceeded \$100,000 cumulatively by consultant. In one case the consultant had been paid a cumulative value of over \$216,000 through seven contracts. OIOS found that contracts were being awarded repeatedly to a limited number of consultants without an adequate competitive process.

15. A good practice in the hiring of consultant requires that several candidates be considered for selection and the process leading to the selection be documented. This practice helps ensure that consultancy contracts are economical and in the best interest of the Organization. OIOS interviewed the Directors of Public Administration and Development Management, Statistics Division and the Officer-in-charge of the Division for Sustainable Development along with two substantive staff involved in hiring the consultants for the 37 contracts administered by TCMS to determine the process followed for the selection of consultants. These officials explained that, normally, they consider at least three consultants for each consultancy assignment. Candidates are recommended on the basis of qualifications, suitability, their willingness to accept the terms of offer, in addition to their availability for the desired contractual term. Candidates considered included previous consultants,

consultants known to the substantive officers or who were identified from external network sources and informal rosters maintained by the divisions.

16. In only three out of the 37 TCMS sampled contracts, the names of three candidates were recorded in file. The reasons justifying the selection of a particular candidate were not documented. Furthermore, in 33 out of the 34 contracts for which no competition had been documented, the same consultant was hired repeatedly.

17. DESA officials explained that at managers' meetings, it is a practice to discuss the need for a particular consultancy and the nature and scope of the desired outputs. At OIOS' request, DESA subsequently provided the names of at least one other candidate considered for each of 11 contracts and explained that the selections for the remaining contracts had been based on recommendations of the recipient governments in consultation with local offices of the United Nations Development Programme (UNDP) or the consultant's prior experience with DESA. However these considerations were not systematically documented.

18. In 27 of 30 contracts processed by the EO, three names of candidates had been documented; however, the three names were repeated in 10 contracts. Based on the above findings, OIOS could not conclude that DESA had ensured that the selection of consultants was economical and in the best interest of the UN. In OIOS' view, the procedure for ensuring competitive selection should be spelt out by OHRM in order to ensure compliance. Meanwhile, DESA should establish a procedure to ensure uniformly that the selection of consultants is competitive and fully documented.

Recommendations 3 and 4

(3) OHRM should ensure that the procedure for ensuring competitive selection is spelt out in the UN administrative instructions governing the use of consultants; and

(4) DESA should uniformly document the names of at least three candidates considered for a consultancy assignment and the basis of selection to ensure that an adequate document trail supporting the competitive selection process is maintained; this procedure should be documented in the internal procedures to ensure consistent application.

19. *OHRM did not accept recommendation 3, stating that the selection procedure for consultants is spelled out in ST/AI/1999/7 (section 4). The procedures for competitive selection are outlined in the administrative instruction. This information is also available online.* OIOS noted that Section 4 of ST/AI/1999/7 states that departments shall use the central roster being developed by OHRM and also consider several qualified candidates for each assignment. In another administrative instruction (ST/AI/296), paragraph 14 refers to Form P104/A which includes the requirement to list the candidates considered in order of preference, indicating their nationality, level of education,

skills, prior and current engagements, type of work performed, fees and evaluation of past work. In OIOS' view, however, OHRM has not established how the department should source the competitive candidates that are included in the Form P.104/A. In the absence of a central roster, the sourcing of these candidates assumes even greater importance. OIOS is therefore keeping its Recommendation 3 open pending the introduction of instructions by OHRM on how the departments should uniformly ensure competitive selection.

20. *DESA did not accept recommendation 4 and stated that DESA is fully compliant with the existing administrative instructions on the hiring of consultants. As regards competitive selection, Form P.104/A (Supplementary Data for Consultant/Individual Contractor Contract) requires the provision of at least three candidates considered for the assignment in the order of preference as well as reasons for the order and selection of the proposed individual. This form is required for all consultancy requests processed through the Executive Office, and documents the selection process. Paragraph 15 of the report details the review processes implemented in the substantive divisions when selecting consultants for technical cooperation assignments. TCMS will commence using the Form P.104/A to better reflect the outcome of this review process. The TCMS and EO will continue to ensure that the justification for the selection by the programme manager is fully elaborated in relation to the requirements of the assignment.*

21. *DESA further stated that the responsibility for the development and promulgation of procedures and mechanisms to promote competitive selection of consultants is the responsibility of OHRM. Should OHRM revise the current administrative guidelines and requirements, DESA will fully comply with the new policies and procedures. The recommendation to establish its own procedure suggests that DESA is being held to a different standard than that defined by current policy and practice across departments in the Secretariat.*

22. OIOS noted that whilst the EO of DESA uses Form P.104/A to document at least three names of candidates considered when hiring consultants, the TCMS did not consistently follow this practice. Therefore, there is a need for DESA to uniformly and consistently apply the same practices for documenting its competitive selection for consultants and also include these requirements in its internal procedures. Recommendation 4 remains open pending submission of an internal DESA-wide procedure standardizing the requirement for both the EO and TCMS to document the competitive selection process for hiring consultants using Form P.104/A.

C. Use of standard checklist

23. In checking for compliance and locating documentation, including requests for consultants, terms of reference, contracts, contract amendments, payment requests and performance evaluations, OIOS found the review of files to be time-consuming. In OIOS' view, DESA could benefit from introducing a referenced checklist that would require signoff on each step in the recruitment and evaluation process by the responsible persons. This would also create a record of compliance and serve to enhance transparency and accountability.

Recommendation 5

(5) DESA should develop a standard checklist for the recruitment of consultants and individual contractors that captures the entire process from the request to selection and approval.

24. *DESA accepted recommendation 5, stating that the Department is currently finalizing the checklist which is expected to be promulgated effective 1 October 2007. Recommendation 5 remains open pending submission of the completed standard checklist.*

D. Centralized roster

25. According to paragraph 4.1 of ST/AI/1999/7, dated 25 August 1999, "Departments and offices shall use the central roster of candidates being developed by the OHRM as soon as it is operational." In its response to the Board of Auditors recommendations of 2003, OHRM had stated that it was "considering a creation of a centralized electronic roster of consultants and individual contractors for the Secretariat once the appropriate IT tools are available." However, OHRM stated that a roster had not yet been developed at the time of the audit, due to lack of resources and changes in implementation priorities.

26. To benchmark the practices in other departments for hiring consultants and the use of a roster, OIOS requested ten UN Secretariat departments at Headquarters to complete a questionnaire. Responses indicated that none of these departments had established a departmental roster, only one department had developed informal lists of consultants at the divisional level and generally these departments used informal lists maintained at the branch level.

27. In DESA also, divisions or branches maintained informal lists of consultants. TCMS informed OIOS that it did have a roster in the early 1990s and again in 2003 but discontinued it due to the lack of resources to maintain it. DESA stated that currently TCMS had only one G-4 staff member for this task, who was preparing a roster based on previous consultants used by DESA. DESA was also attempting to code the different specializations before operationalizing a database on consultants.

Recommendations 6 to 8

(6) OHRM should liaise with user departments to further consult on the implementation of a Secretariat-wide roster;

(7) DESA should ensure that in the absence of a centralized roster, it creates and maintains a departmental web-based roster of consultants for ensuring competitive

selection. Guidelines should be formulated for the approval and input of names into this roster; and

(8) DESA should include in its proposed budget appropriate resources for the creation and maintenance of a departmental roster of consultants.

28. *OHRM stated that the feasibility and usefulness of a Secretariat-wide roster has been acknowledged. However, OHRM will liaise with relevant departments to further consult on this matter. Recommendation 6 will remain open pending submission of results of OHRM's consultation with user departments regarding the feasibility and usefulness of a Secretariat-wide roster.*

29. *DESA accepted recommendation 7, stating that in view of the importance attached to widening the pool of available consultancy candidates it had already initiated action to develop a computer-based roster that will be made available internally to substantive offices. Guidelines governing the use and maintenance of the roster will also be issued once the roster is operational. The development and maintenance of any web-based system (e. g., Galaxy) would require considerable resources, especially, in terms of maintenance and vetting the suitability of potential candidates for inclusion in the roster. Therefore, implementation of a web-based roster would be completely subject to availability of resources, as well as a future review/decision that a web-based system represents the optimum use of Departmental resources.*

30. *OIOS notes DESA's comments regarding the establishment of a computer-based roster rather than a web-based roster and will keep Recommendation 7 open pending submission of DESA's review/decision on whether a web-based system represents the optimum use of Departmental resources and the implementation of the relevant system.*

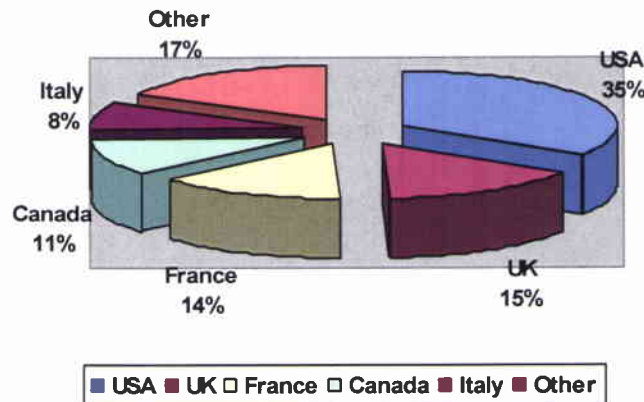
31. *DESA accepted recommendation 8 and stated that it will make every effort to include provisions in the programme budget. However, it should be noted that the next opportunity to include such provisions is in the context of the programme budget for the biennium 2010-2011. Further, Member States may not support such funding under substantive departments since the responsibility of a centralized roster of consultants lies with DM/OHRM. Recommendation 8 remains open pending submission of DESA' proposed programme budget for the biennium 2010 – 2011.*

E. Wider geographical distribution and gender balance

32. *According to paragraphs 4.3 and 4.4 of ST/AI/1999/7, every effort shall be made to select consultants from the widest possible geographical base and also achieve a gender balance. Figure 2 illustrates the geographical distribution across the total population of consultants hired. DESA explained that, to all intents and purposes, every effort is made to hire consultants from different countries and regions. However, several constraints, particularly cost of travel, procedures for travel and the immediacy of the need, result in the higher recruitment of consultants from developed countries in the proximate area.*

DESA also explained that in the absence of a centralized roster or other tools, it could not easily source consultants from developing regions.

Figure 2: Distribution of consulting contracts in the total population of consultants hired 2004-2006



33. Similarly, the OIOS review of gender balance showed a bias toward male consultants by a ratio of 3:1 in a sample of 28 consultants. In the view of OIOS, the development of a departmental web-based roster by DESA, in the absence of a UN Secretariat central roster, would help improve the geographical distribution and gender balance. However, DESA needs to take measures to factor in geographical and gender characteristics in screening candidates for the departmental web-roster to improve the wider representation and transparency in the selection process.

Recommendation 9

(9) DESA should ensure that it considers geographical distribution and gender balance in screening candidates for the departmental web-roster to ensure wider representation among consultants hired by DESA.

34. *DESA accepted recommendation 9 and stated that it supports the organization's policies on the need to broaden the geographical distribution and female representation of the consultants and individual contractors that it hires by ensuring that in cases of comparable expertise and qualifications, female candidates will be selected.* Based on DESA's response, Recommendation 9 is being closed. OIOS will re-visit this issue in its future audits on this subject and assess DESA's progress in this area.

35. OHRM compiles the human resources statistics of all departments and submits a report to the General Assembly biennially and monitors the departments through the Human Resources Action Plan (HRAP). The statistics for the end of the third cycle are adopted as baseline figures. Therefore, if a department had performed well at the end of the third cycle, it would have to constantly increase its percentages to register a good performance. For example, the DESA 2005-2006 figures in the HRAP showed its geographical distribution percentage to be 57.6 (number of consultants from different countries/total number of member states) and gender balance percentage to be 29.9 (number of female consultants/total consultants) at the end of the third cycle. Since the countries represented were not weighted by the number of consultants from a given country, the formula being used to arrive at the percentage was not very useful in reflecting the geographical distribution.

Recommendation 10

(10) OHRM should consider enhancing benchmarks associated with the monitoring of a department's performance in respect of targets related to geographical distribution and gender balance.

36. *OHRM stated that on-going monitoring of departments is conducted through the Human Resource Action Plan and periodic on-site monitoring of individual departments is also conducted where the process for selection of consultants and individual contractors is closely reviewed. Consideration could be given to enhancing the benchmarks associated with the use of consultants to take into account the points raised. Recommendation 10 is kept open pending submission of the enhanced benchmarks for hiring consultants issued by OHRM to the departments.*

F. Delegation of authority to DESA

37. In the area of the DESA-Technical Cooperation activities, OHRM, as of 4 October 1979, has delegated authority to the Chief of Technical Assistance Recruitment Service (TARS) for the administration of the 200 series Staff Rules which cover consultancy contracts. In the twenty-eight years which have elapsed, the TARS has undergone several structural changes, the most recent of which created TCMS. In OIOS' view, OHRM should review the delegation of authority to DESA for the administration of the 200 series Staff Rules, with the view to reflect the current structure.

38. Furthermore, the 1979 delegation does not indicate how OHRM will monitor the authority given to DESA. In fact, OIOS found that OHRM had not conducted any monitoring exercises of the delegation of authority to DESA through, for example, calling for periodic reports, conducting ad hoc reviews of the levels of appointment made and reviewing the documentation of personnel actions taken.

Recommendations 11 and 12

(11) OHRM should review and update the 1979 delegation of authority for the administration of the 200 series Staff Rules to the Technical Cooperation Management Services of DESA; and

(12) OHRM should ensure that the updated delegation of authority spells out how the Office plans to monitor the delegated authority exercised by DESA. This could be done by calling for periodic on-site visits to conduct ad hoc reviews of the levels of appointment made and reviewing the documentation of personnel actions taken.

39. *OHRM accepted recommendation 11 and stated that a comprehensive review of the delegation of authority for all departments/offices is being undertaken. However, it should be noted that the original delegation of authority as set out in 1979, while it can be improved, is fully operational. Recommendation 11 remains open pending OHRM submission of the results of its review of the delegation of authority to DESA.*

40. *OHRM accepted recommendation 12. Recommendation 12 remains open pending submission of the review of delegation of authority to DESA.*

G. Instructions on consultants

41. OHRM instructions for “Consultants and Individual Contractors” included ST/AI/1999/7, ST/AI/295 and ST/AI/296. OIOS’ review of these instructions showed that ST/AT/1999/7, which is the most comprehensive and updated instruction, does not include the requirement that a consultant may not commence work until a contract has been signed by both the UN and the consultant. Furthermore, ST/AI/1999/7 is silent on the issues of budgetary policy, service-incurred death, injury or illness, insurance, leave and settlement of disputes. Also, ST/AI/1999/7 does not include termination by the parties, nor guidelines on terminating agreements in writing and pro-rated payment. Finally, ST/AI/1999/7 does not detail how competition is to be ensured in the selection of candidates, other than stating that it should be based upon a central roster. OHRM agreed that a comprehensive instruction incorporating all the clauses would be more effective than several separate, incomplete instructions.

Recommendation 13

(13) OHRM should review the various administrative instructions governing the hiring of consultants and individual contractors and issue a single instruction covering all the requirements on the subject.

42. *OHRM accepted recommendation 13 and stated that proposals to change the terms and conditions of employment of the individuals are being contemplated. However, this process may require further review by the General*

Assembly. Recommendation 13 remains open pending OHRM's submission of the revised, consolidated administrative instructions for the hiring of consultants and individual contractors.

V. ACKNOWLEDGEMENT

43. We wish to express our appreciation to the Management and staff of DESA and OHRM 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 of compliance checklist	1 October 2007
2.	O	Submission of compliance checklist	1 October 2007
3.	O	Submission of the revised Administrative Instruction (ST/AI/1997/7)	Not Provided
4.	O	Submission of the revised internal procedure standardizing the requirement for both the EO and TCMS to document the competitive selection process for hiring consultants using Form P.104.	Not Provided
5.	O	Submission of the completed compliance checklist.	1 October 2007
6.	O	Submission of results of OHRM's consultation with user departments regarding the feasibility and usefulness of a Secretariat-wide roster.	Not Provided
7.	O	Submission of DESA's review/decision that a web-based system represents the optimum use of Departmental resources and the implementation of the relevant system.	Not Provided
8.	O	Submission of the Proposed Programme Budget for the biennium 2010 – 2011.	1 January 2010
9.	C		
10.	O	Submission of revised benchmarks for hiring consultants issued to departments.	Ongoing
11.	O	Submission of review of the delegation of authority to DESA for hiring consultants.	Not Provided
12.	O	Submission of review of the delegation of authority to DESA.	Not Provided
13.	O	Submission of the revised, consolidated administrative instructions for the hiring of consultants and individual contractors.	Not Provided

1. C = closed, O = open

2. Date provided by [client] in response to recommendations. [Insert "Not provided" where date is not provided; "Implemented" where recommendation is closed; (date) given by the client.]

UNITED NATIONS



OIOS Client Satisfaction Survey

Audit of: Use of Consultants and Individual Contractors by DESA (AN2007/540/02)

	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*