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Part II

AUDIT REPORT ON THE INTERNATIONAL BUREAU OF EDUCATION (IBE)

SUMMARY

In accordance with Article 12.4 of the Financial Regulations, the External Auditor submits the audit report on the International Bureau of Education (IBE).



**Office of the External Auditor
of the United Nations Educational,
Scientific and Cultural Organization**



AUDIT REPORT ON THE INTERNATIONAL BUREAU OF EDUCATION

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I. INTRODUCTION

A. FRAMEWORK OF THE AUDIT

The External Auditor conducted an audit of the International Bureau of Education (IBE) in Geneva from 9 to 20 May 2011. This is the first review of the IBE's accounts by the French External Auditor. It was requested by the Institute's Council and its Administrative Group.¹

The audit focused on the IBE's accounts for the 2010 financial period and on its administrative and financial management. The External Auditor sought to ascertain whether the expenses shown in the financial statements for the period ended 31 December 2010 were consistent with the objectives approved by the governing body, whether revenue and expenses were classified in accordance with the Financial Regulations and whether the financial statements presented fairly, in all material respects, the financial position as at 31 December 2010. The audit also covered follow-up action on the recommendations of previous audits. A test examination of the supporting documents was conducted.

1. The audit was carried out in accordance with Article 12 of UNESCO's Financial Rules and Regulations, Article 10 of the IBE's Financial Regulations,² the Additional Terms of Reference Governing the Audit and the International Standards on Auditing (ISA).

The preliminary observations of the audit were discussed with IBE managers, whose comments have been taken into account.

B. PRESENTATION OF THE INTERNATIONAL BUREAU OF EDUCATION

The IBE was founded in Geneva as a private non-governmental organization in 1925. "Its aims were to centralize documentation related to public and private education, to take interest in scientific research in the educational field and to serve as a coordinating centre for institutions and societies concerned with education".³ In 1929, under new statutes, the IBE extended membership to governments, becoming the first intergovernmental organization in the field of education.⁴

In 1969, the IBE became an integral part of UNESCO as an "international centre of comparative education" while enjoying "wide intellectual and functional autonomy".⁵ In 1999, the IBE became the UNESCO institute responsible for educational content and methods and for teaching and learning strategies through curriculum development.

The IBE is governed by a Council composed of representatives of 28 Member States elected by the General Conference of UNESCO. The Council meets in ordinary session at least once every year. It draws up the IBE's biennial draft general programme and budget for submission to the General Conference and ensures that the planned activities are consistent and complementary with the Education Sector's strategy and programme. On the basis of the Council's recommendations, the Director-General of UNESCO appoints the Director of the Bureau. The current Director was appointed in February 2007.⁶

¹ Email sent on 18 January 2011 by the IBE Director to UNESCO Headquarters (Bureau of Financial Management).

² "The Council may ask for the annual accounts of the IBE to be submitted for examination to the External Auditor of UNESCO".

³ History of IBE, www.ibe.unesco.org

⁴ Professor Jean Piaget the IBE's director at the time.

⁵ IBE Statutes adopted by 15 C/Resolution 14.1 (16 November 1968).

⁶ D-2 post, DG/Note/07/08, dated 7 February 2007.

II. AUDIT OF FINANCIAL STATEMENTS AND ACCOUNTING OPERATIONS

A. OVERALL FINANCIAL REPORTING

(a) *Date of preparation of the financial statements*

According to the Financial Rules applicable to the Special Account for the International Bureau of Education, which interrelates with the UNESCO Administrative Manual, “the annual statements of accounts shall be approved by the Director and submitted to UNESCO’s External Auditors not later than 31 March of the following year” (Article 10.11). The IBE’S final accounts for 2010 were approved on 11 April 2011.

However, UNESCO effectively switched to the international public sector accounting standards (IPSAS)⁷ in 2010. This has led to considerable changes in the IBE’s accounting and financial reporting. The exceptional disparity has therefore been accepted by the External Auditor.

(b) *Balance sheet*

The balance sheet as at 31 December 2010 may be summarized as follows:

1. Changes in the IBE’s balance sheet as at 31 December 2010 (in United States dollars)

	2010	2010 (restated)	Change due to restatement	2009	2008
ASSETS					
Current assets	2,364,523	2,410,916	-46,393	2,382,070	1,987,195
<i>Including</i>					
<i>Cash (and cash equivalent)</i>	136,363	253,769	-117,406	253,769	183,247
<i>Accounts receivable (non-exchange transactions)</i>	210,032	12,924	197,108	8,674	14,110
<i>Clearing account with UNESCO</i>	1,992,610	2,119,628	-127,018	2,119,628	1,787,787
Property, Plant and Equipment	51,359	55,732	-4,373		
TOTAL ASSETS	2,415,882	2,466,648	-50,766	2,382,070	1,987,195
LIABILITIES					
Current liabilities	338,458	325,602	12,856	478,489	537,221
<i>Including</i>					
<i>Accounts payable (exchange transactions)</i>	316,646	306,690	9,956	72,723	
Employee benefits	183,119	167,020	16,099		
TOTAL LIABILITIES	521,577	492,622	28,955	478,489	537,221
NET ASSETS	1,894,306	1,974,026	-79,720	1,903,581	1,449,974

(Source: IBE 2010 and 2009 financial statements)

⁷ See 34 C/Resolution 71 and 176 EX/Decision 40.

The IBE was required to restate its financial statements as at 1 January 2010 to take into account the implementation of IPSAS. Net assets declined slightly (by 4%), but the IBE's financial situation seems to be generally stable.

(c) Statement of financial performance

The profit and loss account as at 31 December 2010 may be summarized as follows:

**2. Changes in the IBE's profit and loss account as at 31 December 2010
(in United States dollars)**

	2010	2009	Change
Total revenue	4,298,100	4,191,162	106,938
<i>including</i>			
Allocation from the UNESCO regular budget	2,400,000	2,295,500	104,500
Voluntary contributions	1,751,401	1,621,896	129,505
Revenue from services rendered	71,183	160,479	-89,296
Total expenses	4,377,820	3,751,207	626,613
<i>including</i>			
Employee benefits and mission costs	2,289,882	2,417,862	-127,980
Supplies, consumables and other running costs	1,208,203	(*)	
Consultants/External experts	425,128	403,189	21,939
Surplus/Deficit	-79,720	439,955	-519,675

(Source: IBE 2010 and 2009 financial statements)

(*) Owing to the change in accounting standards on 1 January 2010, these data could not be compared.

Following a considerable surplus in 2009, the IBE posted a deficit in 2010. The corresponding amount was drawn from the reserves, partly constituted of multi-year voluntary contributions.

B. NOTES TO THE FINANCIAL STATEMENTS

Note 3. Change in accounting methods

2. Note 3 specifies which adjustments are necessary for the implementation of IPSAS. In particular, it sets out the accounting restatements made to the financial statements as at 31 December 2009 to determine the balance as at 1 January 2010.

3. Comparison of financial statements for the financial period 2009 and Note 3 revealed a number of disparities, but they were inconsequential (US \$1,441).

Note 9. Unliquidated obligations (ULOs)

4. Note 9 refers to unliquidated obligations amounting to US \$453,430, although the amount shown in the statement is US \$272,908.

5. The IBE explained that the table only refers to 2010 expenses, while the amount mentioned in the text includes obligations of subsequent financial periods.

Recommendation No. 1. The External Auditor recommends that the IBE clarify the term "total unliquidated obligations" in Note 9 to the financial statements.

Note 12. Related Party Disclosures

6. Related parties,⁸ that is to say parties with a significant influence over decision-making, must be disclosed in the notes to the financial statements. The disclosure concerns the relations with related parties (where a situation of control prevails), transactions with them and the aggregate remuneration of key management personnel.

7. Note 12 to the IBE's financial statements meets only in part the requirements of IPSAS 20 and the models proposed by UNESCO's central services, since the aggregate remuneration of the Institute's Director has not been disclosed in detail.

Recommendation No. 2. The External Auditor recommends that the IBE comply with IPSAS 20 requirements on related party disclosures.

C. REVENUE

8. The IBE's revenue in the 2008-2010 period varied as follows:

3. Trends in the IBE's revenue (in United States dollars)

	2008	2009	2010
Voluntary contributions	1,934,287	1,621,896	1,751,401
UNESCO's financial contribution	2,295,500	2,295,500	2,400,000
Other revenue (activities, services, financial)	134,942	273,766	146,699
TOTAL IBE REVENUE	4,364,729	4,191,162	4,298,100

(Source: IBE 2008, 2009 and 2010 financial statements)

9. The breakdown of voluntary contributions is as follows:

4. Change in voluntary contributions to the IBE (in United States dollars)

	2008	2009	2010
Voluntary contributions from governments	1,361,723	1,416,853	877,302
Contributions for the International Conference on Education (ICE) – 2008	568,209		
In-kind voluntary contribution from UNESCO (IBE building in Geneva)			762,594
Contributions from other donors	4,355	195,777	99,475
Contributions from United Nations bodies		9,266	12,030
TOTAL voluntary contributions	1,934,287	1,621,896	1,751,401

⁸ Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control (IPSAS 20, para. 4).

10. Under the IBE's Financial Regulations, Article 3, contributions, endowments, gifts and bequests may be "allocated or offered by institutions of the United Nations, governments, public and private bodies, associations, foundations and individuals, provided that the purposes for which they are made are consistent with the policies, aims and activities of the Bureau".

11. Voluntary contributions from governments fell sharply in 2010.⁹

12. The treatment of the in-kind donation from UNESCO (US \$762,594) seems inappropriate. In July 1984, UNESCO became the owner of three floors of a building located at 15 route des Morillons in Geneva (2,307 m²) in order to house the IBE. Until 2009, the purchase price of the building was shown in UNESCO's financial statements (US \$4.6 million). The IBE used those premises free of charge, but no financial information on such use was disclosed in the Institute's financial statements. The IBE's financial statements as at 31 December 2010 equates the in-kind benefit constituted by this use to a voluntary in-kind contribution valued at US \$762,594 (Note 8 to the financial statements).

13. The revenue and expenses offset each other¹⁰ and correspond to the depreciation of the "immovable" property, as stipulated in IPSAS 23 (revenue from non-exchange transactions). Nonetheless, it seems inappropriate to use the category of voluntary contributions to record such revenue (Statement II "financial performance as at 31 December 2010"). The reader of the financial statements cannot understand this in-kind benefit by UNESCO. Furthermore this practice does not fall within the definition of voluntary contributions according to UNESCO's rules: UNESCO is neither a government nor another United Nations agency, and is even less a public or a private institution.¹¹

14. It was also noted that the contribution (US \$2,387) from the San Sebastian UNESCO Centre, a Spanish non-governmental organization, was recorded as a voluntary contribution from a United Nations institution.¹²

Recommendation No. 3. The External Auditor recommends that the IBE recognize the in-kind contribution granted by UNESCO appropriately in the accounts and ensure that the various categories of voluntary contribution are credited to the correct accounting item.

D. EXPENSES

15. The IBE's expenses rose sharply by 17% from US \$3.7 million as at 31 December 2009 to US \$4.3 million as at 31 December 2010, owing to the book entry of US \$762,594 in rental payment offset as revenue (see above). If IPSAS had not been implemented, a US \$136,000 drop in expenses would have been recorded.

16. Unliquidated obligations amounted to US \$272,908 at the end of the financial period. A sample of 103 transactions of unliquidated obligations amounting to US \$171,419 (63% of the total) was examined. Only 20 transactions in the first half of 2010, amounting to US \$50,797 and relating to the maintenance of the building in the second and third quarters of 2010, had not actually been paid at the time of the audit, owing to a change in service provider. The IBE said that it would liquidate these obligations as soon as possible.

17. The audit of mission expenses (US \$137,214 in 2010) revealed no anomalies. Nevertheless, 39% of the expenses were incurred by a single IBE staff member (US \$54,053 for 180 days of

⁹ Contributions from Switzerland (US \$651,498), Spain (US \$200,804) and Israel (US \$25,000).

¹⁰ Debit from account 6031011 (*Premises rental*) and credit to account 7023014 (*Other in-kind voluntary contributions*).

¹¹ UNESCO Administrative Manual, Chapters 2 (Item 2.5, paragraph 2.1) and 5 (Item 5.1, paragraphs 2.1 and 2.2).

¹² Account 7022016 (*Voluntary contributions from United Nations Family*).

daily subsistence allowance). The Institute's managers laid emphasis on the specific features of the post,¹³ but undertook to monitor the balance between field missions and presence in Geneva.

18. In the audit of a sample of 28 purchase orders (an overall amount of US \$29,084), two transactions were found for which the purchase orders had not been signed by the approving officer, namely the Director of the IBE,¹⁴ or by an officer holding delegated authority to do so.¹⁵ The IBE explained that the purchase orders had been signed by the Secretary of the Council, the certifying officer,¹⁶ who had been instructed by email to act as Director.¹⁷ Compliance with the financial rules on the signing of purchase orders must be improved.¹⁸

Recommendation No. 4. The External Auditor recommends that the IBE formalize the delegation of signature for incurring expenses.

E. FINANCIAL REPORTING SYSTEM

19. The FABS¹⁹ integrated management software package was rolled out to the IBE in 2006, and so the Institute was fully familiar with the tool before the switch to IPSAS.²⁰

20. However, in 2010, owing to the changes made to FABS by Headquarters, the IBE has no access to the new contract forms because the IBE does not have the Sharepoint solution required for using the new functionalities. The Institute has been obliged to draw up contracts manually for some 20 service providers, 16 fellowship holders, two temporary staff members and a ministry partner.

Recommendation No. 5. The External Auditor recommends that the IBE should update the FABS integrated management software package used by the Bureau.

III. GOVERNANCE AND ADMINISTRATION OF THE IBE

A. INTERNAL AND EXTERNAL EVALUATIONS

21. UNESCO's Internal Oversight Service (IOS) made 45 recommendations in 2002 on programme management, financial control, contracts, travel, publications and administration. It considered in 2008 that all of its recommendations had been implemented.

22. An external evaluation of the IBE was carried out in 2005 by an outside firm under the supervision of the Internal Oversight Service.²¹ This resulted in 18 recommendations. Only one had been applied in 2008. Twelve recommendations are still being implemented and five are pending. They concern in particular the cooperation between UNESCO's various departments (central services and institutes) and the search for extrabudgetary funding.

¹³ P-4 post: programme specialist in charge of preparations for and follow-up to the International Conference on Education.

¹⁴ Memo from the Comptroller (DCO) 8/07/59 dated 26 February 2007.

¹⁵ Purchase orders dated 14 December 2009 (No. 4500090516, €1,180) and 16 December 2009 (No. 4500090873, €9,316.40).

¹⁶ UNESCO document 391 dated 8 December 2007, updated on 12 May 2010.

¹⁷ Email dated 14 December 2010 from the Director's assistant.

¹⁸ UNESCO Administrative Manual (Chapter 3, paragraph 1.4), UNESCO Financial Rules and Regulations (Chapter 3.3A, paragraph 5.7).

¹⁹ Finance and Budget System.

²⁰ Use of contract forms 205A (six fee contracts), 354 (18 individual consultant contracts), 504 (46 translation contracts), COMM (67 service contracts) and INS (an insurance contract).

²¹ Technopolis France – IOS Report/EVS/PI/43 dated 31 January 2006 (Second round of evaluations of UNESCO institutes).

Recommendation No. 6. The External Auditor recommends that the IBE review the implementation of the recommendations of the 2006 evaluation report.

B. FUNDING OF THE INSTITUTE

(1) Trends and recognition of the IBE's resources

23. Trends in the IBE's external financial resources do not seem to be favourable.

**5. Trends in the IBE's main financial resources
(in United States dollars)**

	2008	2009	2010
Total resources of the IBE	4,364,729	4,191,162	4,298,100
External financial resources of the IBE	1,366,078	1,621,896	988,807
including voluntary contributions from governments (excluding the International Conference on Education – 2008)	1,361,723	1,416,853	877,302
Share of external resources	31%	39%	23%
Financial contribution from UNESCO	2,295,500	2,295,500	2,400,000
Share of the contribution from UNESCO	53%	55%	56%

(Source: IBE 2008, 2009 and 2010 financial statements)

24. The IBE is the only UNESCO category 1 institute that is so heavily dependent on UNESCO Headquarters for its resources: 56% in 2010 compared to 35% for the best funded institutes.²² This finding is compounded by the above-mentioned sharp fall in voluntary contributions from governments (by 39% in 2010). UNESCO's contribution would even amount to 74%, if the in-kind contribution of US \$762,594 constituted by the IBE's use of the UNESCO premises in Geneva were included. The IBE runs the risk of its autonomy as a UNESCO category 1 institute being weakened.

25. The IBE argued that in assessing its reserves (US \$1.9 million as at 31 December 2010), the amounts paid over previous years and earmarked for multi-year programmes (US \$1.2 million) should be factored in, that contractual payments scheduled for several years were ongoing (US \$271,256 expected in 2011) and that a US \$1.3 million multi-year agreement running until 2014 had been signed with the UNESCO office in Iraq in April 2011. This latter resource is not, however, recorded in the IBE's Special Account.

26. Indeed, the Special Account does not record all of the financial resources allocated to the Institute. Some contributions paid generally to UNESCO are managed on a Headquarters budget code, although they are used by the Institute. In such cases, the Institute is in the position of providing services to Headquarters. The amounts involved are set out below:

²² Source: BFM (Statement of revenue and expenses for the institutes in 2010).

**6. Valuation of the resources of the IBE not recorded in the Special Account
(in United States dollars)**

United States dollars	2007	2008	2009	2010	2011	2012	2013
HIV		273,584		202,830			
Africa		475,477					
Angola			69,329				
Viet Nam			108,927				
Iraq						1,317,000	
Qatar					36,168		
Greece (Associate expert)			126,850				
ICE 2008 – Education sector donor Headquarters	114,920	436,293					
ICE 2008 – Information sector donor Headquarters		18,636					
ICE 2008 – various UNESCO donors		22,494					
Average total annual resources excluded from the financial statements of the IBE	114,920	851,954	527,084	253,968	576,583	439,000	439,000

(Source: data provided by the IBE)

27. The International Conference on Education (ICE), for which the IBE acts as the secretariat, is provided for by the IBE's basic texts.²³ Pursuant to resolutions by UNESCO's General Conference, the latest sessions were held in 1996, 2001, 2004 and 2008.

Recommendation No. 7. The External Auditor recommends that the IBE continue the action taken to seek voluntary contributions from States. In consultation with the Headquarters' Bureau of Financial Management, the IBE should think of a means of recording all financial resources earmarked for the IBE's programmes in the Institute's Special Account.

(2) Follow-up of voluntary contributions

28. In accordance with the Financial Regulations of the IBE,²⁴ the Director shall report to the Council on the contributions received by the Bureau by submitting Financial Statement II, henceforth entitled "Statement of financial performance".

29. However, the IBE's financial statements give no indication of the status of the payment of voluntary contributions except for those received during the financial period.

30. It would be desirable to inform the Council of the outstanding balance of unpaid voluntary contributions (US \$97,396 as at 31 December 2009 and nil as at 31 December 2010) and of the payment of voluntary contributions promised over several years. This information would give a better understanding of the Institute's reserves and provisional budget.

²³ Chapter V (Revised Rules of Procedure of the International Conference on Education), First ICE in 1934.

²⁴ Article 3.3: "The Director shall report to the Council on the subventions, contributions, endowments, gifts or bequests accepted".

Recommendation No. 8. The External Auditor recommends that the IBE annex to the financial statements a table tracking voluntary contributions and specific contributions unpaid at the end of the financial period.

C. RESULTS-BASED MANAGEMENT

31. Results-based budgeting was introduced at the United Nations in 1997,²⁵ and at UNESCO more recently.²⁶

32. In the Programme and Budget for 2010-2011 (35 C/5), the following goals were set for the IBE:

- national capacities strengthened to plan, implement and manage basic education, mainly in Africa (MLA 2 – expected result 5);
- secondary education systems renewed, in particular and as appropriate through curricular reform and improved learning assessment of students (MLA 2 – expected result 6);
- national capacities strengthened to prepare, implement and manage sector-wide education plans and inclusive policies, including for post-conflict and post-disaster situations (MLA 3 – expected result 8);
- global and regional progress in EFA monitored and education trends identified through applied research and the publication of studies and reports such as the EFA Global Monitoring Report (MLA 4 – expected result 12).

These goals are accompanied by nine performance indicators.

33. In the 2010 activity report submitted to the IBE Council at the end of January 2011,²⁷ the four expected results of the IBE were broken down into six strategic objectives, giving rise to 10 factsheets on the results achieved as at 31 December 2010. However, the outlines do not list the quantified targets set for 2010 or for the biennium. It is therefore difficult to assess the IBE's performance in 2010.

34. Some targets for quantified indicators are given on the nine programmes recorded by means of the SISTER programming software.²⁸ However, for all nine programmes, the budgets recorded in SISTER are different from the amounts given in the activity report, no quantified targets are given for five of the nine programmes,²⁹ and the breakdown of staff costs, other charges and support costs is not provided for five of the programmes.

35. At the request of the External Auditor, the Bureau has drawn up a table reconciling in a consistent manner the results expected quantified for 2010 in the Programme and Budget (35 C/5) and the mid-term results.

Recommendation No. 9. The External Auditor recommends that the IBE refer to the targets set for each programme when it submits its annual results to the Council, to analyse disparities and improve the quality of the information recorded by means of the SISTER programming software.

²⁵ Reports of the General Secretariat A/51/950 and Add. 1 to 7.

²⁶ Administrative Manual, Chapter 2, Item 2.2 *Programme and Budget (C/5)*.

²⁷ Document UNESCO/BIE/C.60/2.

²⁸ System of Information on Strategies, Tasks and the Evaluation of Results.

²⁹ Programmed benchmarks (SISTER).

D. HUMAN RESOURCES

(1) Staffing trends

36. The IBE organizational chart (January 2011) comprises 29 posts: eight officers (one D post, seven P posts), four temporary officers (on appointments of limited duration – ALD), seven G posts, seven fellowship holders, two consultants and a local post under a special service agreement.³⁰ Five of these 29 posts were vacant at the date of this audit (two P posts, one ALD, one G post and one fellowship holder). Ten posts have temporary assistance status (two consultant posts, one SSA and seven fellowship holders).

37. Staff costs (excluding travel expenses) amounted to US \$2.8 million in 2010, that is, US \$2.2 million for established posts (D, P and G categories), US \$0.1 million (US \$131,000) for temporary assistance, US \$85,000 for associate experts, US \$274,000 for fellowship holders and US \$139,000 for the two consultants.

38. The staffing table authorized under the Programme and Budget for 2010-2011 does not include institutes' posts.³¹ Institutes have considerable autonomy in staff management.³² The only reference document that gives a list of IBE posts is a now obsolete note dated 12 December 2003.³³

39. The lack of an updated table of posts approved by the IBE Council is detrimental to the good management of the Institute, as is the inclusion in the organizational chart of temporary missions (consultants, special services agreements and fellowship holders).

Recommendation No. 10. The External Auditor recommends that the IBE draw up a staffing table, submit it to the IBE for approval and update the organizational chart.

(2) Individual consultant contracts

40. The cost of individual consultant contracts from 2008 to 2010 is as follows:

7. Trends in the cost of individual consultants at the IBE (in United States dollars)

	2008	2009	2010
Consultants (Secretariat and Member States)	326,972	179,591	255,216
Consultants (insurance)	792	929	1,707
Consultants (mission and other expenses)	80,088	47,132	54,334
Total	407,852	227,652	311,257

(Source: general IBE balance sheets as at 31 December 2008, 2009 and 2010)

41. The 18 individual consultant contracts concluded by the IBE in 2010 were audited. In four cases, the situation does not reflect compliance with the definition and criteria established for the consultants.³⁴

³⁰ SSA.

³¹ Note at the bottom of Table 2 in Annex IV to document 35 C/5 Approved (page 294).

³² 33 C/Resolution 90 and 171 EX/Decision 23; Human Resources Manual, Chapter 5, Item 5.13; regulations of the IBE (General Framework for the Delegation of Authority Granted to the Director of the IBE for the Management of Posts and Staff).

³³ Memorandum BIE/03/DIR/289/cb/cc.

³⁴ UNESCO Human Resources Manual, Chapter 13, Item 13.10.

42. One consultant was granted six contracts from 2008 to June 2011,³⁵ totalling (excluding mission expenses) CH F141,318 (2008-2009) and US \$123,339 (2010-2011). He had previously held an appointment of limited duration (ALD/P-2) at the IBE from July 2004 to July 2008.

43. The second consultant held eight contracts from 2007 to January 2012,³⁶ amounting to US \$241,867 (excluding mission expenses). Initially recruited as a translator, the third consultant had five contracts from February 2008 to December 2010³⁷ (amounting to US \$30,401). The fourth consultant, employed from August to December 2010 (US \$14,001), had been an intern from April to December 2008, then a fellowship holder from April to December 2009 (CH F2,880), before declining a second fellowship in July 2010 for personal reasons, in favour of a new fellowship granted for the period February 2010 to January 2011.

44. The IBE laid emphasis on the expertise and professionalism of the consultants considered. Nonetheless, the contracts concluded with these four consultants do not comply with Manual rules on the duration of individual consultant contracts, the consultants' prior position, the competitive process and, in one case, the level of remuneration.³⁸ The IBE's organizational chart dated January 2011 shows that two of the four consultants are employed in the Office of the Director and in the "Africa" projects and are therefore in established posts (€139,000).

Recommendation No. 11. The External Auditor recommends that the IBE comply with the rules laid down in the UNESCO Human Resources Manual relating to the recruitment and remuneration of individual consultants.

IV. ACKNOWLEDGEMENTS

The External Auditor extends his sincere thanks to the staff of the International Bureau of Education for their welcome and support.

Comments by the Director-General:

The Director-General thanks the External Auditor for his audit report on the International Bureau of Education and notes its usefulness. She accepts all of the recommendations made and will report on their implementation in accordance with current practice.

³⁵ 4 August 2008 to 30 June 2009, 1 September 2009 to 31 January 2011 and 1 March to 30 June 2011.

³⁶ August 2007 to March 2008, May 2008 to January 2010, March to December 2010, February 2011 to January 2012.

³⁷ February 2008, May to December 2008, February to December 2009, May to December 2010.

³⁸ UNESCO Human Resources Manual, Annex 13 F, Part 3.