



INTERNAL AUDIT DIVISION

AUDIT REPORT

Audit of recruitment activities in MINUSTAH

Overall results relating to the effective management of recruitment activities in MINUSTAH were initially assessed as partially satisfactory. Implementation of three important recommendations remains in progress.

FINAL OVERALL RATING: PARTIALLY
SATISFACTORY

05 November 2012
Assignment No. AP2011/683/02

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AUDIT REPORT

Audit of recruitment activities in MINUSTAH

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of recruitment activities in the United Nations Stabilization Mission in Haiti (MINUSTAH).
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 Security Council resolution 1908 of 19 January 2010 strengthened MINUSTAH police and military forces in support of the immediate recovery, reconstruction and stability efforts that were needed in Haiti after the 12 January 2010 earthquake. A total of 443 temporary positions funded under General Temporary Assistance (GTA) were approved in the 2010/11 budget to carry out programmatic and support activities related to the increase in the strength of MINUSTAH military and police components and the expansion of its operations. Recruitment, selection and appointment of staff up to the D-1 level had been delegated to the Head of Mission, who had sub-delegated it to the Director of Mission Support (DMS).
4. Prior to the earthquake, MINUSTAH's overall vacancy rate was 6.5 per cent. As at the end of July 2010, the overall vacancy rate increased to 22 per cent due to movement of staff during and after the earthquake and the approval of the GTA positions. MINUSTAH established a Tiger Team with the aim of reducing the vacancy rate to 5 per cent by 30 June 2011. The Tiger Team began operations in August 2010.
5. MINUSTAH had 2,477 approved posts and a budget of \$173 million for 2011/12 for civilian personnel. Also, as of 31 December 2011, MINUSTAH hired 1,270 individual contractors (ICs) at a cost of \$29.7 million for the period 1 July 2010 to 31 December 2011.
6. Comments provided by MINUSTAH are incorporated in *italics*.

II. OBJECTIVE AND SCOPE

7. The audit was conducted to assess the adequacy and effectiveness of MINUSTAH's governance, risk management and control processes in providing reasonable assurance regarding the **effective management of recruitment activities**.
8. This audit was included in the 2011 risk-based work plan due to the challenges faced by the Mission to attract and retain qualified and experienced staff after the 2010 earthquake.
9. The key controls tested for the audit were: (a) human resources targets and strategies; and (b) recruitment and promotion policies and procedures. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Human resources targets and strategies** - controls that provide reasonable assurance that human resources targets and strategies are set to ensure the recruitment and retention of competent staff.

(b) **Recruitment and promotion policies and procedures** - controls that provide reasonable assurance that recruitment and promotion policies and procedures are followed in recruiting and promoting staff.

10. The key controls were assessed for the control objectives shown in Table 1.

11. OIOS conducted the audit from October 2011 to March 2012. The audit covered the period from 1 July 2010 to 31 December 2011. The audit covered recruitment of international staff, national staff and ICs.

12. 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

13. MINUSTAH's governance, risk management and control processes examined were assessed as **partially satisfactory** in providing reasonable assurance regarding the **effective management of recruitment activities**. OIOS made three recommendations to address issues identified. To rapidly reduce the MINUSTAH's vacancy rate after the earthquake, a Tiger Team was established. However, the Team did not have formal terms of reference of its roles and responsibilities, thereby reducing the relevance of the Civilian Personnel Section that was responsible for similar functions. While a reduction in the vacancy rate was achieved, the process was not effective in ensuring compliance with established rules and procedures, and posts were loaned from sections to accommodate recruited staff, often without informing programme managers. Critical posts were not filled in a timely manner. A large number of ICs were recruited without sufficient assessment or information on their background.

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

Table 1: Assessment of key controls

	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of recruitment activities	(a) Human resources targets and strategies	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
	(b) Recruitment and promotion policies and procedures	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Human resources targets and strategies

Unclear definition of responsibility and authority with regard to the recruitment

15. In August 2010, with an aim to rapidly fill vacant posts, the former Chief of Mission Support (CMS) established a Tiger Team as a Unit of about 20 staff, separate from the Civilian Personnel Section. The Tiger Team's mandate was to reduce the Mission's vacancy rate to 5 per cent by 30 June 2011. It was not uncommon for DFS, in conjunction with a mission, to establish a Tiger Team during a start-up or expansion phase to deal with pressing recruitment issues. In this case, the Tiger Team was established by the CMS and subsequently endorsed by DFS. No formal terms of reference were developed for the Tiger Team; however, MINUSTAH was of the view that its recruitment strategy that had been shared with DFS was sufficient. In OIOS' opinion, the recruitment strategy was not an adequate substitute for terms of reference as it did not outline: limits of authority and responsibility; and roles and responsibilities of the CMS, the Chief Civilian Personnel Officer (CCPO), and the Head of the Tiger Team in the recruitment process. Also, there were no approved posts for the Tiger Team, and staff members of the Team were placed against borrowed posts.

16. The Head of the Tiger Team assumed most of the responsibility for recruitment in MINUSTAH, and reported directly to the CMS, with limited involvement of the CCPO. This reporting structure did not encourage adequate communication and sharing of information between the CCPO and the Head of the Tiger Team, and as a result, it impacted negatively on the effectiveness of decision-making. For example, the Tiger Team did not routinely inform the CCPO on recruitment actions and therefore they were not recorded in the Nucleus system in a timely manner. As of 31 March 2011, 109 recruitments pending on-boarding had not been up-loaded in the system. Also, 28 of 60 posts initially proposed for nationalization or abolishment were encumbered. The Tiger Team was dissolved at the end of July 2011, with the staff members still assigned to the Team absorbed in the Civilian Personnel Section.

17. While a commendable vacancy rate of 13 per cent was achieved against the targeted 5 per cent, it was difficult to assess whether this was directly attributable to the work of the Tiger Team, as many of the posts were filled through staff reassignments from other missions, and recruitment and on-boarding by the United Nations Volunteers Support Unit. Therefore, the benefits of establishing an additional large structure such as the Tiger Team in MINUSTAH, particularly after it was given responsibilities that were duplicative in nature to those of the Civilian Personnel Section, needed assessment. MINUSTAH intended to provide a lessons learned document to DFS to that effect and therefore, no recommendation was made.

The nationalization and abolishment of posts did not take into account the staffing needs of the Mission

18. To meet the additional costs relating to the United Nations harmonization of conditions of service, MINUSTAH abolished and nationalized international posts that had been vacant for a considerable period. MINUSTAH abolished four posts and nationalized 54 field service posts, without considering that as of 31 May 2011, 38 of the affected 58 posts were encumbered by field service (FS) staff that continued to perform the same functions that were to be nationalized. However, the situation was slowly addressed with reassignments to other duty stations or separation from service of the FS staff. Also, as MINUSTAH's operations were returning to a pre-2010 earthquake level, the evaluation of the Mission's staffing requirements, as part of the retrenchment process, took into account the effects of the nationalization and abolishment of posts resulting from the harmonization of conditions of service.

B. Recruitment and promotion policies and procedures

Recruitment procedures needed to improve by involving programme managers in the process

19. Overall the recruitment process needed to improve. From a review of 71 of 309 recruitment files, the following was noted:

- Two staff members were recruited for the same position in the Travel Unit. To accommodate the additional staff member, a post was borrowed from the Security Section without informing the Chief Security Adviser, or justifying the need for additional resources in the Travel Unit.
- In the Communication and Information Technology Section (CITS), an additional telephone billing assistant was recruited although according to the Chief of Section, there was no need for an extra staff member. MINUSTAH used another vacant post in CITS to accommodate the staff member.
- Three staff were interviewed and appointed to the Civilian Personnel Section without the involvement of the CCPO.
- Two critical positions of Satellite Technician and Cabling Technician were never filled. The programme manager was incorrectly informed that there was a recruitment freeze. While MINUSTAH had made a decision to slow down the recruitment process pending the determination of the effects of the numerous loaned posts on the staffing table, this should not have impacted the recruitment of critical positions.

20. Programme managers were not regularly informed of the staffing situations of their respective sections as reflected in the Mission's staffing table. This prevented programme managers from adequately monitoring the movements and availability of posts.

(1) MINUSTAH should strengthen and improve the recruitment process for international staff by ensuring that programme managers are regularly up-dated on availability of posts, and are involved in the assessment of candidates.

MINUSTAH accepted recommendation 1 and stated that the Post Management Unit would provide a staffing table report to programme managers on a quarterly basis which details the status of encumbered, vacant and loaned/borrowed posts. Recommendation 1 remains open pending receipt of a copy of the: (i) communication sent to programme managers on a quarterly basis to provide them with their respective staffing table report; and (ii) documentary evidence of programme managers' involvement in the assessment of candidates.

The process of hiring individual contractors needed to improve

21. A review of 51 files of skilled ICs recruited from September 2010 to October 2011 noted that: (i) 44 of 51 files did not have assessment reports or information that candidates were tested prior to selection; (ii) 39 files did not have copies of academic certificates; and (iii) the academic and professional credentials of all 51 were not verified. On further follow-up, 10 of these 51 ICs had been re-hired without any background checks, as their performance had to be assessed as satisfactory prior to re-engagement.

22. MINUSTAH had no Mission-specific procedures or established criteria to guide staff responsible for engaging ICs. Given the high number of ICs in MINUSTAH, there was a need to develop standard operating procedures (SOPs) to guide staff and to ensure procedures are complied with.

(2) MINUSTAH should develop and implement standard operating procedures on the hiring of Individual Contractors (ICs) including job-specific criteria to provide guidance to staff involved in the process, and to ensure ICs are engaged in a consistent manner.

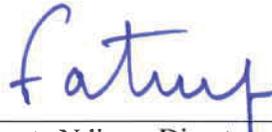
MINUSTAH accepted recommendation 2 and stated that a SOP had been drafted and was currently under review by the Office of the DMS. Recommendation 2 remains open pending receipt of a copy of the final SOP that includes adequate guidance to staff.

(3) MINUSTAH should comply with Administrative Instruction ST/AI/1999/7 and ensure that, for all Individual Contractors (ICs) presently working in the Mission, background checks of educational qualifications and work experience are done and filed.

MINUSTAH accepted recommendation 3 and stated that a checklist had been developed to facilitate background checks for the purpose of verifying educational qualifications and work experience of rostered IC candidates under consideration for recruitment, as well as ICs currently employed. Recommendation 3 remains open pending receipt of evidence that background checks of educational qualifications and work experience of all ICs working in the Mission has been completed.

IV. ACKNOWLEDGEMENT

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



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STATUS OF AUDIT RECOMMENDATIONS

Audit of recruitment activities in MINUSTAH

Recom. no.	Recommendation	Critical/ Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	MINUSTAH should strengthen and improve the recruitment process for international staff by ensuring that programme managers are regularly up-dated on availability of posts, and are involved in the assessment of candidates.	Important	Open	Receipt of: (i) communication sent to programme managers on a quarterly basis to provide them with their respective staffing table report; and (ii) documentary evidence of programme managers' involvement in the assessment of candidates.	1 July 2012
2	MINUSTAH should develop and implement standard operating procedures on the hiring of Individual Contractors (ICs) including job-specific criteria to provide guidance to staff involved in the process, and to ensure ICs are engaged in a consistent manner.	Important	Open	Receipt of a copy of the final SOP that includes adequate guidance to staff.	October 2012
3	MINUSTAH should comply with Administrative Instruction ST/AI/1999/7 and ensure that, for all Individual Contractors (ICs) presently working in the Mission, background checks of educational qualifications and work experience are done and filed.	Important	Open	Receipt of evidence that background checks of educational qualifications and work experience of all ICs working in the Mission has been completed.	October 2012

¹ 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.

² 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.

³ C = closed, O = open

⁴ Date provided by MINUSTAH in response to recommendations.