

16 February 2011

Dear Mr. Zargouni,

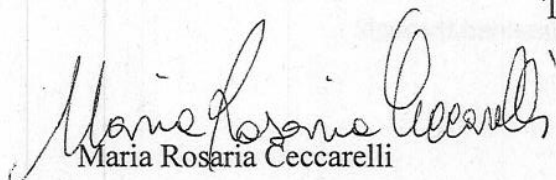
During the Extraordinary Staff General Assembly of 2010 the undersigned have been elected and entrusted with the task to audit the accounts of the Staff Coordinating Council and report to the Assembly on its findings.

On 4 February 2011 the auditors were ready to present an interim verbal report to the Ordinary Staff Assembly indicating that a full report would be presented as soon as possible, but they did not had the chance to do it because the Assembly did not reach the necessary quorum.

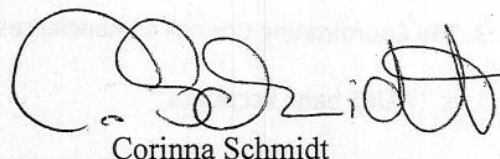
The auditors examined the Staff Coordinating Council financial records covering the mandated period from February 2010 to 27 January 2011.

Please find annexed a narrative report and the corresponding financial statements related to the accounts that the team examined.

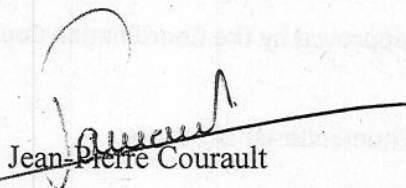
The Auditors



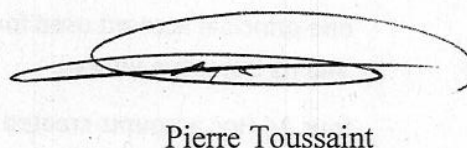
Maria Rosaria Ceccarelli



Corinna Schmidt



Jean-Pierre Courault



Pierre Toussaint

Mr. Ridha Zargouni  
Executive Secretary  
UNOG Coordinating Council  
United Nations Office at Geneva  
Room C.509

**Audit Report**  
**on UNOG Staff Coordination Council**  
**2010 – 2011**

1. From 31 January to 16 February the team audited the United Nations Staff Coordination Council's financial records. The auditors were mandated to audit and report on the accounts produced by the XXVIII Staff Coordination Council of the United Nations Office in Geneva for the period February 2010 to January 2011.

2. The auditors reviewed the accounts based on the status of prior period financial statements, the prior audit report and verified the status of implementation of prior recommendations. After an introductory meeting with the Deputy Executive Secretary, the team examined the records for the period February 2010 to January 2011. Additional evidence and clarifications were requested and promptly provided as questions were submitted.

**General**

3. The Coordinating Council's financial resources are maintained through:

i. UBS bank accounts:

- one investment account,
- one principal account used for all transactions approved by the Coordination Council and its Executive Bureau,
- four Ad Hoc accounts created for the following humanitarian disasters:
  - one account used for the Philippines emergency,
  - one savings account used for ad-hoc humanitarian relief activities,
  - one for the Haiti earthquake,
  - one for the Pakistan emergency,
- two accounts created to support the Council's activities, which have not been activated:
  - one for legal support,
  - one for children's activities.

ii. One account with Post Finance (Swiss Post) used exclusively to receive income from classified ads and donations received during the children's party and to support bank charges. No disbursement was made from this account.

4. The investment account with UBS remained dormant during the reporting period.

5. Reimbursements have been made to the UN Administration for services provided to the Coordination Council in the audited period.

## Findings and Recommendations

6. The team found the records related to the period February 2010 to January 2011 to be complete and in good order. The team requested additional supporting documents and clarifications that were promptly provided.

7. The auditors made the following observations related to the main UBS bank account (CA10590.0):

- a) Recommendation 2009/4 of the audit 2008-2009 has been implemented. Instead of continuing to use the so-called Staff Solidarity Fund for which no rules and procedures had been established, the Coordination Council in 2010/2011 worked with the UN Benevolent Fund, which is equipped with the mechanisms and rules governing staff financial assistance.
- b) Recommendation 2010/1 of the audit 2009-2010 has been implemented. The cash advance related to the 2009 Children's Party of CHF 648.89 has been reimbursed.
- c) Recommendation 2009/3 and related recommendation 2010/2 can be considered implemented. The Council studied the case and provided the auditors with the necessary background information and supporting documentation.
- d) The status of the capital (fortune) did not change significantly in the last reporting period compared to the previous one. The auditors believe that the Coordination Council should examine the various aspects related to the management of the capital built over decades and should seek expert advice on how to preserve and make fructify the capital.

Recommendation 2009/6 The auditors are of the opinion that the Council should seek expert advice on options and assess the consequences of their choices prior to determining the path to be followed to preserve and make fructify the capital.

- e) Recommendation 2009/5 has partially been acted upon. The Executive Bureau has reviewed the nature of the existing relationship between the Coordination Council, UNOG, the WHO, and the UN Special. The Executive Bureau has attended the UN Special's General Assembly meeting and requested that their accounts are audited. As part of the relationship between the Council and the UN Special, the latter has to share the profits coming from advertisement with the Council and the WHO. In fact, the UN Special has an annual income determined by advertisement of CHF 60'000 (from which its running expenses have to be deducted). The difference is split in two between the SCC and the WHO.

Recommendation 2011/1 At present the UN Special has not given to the Council the 2010 share of the profits. This matter should be closely monitored and the payment of the due share should be followed up by the Council.

- f) Concerning the legal assistance, the auditors did not find a text defining eligibility, modalities, rules or regulations governing the principles of attribution of funds to partially cover legal costs of proceedings initiated by the staff member who is requesting assistance. At the moment the case is discussed during the Council's meetings and decided upon by majority. In addition, for the majority of cases, the Coordination Council did not receive proper, detailed invoices from the lawyers' offices.

Recommendation 2011/2 Rules and procedures regulating the access to the legal assistance funds should be established and approved by the Coordination Council. In addition, once the above-mentioned rules and procedures have been established and before executing a payment, the Treasurer of the Council should request the beneficiary staff member to present an invoice prepared by the lawyer representing the staff member. This invoice should consist of a detailed break-down of charges as well as a brief, narrative description of actions taken by the lawyer in order to justify the total amount charged.

- g) In the last part of the year 2010 the Council, in cooperation with the UN Staff Unions, mandated a consultant to conduct a survey, the so called "Place to place" (P2P). The cost of the survey should have been divided among the Staff Unions. At the moment only ILO and WHO have sent their contribution to the Council. No trace of contribution from other Staff Unions has been found in the SCC accounts.

Recommendation 2011/3 The Treasurer should follow up and monitor that the amount due is collected from other Staff Unions. In future, separate tables per topic should be kept specifying the currency and the expected date of payment.

8. The auditors have the following observations to make related to the UBS sub-accounts for relief purposes (279-HU165681.0 Philippines, 279-HU165681.1 Relief Fund, 279-HU165681.2 Haiti, 279-HU165681.3 Pakistan):

- h) Recommendation 2010/3 has been implemented. In line with the auditor's recommendation, separate financial records have been kept for humanitarian assistance following emergency situations only when complex situations demand it. In the other cases (i.e. Serbia and Benin) separate tables by purpose have been used.
- i) Recommendation 2010/4 has been implemented. The erroneous charge to the Council's main account (CA10590.0) instead of to the Relief Fund (279-HU165681.1) has been corrected by reversing the charges between the two accounts.
- j) Recommendation 2010/6 can be considered implemented. During the reporting period the Council no longer followed the previous practice of increasing staff collections for emergency relief by a further contribution.
- k) UBS sub-account relief fund for the Philippines (279-HU165681.0) opened in 2009, has not been closed at the end of 2009, after the transfer of funds to the implementing partners (containing at present CHF131.-).

Recommendation 2011/4 ad-hoc accounts created to handle complex situations should be promptly closed once the emergency funds collected have been allocated to selected projects. In the cases when minimal unspent balances remain in the accounts, the funds should be transferred to the generic relief fund account (279-HU165681.1) and the ad-hoc accounts should be closed.

- l) Recommendation 2010/5 has been implemented. The funds collected for Gaza that were at the origin of the recommendation have been disbursed. At the same time, funds collected for other emergencies such as Haiti, Pakistan, Benin and Serbia still have to be decided upon.



Recommendation 2011/5 At the time of the launch of a new collection, the responsible officials should identify the implementing partner(s), possibly within the United Nations system and/or with accredited NGOs, and rapidly disburse the funds for which the staff has been mobilized.

9. The auditors have the following observations to make related to the UBS sub accounts (Juridical Assistance), 279-HU165681.5 (Children Activities):

- n) The two sub accounts created to cover Juridical Assistance and Children Activities have not been utilized up to now. The operations linked to these two activities have been attended to on the Council's main account.

Recommendation 2011/6 Separate ad-hoc accounts should be opened only if the complexity of the activity requires it. Maintenance of separate tables by purpose should be sufficient in the other cases. Non-utilized accounts should be closed to avoid confusion.

10. As a general observation:

- o) In consideration of the difficulties in finding staff members that volunteer to audit the accounts of the Coordination Council and with the view to avoid any pressure on staff members that would carry out such a task:

Recommendation 2011/7 the auditors recommend that commencing with the fiscal year 2011, the Coordination Council should seek professional accounting and auditing services outside of the United Nations system. First, an external accountant should review and reconcile the Council's financial records on a monthly basis and second, the annual audits of the financial records of the SCC should be organized, reviewed and prepared by an external audit consulting firm or a professional individual consultant/auditor.

10. The auditors wish to express their gratitude to the Financial Commission of the Coordinating Council for the assistance provided throughout the audit exercise as well as to those who provided clarification and useful information that enabled the team to complete its work.

## Annexes

Inventory of the Staff Coordinating Council other assets as per 31/01/2011

Statement of income and expenditure

- Post Finance account N° 17-297976-4
- UBS account N° CA10590.0
  - Status the Staff Solidarity Fund
- UBS Status of the Capital (Etat de la fortune)
- 279-HU165681.1 (Relief Fund)
- 279-HU165681.2 (Haiti)
- 279-HU165681.3 (Pakistan)
- 279-HU165681.4 (Assistance Juridique)
- 279-HU165681.5 (Activités enfants)

## Inventory of the Staff Coordinating Council other assets

As per 31/01/2011

- 1) 1 Laptop Dell Latitude E 4310 UNG 115 847
- 2) 1 Laptop Dell Latitude E 4310 UNG 115 848
- 3) 2 Laptop bag
- 4) 1 Badge maker Zebra P 430 i *not yet recorded in UN inventory*  
 Part. Number P 430 i-0000C-I00 *no UNG number*  
 SN 38 58 419 EN:00:07:4D:3A:DF:F3
- 5) 1377 Cards Premier PVC 30 mil.
- 6) 13 Ribbons Card printer ribbons "True Colors" *iservices*  
*(1 ribbon prints approximately 300 cards)*
- 7) 39 Medal Gold
- 8) 58 Medal Silver
- 9) 74 Certificate 30+ *unsigned*
- 10) 31 Certificate 25+ *unsigned*
- 11) 74 Gift certificates Balxert CHF 10 per certificate CHF 740 in total
- 12) 37 Bags of sweets

# Certified Statement of Accounts

## Conseil de coordination du personnel de l'ONUG

### UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

#### Bank

Account number

#### PostFinance

17-297976-4

(Swiss Francs)

Opening balance

13 February 2010

34,734.11

#### I. Income

Credits received

4,715.00

Bank interests

45.45

**Total**

**4,760.45**

#### II. Expenditures

Bank charges

783.60

**Total**

**783.60**

#### III. Balance

Grand totals

**Closing balance**

**4,760.45**

**783.60**

**3,976.85**

Closing balance

31 January 2011

38,710.96

# Certified Statement of Accounts

## Conseil de coordination du personnel de l'ONUG

### UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

#### Bank

Account number

#### UBS

279-CA105907.0

Main account

(Swiss Francs)

Opening balance

13 February 2010

410,246.27

#### I. Income

|  |                   |
|--|-------------------|
| Children's Fund staff contribution       | 200.00            |
| Legal assistance                         | 4,500.00          |
| P2P Survey                               | 1,633.57          |
| Reversal of Charges                      | 25,110.20         |
| SAFI 2010: in favor of Legal and Childre | 250,000.00        |
| SAFI 2010: contribution to SCC           | 250,000.00        |
| Staff's contribution to SCC              | 10,987.33         |
| Travel and office expenses               | 1,139.65          |
| UN Special - annual contribution to SCC  | 13,500.00         |
| Bank interests                           | 316.60            |
| <b>Total</b>                             | <b>557,387.35</b> |

#### II. Expenditures

|  |                   |
|--|-------------------|
| Legal assistance   | 74,000.00         |
| Children's Party 09  | 648.89            |
| Children's Party 10  | 23,625.85         |
| Medal ceremony   | 16,704.00         |
| Membership contribution to CCISUA for 2009                                       | 10,000.00         |
| Membership contribution to CCISUA for 2010                                       | 12,814.85         |
| P2P Survey   | 4,033.38          |
| Solidarity assistance  | 23,076.60         |
| Staff Gala 10  | 77,858.00         |
| Staff representatives (Council, committees & joint bodies) end of year reception | 1,482.35          |
| Travel and office expenses   | 44,497.79         |
| UN Club - subsidy for 2009   | 5,000.00          |
| UN Club - subsidy for 2010   | 3,000.00          |
| Bank charges   | 1,388.30          |
| <b>Total</b>   | <b>298,130.01</b> |

#### III. Balance

Grand totals

**Closing balance**

557,387.35 298,130.01 259,257.34

Closing balance

31 January 2011

669,503.61



# Certified Statement of Accounts

## Conseil de coordination du personnel de l'ONUG

## UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

### Bank

Account number

### UBS

279-HU165681.0

Relief fund for the Philippines

(Swiss Francs)

Opening balance  
13 February 2010 167.60

### I. Income

|                |             |
|----------------|-------------|
| Donors         | 0.00        |
| Bank interests | 0.20        |
| <b>Total</b>   | <b>0.20</b> |

### II. Expenditures

|                |              |
|----------------|--------------|
| Transferred to | 0.00         |
| Bank charges   | 36.00        |
| <b>Total</b>   | <b>36.00</b> |

### III. Balance

|                        |             |              |               |
|------------------------|-------------|--------------|---------------|
| Grand totals           |             |              |               |
| <b>Closing balance</b> | <b>0.20</b> | <b>36.00</b> | <b>-35.80</b> |

Closing balance  
31 January 2011 131.80

# Certified Statement of Accounts

## Conseil de coordination du personnel de l'ONUG

### UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

#### Bank

Account number

#### UBS

279-HU165681.1

*Relief fund - main*

(Swiss Francs)

Opening balance  
13 February 2010

36,079.85

#### I. Income

|                |                 |
|----------------|-----------------|
| Donors         | 2,283.55        |
| Bank interests | 135.10          |
| <b>Total</b>   | <b>2,418.65</b> |

#### II. Expenditures

|                      |                  |
|----------------------|------------------|
| Reversal of Charges  | 25,110.20        |
| Transferred to UNRWA | 10,969.65        |
| Bank charges         | 27.00            |
| <b>Total</b>         | <b>36,106.85</b> |

#### III. Balance

|                        |                 |                  |                   |
|------------------------|-----------------|------------------|-------------------|
| Grand totals           |                 |                  |                   |
| <b>Closing balance</b> | <b>2,418.65</b> | <b>36,106.85</b> | <b>-33,688.20</b> |

Closing balance  
31 January 2011

2,396.45

## Certified Statement of Accounts

### Conseil de coordination du personnel de l'ONUG

### UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

#### Bank

Account number

#### UBS

279-HU165681.2

Relief fund for the Haiti

(Swiss Francs)

Opening balance

13 February 2010

41,397.40

#### I. Income

|                |              |
|----------------|--------------|
| Donors         | 0.00         |
| Bank interests | 47.20        |
| <b>Total</b>   | <b>47.20</b> |

#### II. Expenditures

|   |                  |
|---|------------------|
| Transferred to Salésiennes de Don Bosco | 8,209.79         |
| Transferred to Internazionale NGO       | 7,630.04         |
| Bank charges                            | 106.95           |
| <b>Total</b>                            | <b>15,946.78</b> |

#### III. Balance

|                        |              |                  |                   |
|------------------------|--------------|------------------|-------------------|
| Grand totals           |              |                  |                   |
| <b>Closing balance</b> | <b>47.20</b> | <b>15,946.78</b> | <b>-15,899.58</b> |

Closing balance

31 January 2011

25,497.82

# Certified Statement of Accounts

## Conseil de coordination du personnel de l'ONUG

## UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

### Bank

Account number

### UBS

279-HU165681.3

Relief fund for Pakistan

(Swiss Francs)

Opening balance

13 February 2010

0.00

### I. Income

|                |                 |
|----------------|-----------------|
| Donors         | 7,602.60        |
| Bank interests | 3.00            |
| <b>Total</b>   | <b>7,605.60</b> |

### II. Expenditures

|                |              |
|----------------|--------------|
| Transferred to | 0.00         |
| Bank charges   | 12.00        |
| <b>Total</b>   | <b>12.00</b> |

### III. Balance

|                        |                 |              |                 |
|------------------------|-----------------|--------------|-----------------|
| Grand totals           |                 |              |                 |
| <b>Closing balance</b> | <b>7,605.60</b> | <b>12.00</b> | <b>7,593.60</b> |

Closing balance

31 January 2011

7,593.60

# Certified Statement of Accounts

## Conseil de coordination du personnel de l'ONUG

## UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

### Bank

Account number

### UBS

279-HU165681.4

Legal Assistance Fund

(Swiss Francs)

Opening balance  
13 February 2010

0.00

### I. Income

Total 0.00

### II. Expenditures

Total 0.00

### III. Balance

Grand totals

Closing balance 0.00 0.00 0.00

Closing balance  
31 January 2011

0.00



# Certified Statement of Accounts

## Conseil de coordination du personnel de l'ONUG

### UNOG Staff Coordinating Council

(13 February 2010 - 31 January 2011)

#### Bank

Account number

#### UBS

279-HU165681.5

Children Fund

(Swiss Francs)

Opening balance  
13 February 2010 0.00

#### I. Income

*Total* 0.00

#### II. Expenditures

*Total* 0.00

#### III. Balance

Grand totals

*Closing balance* 0.00 0.00 0.00

Closing balance  
31 January 2011 0.00

**Conseil de coordination du personnel de l'ONUG**  
**UNOG Staff Coordinating Council**

*Capital Statement*

**Bank**  
**UBS**  
**(Swiss Francs)**

| Item  | as at:        |   |                 |                  |                  |
|---|---------------|---|-----------------|------------------|------------------|
|   | 31 March 2006 | 31 December 2006 as at 31 December 2007 | 3 February 2009 | 23 February 2010 | 15 February 2011 |
| Current account                                   |               |   |                 |                  |                  |
| Avoirs en compte                                  | 258'008       | 227'058                                 | 381'611         | 341'237          | 492'837          |
| Interests / Intérêts concourus                    | 58            | -                                       | -               | -                | -                |
| Special a/c (Disasters)                           | 1'080         | 1'492                                   | -               | -                | -                |
| Interests / Intérêts concourus                    | 17            | -                                       | -               | -                | -                |
| Bonds and investments / Obligations et placements | 494'023       | 500'231                                 | 491'057         | 480'040          | 487'894          |
| Shares and investments                            | 781'872       | 808'626                                 | 572'208         | 205'008          | 223'899          |
| Fortune nette totale                              | 1'535'058     | 1'537'407                               | 1'444'876       | 1'026'285        | 1'204'630        |
|   |               |   |                 |                  | 1'471'049        |