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POLICY

UNITED NATIONS POPULATION FUND

Report of the Advisory Committee on Administrative and
Budgetary Questions

Report on the senior management structure of UNFPA and its
implications for post classifications at headquarters
(DP/1990/52)

Report on the criteria and procedures for the establishment
of temporary and regular posts in the field and at
headquarters and proposal on the conversion of existing
local temporary posts in the field (DP/1990/53)

Report of the Executive Director on proposed revisions
to the Financial Regulations of UNFPA (DP/1990/86)

Report of the Advisory Committee on Administrative
and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered three reports of the Executive Director regarding (a) the senior management structure of UNFPA and its implications for post classifications at headquarters (DP/1990/52), (b) the criteria and procedures for the establishment of temporary and regular posts in the field and at headquarters and proposal on the conversion of existing local temporary posts in the field (DP/1990/53), and (c) the proposed revisions to the Financial Regulations of UNFPA (DP/1990/86). During its consideration of this item the Advisory Committee met with the Executive Director and her senior colleagues.

I. REPORT ON THE SENIOR MANAGEMENT STRUCTURE OF UNFPA AND
ITS IMPLICATIONS FOR POST CLASSIFICATIONS AT
HEADQUARTERS (DP/1990/52)

2. In its decision 89/49, paragraph 12 the Governing Council approved a number of proposals of the Executive Director regarding the classification of posts, including 31 Professional posts up to and including the P-5 level, 5 posts at the D-1 level and 1 post at the D-2 level. In paragraph 12 (e) the Governing Council also

"Decides to continue the consideration of the classification of the remaining posts, proposed by the Executive Director at the D-1 and D-2 levels, at its thirty-seventh session (1990), on the basis of a detailed report on all staff reclassifications at these levels and their functions, to be submitted through the Advisory Committee on Administrative and Budgetary Questions."

3. Paragraphs 35 to 76 of the report DP/1990/52 provide detailed information regarding the current functions of organizational units and senior management structure which the Executive Director believes will be required to carry out the mandates of UNFPA. The report also includes the new post descriptions and the classification of the posts for which approval is being requested. In paragraph 84 the Executive Director reiterates the request made to the Governing Council at its thirty-sixth session for approval of the classification of six Professional posts at Headquarters, including the Chiefs of the four Geographical Divisions and the Chief, Division for Finance, Personnel and Administration at the D-2 level and the Chief, Resource Development Unit at the D-1 level.

4. The Advisory Committee recalls that when considering the Executive Director's budget estimates for the 1990-1991 APSS budget (DP/1989/41), it had submitted its views on the matter in paragraphs 23 to 31 of its related report DP/1989/45, as follows:

"28. In the opinion of the Committee the proposed results of the post classification exercise at headquarters at the P-5, D-1 and D-2 levels ... and their placement in the Fund's reorganized structure ... appear to bear out the concerns expressed by the Committee in 1988 regarding the possibility of fragmentation of organizational units and grade creep. Compared with the approved staffing establishment for 1988-1989, the proposed 1990-1991 APSS headquarters staffing establishment profile would be significantly more 'top-heavy'.

"29. The Advisory Committee is not convinced that the proposed classification of the posts of Chiefs of the Geographical Divisions at the D-2 level ... are warranted ... As regards the proposed classification[s] of the post[s] of Chief, Division of Finance, Personnel and Administration at the D-2 level ... the Committee maintains its position expressed in paragraph 20 of its report DP/1988/44 that it is "not convinced that the ... proposed reclassification[s] [are] justified."

5. The Advisory Committee notes that neither information contained in document DP/1990/52 nor additional information provided to the Committee by UNFPA contains

any new elements which would warrant a change in the Committee's views. However, the Advisory Committee recognizes that other considerations may be relevant, and accordingly, the Committee transmits the Executive Director's proposals to the Governing Council without further comment. Should the Governing Council approve the proposals of the Executive Director, the Advisory Committee trusts that there will be no further organizational changes with the attendant requests for reclassification in the near future.

II. REPORT OF THE EXECUTIVE DIRECTOR ON THE CRITERIA AND PROCEDURES FOR THE ESTABLISHMENT OF TEMPORARY AND REGULAR POSTS IN THE FIELD AND AT HEADQUARTERS AND PROPOSAL ON THE CONVERSION OF EXISTING TEMPORARY LOCAL POSTS IN THE FIELD (DP/1990/53)

6. In decision 89/49, paragraph 6, the Governing Council

Requests the Executive Director to present to the Governing Council at its thirty-seventh session (1990) a proposal for the conversion of 89 existing temporary local posts (referred to in para. 9 of decision 88/36) and 57 existing temporary local posts (referred to in para. 7 of decision 88/36) into regularly established posts, together with the criteria and procedures for the establishment of temporary and regular posts in the field offices and at headquarters."

7. In her report DP/1990/53 the Executive Director is requesting approval to conclude the process of integrating international and local field staff into the APSS budget by converting the remaining 146 existing temporary local posts into regularly established posts.

8. The Advisory Committee reiterates its previous recommendation as contained in paragraphs 28 and 29 of its report DP/1988/44 as well as paragraph 33 of its report DP/1989/45, that the request to convert these temporary posts be approved.

III. REPORT OF THE EXECUTIVE DIRECTOR ON PROPOSED REVISIONS TO THE FINANCIAL REGULATIONS OF UNFPA (DP/1990/86)

9. In its decision 89/49, paragraph 3, the Governing Council decided that the provisions of decision 89/61 concerning UNDP audit reports were also fully applicable to UNFPA. In that decision the Governing Council requested the UNDP Administrator to submit, through the ACABQ, appropriate amendments to the UNDP Financial Regulations "which would provide that, beginning with the biennium 1990-1991, audited financial statements for UNDP shall be submitted to the General Assembly and to the Governing Council on a biennial basis and that, beginning in 1990, the Board of Auditors shall submit, through the Advisory Committee on Administrative and Budgetary Questions, to the General Assembly and to the Governing Council, a report on their findings and recommendations resulting from the audit examination of substantive matters, including management issues, carried out in respect of the first year of each biennium".

10. The report of the Executive Director provides the amended texts of Financial Regulations 16.1, 16.3, 17.1 and 17.2 which reflect the biennialized submission of the audited financial statements for UNFPA and which are the same as those submitted by UNDP for the same regulations. The Committee has no problem with these amendments which relate to the first half of the above-cited decision. The Committee, however, sees no compelling reason for the Board of Auditors, in the intervening years, to be required to submit to the Governing Council and the General Assembly, through the ACABQ, a report on substantive matters. In this connection, the Committee points out that, in the case of the United Nations, biennial reports are also submitted to the General Assembly; however, in the intervening years, no report on substantive issues is submitted to the General Assembly. During the intervening year the Board continues its work and discusses issues with the administration; however, the Board waits until its submission of its report on the financial statements and accounts to its findings on substantive and other issues. The Advisory Committee sees merit in this procedure since it might be difficult to appreciate the Board's findings on financial, substantive and management matters in the absence of the audited financial statements and accounts.

IV. TRANSFER OF CREDITS BETWEEN PROGRAMMES OF THE 1988-1989 APSS BUDGET

11. In accordance with Governing Council decision 88/36, the Executive Director sought, in May 1990, the concurrence of the Advisory Committee in the transfer of \$2,060,600 from Programme I (Executive Director's management in the amount of \$488,000), Programme III (Programme planning, appraisal and monitoring in the amount of \$1,277,900) and Programme IV (Field programme support in the amount of \$294,700) to Programme II (Administration and information support services). According to the Executive Director, over-expenditures in Programme II were due to the under-estimation of remodelling costs at headquarters; the unforeseen expenditure relating to a management and work-load study carried out by an outside consultant; an administrative decision to record Geneva office local operating expenditure under this Programme; and an over-expenditure under common staff costs and general operating expenses. Under-expenditure in Programmes, I, III and IV were mainly due to delays in recruitment. On an overall basis, the Executive Director reported that actual net expenditure for the 1988-1989 APSS budget totalled \$58,747,769, as against an approved net appropriation of \$59,033,400, with resultant savings of \$285,631 for the biennium.

12. The Advisory Committee has concurred in the proposed transfers of credit.
