DECISION 21/2010/GB

OF THE GOVERNING BOARD OF THE EUROPEAN POLICE COLLEGE

ADOPTING THE MULTI ANNUAL ACTION PLAN 2011-2014

Adopted by the Governing Board
on 25 May 2010

THE GOVERNING BOARD,

Having regard to Council Decision 2005/681/JHA of 20 September 2005 establishing the European Police College (CEPOL) ([1]), and in particular Articles 10(9)(c) and 15(5) thereof;

Having regard to the opinion of the Committee on Budgetary Control([2]);

Having regard to the opinion of the Commission ([3]);

Having regard to the opinion of the Internal Audit Service ([4])

Having regard to the opinion of the Budget and Administration Committee and Strategy Committee ([5]);

Having regard to the proposal of the Director;

HAS ADOPTED the Multi Annual Action Plan 2011-2014 as in Annex 1 of this document.

Further, the Director is mandated to continually assess the implementation of the plan and to make adjustments where necessary.

The Director shall provide regular reports on the implementation to the Governing Board.

Done at Barcelona, 25 May 2010

For the Governing Board

Francisco del Barrio
Chair of the Governing Board

([1])   OJ L 256, 1.10.2005, p. 63
([2]) Report on discharge in respect of the implementation of the budget of the European Police College for the financial year 2008 (C7-0198/2009 – 2009/2127(DEC))
([3])   Letter Jonathan Faull D(2010) 6954 10 May 2010
([4])   Letter Ms Kazmierczak D(2010) 245892 07 May 2010
([5])   Joint meeting of 18th meeting of the Budget and Administration Committee and 19th Strategy Committee, item 6. item 6.

CEPOL Administrative Multi-Annual Plan

A strategic approach to the improvement and maturing of the Administration of CEPOL

2010 - 2014

Annexes:

1. Explanatory Note to the organisation chart of the Secretariat
2. Organisation chart
3. Inter-related organigram
4. CEPOL IAS Action Plan

Document Status

Version	Status	Date
Version1.1	Draft Published for Comment	May 2010
Version1.2	Draft Version incorporating comments from DG JLS. Pending GB adoption	14 May 2010
Version1.3	Adapted by the GB on 25 May 2010 and adjusted accordingly	

1. Introduction

The following Administrative Multi-Annual Plan has been developed to describe the strategy that will be implemented within CEPOL to improve and mature the administration of the agency. It has been developed out of recognition of the need to improve the administration of the agency and in response to the request of the CONT following their decision to postpone the discharge decision on the 2008 CEPOL Accounts.

The management of CEPOL welcomes this initiative, recognising it as a strong mandate to implement the necessary changes in the operation and functioning of the Agency.

It is agreed that the action plan will be recommended to be adopted during the 20th Governing Board and introduced by the CEPOL's Director by 30 June 2010. The Governing Board approved this Multi Annual Action Plan at its 20th meeting on 25 May 2010.

1.1.   Background

CEPOL was established as an agency of the European Union (EU) in 2005 (Council Decision 2005/681/JHA of 20 September 2005); since that time it has struggled to meet the standards of good administration normally expected of a regulatory agency. Repeated audits have highlighted issues in the agency's adherence to the Financial and Staff Regulations as well as failings in the management of the budget, human resources and procurement. In addition the audits have shown an inadequate response to issues highlighted in previous years.

This situation has been further exacerbated by a consistent understaffing of the agency, with many posts remaining vacant over an extended period of time. The administration of the agency was particularly adversely affected by management resignations over the period 2008 and 2009 with the departure of the Head of Administration and then the Head of Programme. These posts were only filled again in mid-August 2009. In February 2010, the management team was completed with the appointment of a new Director.

1.2. Current Situation

The new management team has had the opportunity to analyse and assess the problems of the agency as documented in audit reports produced by the Court of Auditors and Internal Audit Service as well as to conduct their own review of the organisation.

Since 2008, many improvements have been implemented within the agency. However, too often these have been the result of individual's initiative and have lacked a coordinated approach and therefore not all of the benefits have been realised. Similarly, the administrative processes of the agency are immature and lack integration, having often been developed in response to specific issues and not fully integrated into the operation of the agency.

Despite these issues it is the opinion of the CEPOL management team that development and change can be implemented and that real, measurable improvement can be realised.

2. Action Plan

The following plan represents the absolute commitment of the CEPOL management team to implement a comprehensive programme of change within the organisation. A more structured, systematic and rigorous approach to all aspects of the activities of the agency will be implemented.

2.1. Programming and Planning

2.1.1. Current Situation

The planning of CEPOL operational activities is fairly rigorous and is marked by the degree of stakeholder involvement. Thus far, no multi-annual planning has been undertaken by CEPOL.

The planning of activities within the CEPOL Secretariat has not been subject to the same degree of planning and review.

These actions are built in the Staff Policy Plan, the Annual Work Programme and the Draft Budget.

2.1.2. Target Situation

CEPOL will adopt a more strategic approach to activities. The current view of CEPOL activities as a purely annual programme will become less appropriate as the portfolio of products and services offered by the agency develops and matures to meet the real demands of European law enforcement. Similarly, activities to improve and evolve the agency will be approached as structured programmes with a greater adoption of programme and project management rigour.

In particular, planning will be improved to ensure that the resources, both physical and financial are better estimated, planned and allocated.

2.1.3. Budgetary Programming

The CONT have set the following objectives to be fulfilled by CEPOL.

Objective: Improve the College's budgetary and operational programming and monitoring.

Action:

Director to draft a multiannual plan covering the following during his term of office:

- Projected measures (results and impact);
- The related financial requirements and budgetary forecasts for each year;
- The human resources required to implement the projected measures;
- The material resources required to implement the projected measures;

Action Implementation

The changing environment requires adequate response from CEPOL if the organisation wants to ensure that its services meet with its stakeholder and client expectations. To be an evolving agency requires renewed capabilities to approach challenging issues constructively. Increasing demands and expectations are stimulating innovation in the leadership, management, processes and organisation of CEPOL. Managing these changes is not an easy task but is possible with professional leadership and management so that good governance will become the main feature of strong organisational performance.

The Multi Annual Action Plan 2010 – 2014 refers to the objectives set by the EP Committee on Budgetary Control and corresponds to:
- Application of corporate leadership and management by the Governing
  Board
- Evaluation of CEPOL achievements, efficiency and effectiveness
- Strategic planning
- Enhanced capacity of the Secretariat to administer effectively the complexities of financial and staff regulations
- Budgetary Programming including the development and maintenance of a more effective Internal Control System thereby ensuring functional discipline
- Management of Human Resources as the greatest asset of CEPOL

The Multi Annual Action Plan does not deal with the:
- Highlighted OLAF investigation now completed and where in the meantime the financial damages have been recovered to the budget and the new CEPOL management has been appointed
- Location of CEPOL's Secretariat and attaching to the EUROPOL since it is stipulated in the Council Decision and neither the Governing Board nor the Director are mandated to deal with these questions

Ref	Objective		
MAP_01	**Application of corporate leadership and management by the Governing Board**		
	Milestone 1: The Governing Board approves a Multi Annual Action Plan presented by the Director by 31 May	Q2 2010	
	Milestone 2: The Governing Board assesses the efficiency, effectiveness and achievements of the CEPOL with a 5 year evaluation report.	Q1 2011	
	Milestone 3: The Governing Board develops and adapts a Strategic Plan and Balanced Scorecard System for the years 2011/2014	Q2 2011	
	KPIs	**KPI Calculation**	
	Governing Board efficiency	Timeliness of Governing Board Decisions	
	Governing Board effectiveness	Number of Governing Board decisions adopted in response to evaluation and strategy	

2.2. Financial and Budgetary Management

2.2.1. Current Situation

The financial situation of CEPOL is weakened by persistent management issues. There is the regular under spending of the budget, which is widely reported. No specific measures have been identified by the management to address this issue in the past.

There has been an extended absence of proactive financial management. As a result problems and issues have not been adequately addressed.

Between the network and the secretariat there has been a lack of an ambitious or aggressive effort to address the budgetary under-spending issues.

2.2.2. Target Situation

CEPOL will adopt a proactive and rigorous approach to budgeting and financial management. Under-spending will be reduced by ensuring better estimation of operational costs, by ensuring planned activities are completed on time and on budget and by ensuring that the capacity of the organisation is sufficient to achieve budgeted goals.

2.2.3. Internal Control Systems

The CONT have set the following objective to be fulfilled by CEPOL.

Objective: Improve financial management of the College's work, including those for programmes funded from assigned revenue (AGIS, ISCE and MEDA).

Action

Financial management system is to be reviewed (with alterations being made to the current financial circuits), to standardise the financial management of the College's various activities and make it more effective. This review is also intended to ensure the provision of better quality financial information by the various programme administrators.

Action Implementation

CEPOL will implement a number of measures to improve the financial management of the agency.

The agency will centralise the financial management of all activities to enable improvements in the consistency and reliability of both financial management and reporting. This structural change will be implemented **by 31/12/2010**.

Structural changes will be made to ensure that the projects funded from assigned revenue (AGIS, ISEC and MEDA) are fully integrated into the new CEPOL management structure. Particular emphasis will be paid to ensuring the sound financial management and accurate reporting of these projects. This structural change will be implemented **by 31/12/2010**.

An evaluation should be carried out in order to reduce the impact of assigned revenues on the budget of the Agency.

CEPOL will launch a project to review and improve the financial and accounting circuits, including all policies and processes to ensure that the financial management system is reliable, consistent and completely aligned with the Commission Financial Regulation. This review will be conducted in conjunction external expert that could be a subject to a successful procurement exercise; it is the intention that the review will be completed by the **end of October 2010.**

Ref	Objective	
MAP_02	**In order to ensure functional and organisational discipline; an effective Internal Control System is to be developed and maintained**	
	Milestone 1: Introduction regular internal management meetings	Q1 2010
	Milestone 2: Introduction of CEPOL Monthly Newsletter in order to enhance transparency.	Q1 2010
	Milestone 3: Implementation of Internal Control Standards function and assessment of compliance(*)	Q3 2010
	Milestone 4: Review of the current financial management system and structure to increase effectiveness	Q4 2010
	Milestone 5: All existing IAS recommendations closed	Q4 2010
	Milestone 6: Secretariat Annul Activity Plan introduced	Q1 2011
	Milestone 7: CEPOL Internal Control Standards approved by Governing Board	Q2 2011
	KPIs	**KPI Calculation**
	Internal Audit	Number of internal audits conducted
	Internal Control	Number of internal control standards agreed and implemented

* Based on the decision of the Governing Board an Internal Audit Panel will be set up as soon as possible (20th GB Meeting 25 May 2010)

Ref	Objective	
MAP_03	**Reorganisation and reinforcement of the CEPOL Secretariat in order to ensure effective handling of the complexities of the EU's financial and staff regulations**	
	Milestone 1: Review of existing workflow, division of responsibilities and labour and development of a new organisational chart and its approval by the Governing Board 31 May 2010 as part of Multi Annual Action Plan	Q2 2010
	Milestone 2: Realisation of the new organisation and corresponding division of responsibility and labour Phase I	Q4 2010/11
	Milestone 3: Realisation of the new organisation and corresponding division of responsibility and labour Phase II	Q1 2012/13
	Milestone 4: Evaluation of efficiency, effectiveness of the Secretariat performance and its leadership and management	Q1 2011 Q1 2012 Q1 2013 Q1 2014

KPIs	KPI Calculation
Functional organisation improvement	Number of revised Job Descriptions Implemented
Organisational Capacity	Average number of staff hours worked per month

Objective: Formally validate all financial procedures and the new accounting system, in accordance with Article 43 of the framework Financial Regulation.

Action

Authorising Officer and Authorising Officers by delegation to formally document the systems they have introduced with a view to supplying the Accounting Officer with the necessary financial information. Accounting Officer is to validate the system descriptions, to ensure that he/she is provided with high-quality financial information for the purpose of drawing up the annual accounts.

Action Implementation

As described previously, CEPOL will launch a review of the financial and accounting circuits, including all policies and processes to ensure that the financial management system is reliable, consistent and completely aligned with the Commission Financial Regulation.

This review will culminate in the validation of the financial procedures and the accounting system, in accordance with Article 43 of the framework Financial Regulation. This validation will be completed before the delivery of the Final Statement of Accounts for 2009 to be published by 01 July 2010.

Ref	Objective		
MAP_04	**Validation of the financial procedures and the accounting system, in accordance with Article 43 of the framework Financial Regulation**		
	Milestone 1: Review of the financial and accounting circuits, including all policies and processes to ensure that the financial management system is reliable, consistent and completely aligned with the Commission Financial Regulation		Q2 2010
	Milestone 2: Validation of the financial procedures and the accounting system		Q2 2010
	Milestone 3: Implementation of validation review procedures to ensure continuous compliance		Q2 2011
	KPIs	**KPI Calculation**	
	Financial Process quality control	Number of process checks and reviews completed	
	Financial Process quality assurance	Percentage of financial process improvements implemented.	

Objective: Improve the expenditure verification environment (Point 14 of the ECA's report on the financial year 2008).

Action

Formally adopt and implement effective procedures and/or checklists ensuring that payment requests submitted by bodies organising courses on behalf of the College comply with the applicable administrative and financial rules.

Action Implementation

The review of the financial and accounting circuits will also address this action. Particular attention will be paid to the implementation of processes and procedures. Starting in Q2 2010, enhanced emphasis on ex-ante and ex-post verification will be implemented.

A comprehensive review of the training delivered to course organisers will be launched to ensure that all administrative training is complete and adequate. In addition, the manuals, forms and templates delivered to course organisers will be reviewed to ensure their adequacy and completeness.

Ref	Objective	
MAP_05	**Improve the environment of financial verification**	
	Milestone 1: Adopt a check list ensuring that payment requests comply with the applicable administrative and financial rules.	Q2 2009
	Milestone 2: Enhanced ex-ante and ex-post verification capacity	Q3 2010
	Milestone 3: Optimised Financial Workflow	Q4 2010
	KPIs	**KPI Calculation**
	Regularisation of financial transactions	Percentage of transactions in accordance with the Financial Regulation

2.3. Governance

2.3.1. Current Situation

The Governance of CEPOL in terms of its bodies and process has remained largely unchanged since the formation of the organisation. Significantly the Governance has not changed since the establishment of CEPOL as a regulatory agency.

2.3.2. Target Situation

There is an emerging willingness and desire within the CEPOL Governance to ensure that the processes, structures and bodies are fit for purpose and are able to respond to the operational demands that CEPOL must face.

Ref	Objective	
MAP_06	**Assurance of transparency over on the Governing Board's activity and membership**	
	Milestone 1: Terms of reference, mandate and quorum of decision making of the Governing Board published on web site	Q2 2010
	Milestone 2: The résumés of non classified decisions of the Governing Board are published	Q2 2010

Ref	Objective	
MAP_07	**Based on Council Decision the 5 year evaluation report will be developed reviewing achievements, efficiency and effectiveness of CEPOL**	
	Milestone 1: Development of tender documents	Q4 2009
	Milestone 2: Approval of tender documents by the Governing Board and publication of the tender	Q1 2010
	Milestone 3: Beginning of evaluation by the tender winner	Q3 2010
	Milestone 4: Presentation of the 5 year evaluation report to the Governing Board and its acceptance	Q1 2011
	Milestone 5: CEPOL implements the agreed recommendations	Q3 2011
	KPIs	**KPI Calculation**
	Governing Board effectiveness	Number of Governing Board decisions adopted in response to evaluation and strategy
	Organisational responsiveness	Percentage of improvement recommendations implemented

Ref	Objective	
MAP_08	**Development of the Strategy Plan of CEPOL**	
	Milestone 1: Governing Board agrees on the need of renewed strategy aiming that CEPOL will function on the highest level of international excellence	Q1 2010
	Milestone 2: Governing Board agrees on the road map and working methodology of strategy development	Q1 2010
	Milestone 3: Governing Board agrees on the renewed CEPOL's Strategy Plan	Q4 2010
	Milestone 4: The Strategic Goals and objectives are to be implemented by Annual Work Programmes 2011-2014 within the provided resources	Q1 2011
	KPIs	**KPI Calculation**
	Governing Board efficiency	Timeliness of Governing Board Decisions
	Governing Board effectiveness	Number of Governing Board decisions adopted in response to evaluation and strategy

2.4. Human Resource Management

2.4.1. Current Situation

There are numerous issues in associated with the staffing of CEPOL. The most pressing issues are that the Establishment Plan has not been managed properly in the past and that the level of vacant posts is unacceptably high.

An internal audit of the Establishment Plan has been completed as the new management considered that the data used for staff planning was unreliable and not based on business needs. A symptom of this is that there is no redundancy within the organisation, so annual leave and sick leave are often problematic.

2.4.2. Target Situation

CEPOL will mature its approach to Human Resource Management (HRM). The Establishment Plan will be fulfilled and vacancy rates will be kept within the accepted normal range.

The improvements of HRM will result in the transition to competency based planning to ensure that the availability of suitably skilled staff to meet the

strategic demands of the organisation. This will result in Human Resource planning that is based on the operational requirements of the organisation, is timely and enables organisational development.

2.4.3. Staffing

The CONT have set the following objectives to be fulfilled by CEPOL.

Objective: Fill vacant posts until a 'normal' post vacancy rate (e.g. 5%) is achieved.

Action:
Adopt and implement annual recruitment plans for the years covered by the multiannual plan referred to previously.
Adopt and implement recruitment guidelines.

Action Implementation

As confirmed previously, a multi-annual plan will be developed. The multi-annual plan will detail not only the activities to be completed but also the human resources required to achieve the plan.

CEPOL is already reviewing and revising the agency's recruitment guidelines. This activity will result in the approval and implementation of a new and more comprehensive approach to recruitment. CEPOL will demonstrate from the beginning of 2010 a complete adherence to the Staff Regulations and recruitment best practice. This initiative will be supported by the provision of training and guidance for all recruitment panel members. The revised Recruitment Guidelines will enter the approval and adoption cycle by 30 May 2010 and they will include the internal control standard of objectives which are based on a job description and a training map.

Ref	Objective	
	Objective	
MAP_09	**Adopt and implement annual recruitment plans for the years covered by the multiannual plan**	
	Milestone 1: Implementation of a recruitment plan to meet 2010 Establishment Plan	Q1-Q3 2010
	Milestone 2: Revised Recruitment Guidelines approved and implemented	Q3 2010
	Milestone 3: Multi-annual recruitment plan approved and updated on the yearly base	Q1 2011/ 12/13/14
	KPIs	**KPI Calculation**
	Effectiveness of HR Management	Percentage of posts filled
	Adherence to recruitment regulations	Number of exceptions registered during recruitment (target = 0)

Objective: Improve the staffing situation.

Action:
All posts currently vacant (or filled by agency staff) to be filled by temporary staff by the end of the year.

Action Implementation

A comprehensive and fully resourced recruitment plan is being drawn up and will be finalised by 31 March 2010 to ensure that all posts currently vacant are filled by the end of 2010. This plan already foresees that interim or temporary staff will no longer be used to fill vacant posts.

Ref	Objective	
MAP_10	**Reduce reliance on interim staff**	
	Milestone 1: Establish a policy for the use of interim staff i.e for specialised, project related skill or to cover temporary staff absence (e.g. maternity leave)	Q3 2010
	Milestone 2: All posts filled by Temporary Agents	Q4 2010
	Milestone 3: Interim staff replaced by Contract Agents based on organisational need	Q4 2010
	KPIs	**KPI Calculation**
	Effectiveness of HR Management	Percentage of posts filled
	Staffing Capacity	Interim staff deployed as a percentage of Establishment Plan

2.4.4. Human Resources Management

Ref	Objective	
MAP_11	**Improve and mature Human Resource Management and associated processes**	
	Milestone 1: Outstanding Implementing Rules approved and implemented	Q2 2011
	Milestone 2: Staff Assessment and Appraisal implemented	Q4 2011
	Milestone 3: Competency based planning implemented	Q1 2012
	KPIs	**KPI Calculation**
	Implementing Rules	Number of outstanding Implementing Rules approved
	Staff Assessment	Number of staff assessments completed

2.5. Procurement

2.5.1. Current Situation

The CEPOL procurement workflow is currently being revised and comprehensive procurement checklists and templates are being developed in order to clearly define the role of each party involved in procurement procedure and to implement control measures - it is foreseen that revised workflows, checklists and templates shall be implemented by end of May 2010.

The Procurement Support Officer is involved in every step of the procurement process from the initiation of the procurement action until the signature of the contract. Inter alia he is advising the requesting officers of the choice of procurement procedure, reviews the specifications/TOR, administers the publication of tenders, contact with tenderers' and coordinates the tender evaluation process in order to ensure full compliance with the Financial Regulation and the Implementing Rules

2.5.2. Target Situation

CEPOL will achieve full compliance with the Financial Regulation regarding procurement; this will include the discontinuation of all contractual relationships that are not based on appropriate procurement exercises.

Integration of procurement into all aspects of planning at CEPOL will be achieved to ensure the appropriate budgetary provisions are available and that procurements schedules are foreseen in annual plans.

The CONT have set the following objectives to be fulfilled by CEPOL.

Objective: Improve the procurement control environment.

Action:
Procurement procedures manual, checklists and financial circuit to be adopted and implemented in order to ensure that the correct procedures are chosen and properly implemented.
Annual goods and services purchasing plan to be adopted and implemented.

Action Implementation

2009 has already seen intensive improvement to procurement within CEPOL. Controls and procedures have been reviewed and strengthened. A Procurement Officer has been recruited. These improvements will be fully implemented by ensuring that the required documentation and checks are in place and in full operational use. Where necessary, training will be delivered to ensure the consistent application of procurement best practice.

CEPOL has already adopted the practice of procurement planning. This initiative will be further developed and improved by achieving better integration with the budget planning processes. The development and implementation of the CEPOL strategy, supported by a rigorous approach to multi-annual planning will further strengthen this initiative.

Ref	Objective	
MAP_12	**Improve the procurement control environment**	
	Milestone 1: Revised Procurement templates and checklists implemented.	Q2 2010
	Milestone 2: Full implementation of the CEPOL procurement workflow	Q3 2010
	Milestone 3: Full integration of procurement planning with organisational planning	Q1 2011
	Milestone 4: Full implementation of the system of Framework Partnerships and Grant Agreements for courses, seminars and conferences	Q1 2011
	KPIs	**KPI Calculation**
	Procurement Regularisation	Number of procurement exceptions registered (target = 0)

2.6. MISCELLANEOUS

Objective
Bring the matter of appropriations used to finance private expenditure to a close.

Action:

Final report to be submitted by an external auditor, setting out the following information:

- Total appropriations used to finance private expenditure;
- Amounts recovered to date;
- The likelihood of recovering the outstanding amounts, and the timetable for their recovery.

Action Implementation

A report as described will be prepared by an external auditor. This will be implemented and will be delivered concurrently with the Final Statement of Accounts for 2009 to be published by 01 July 2010.

Explanatory Note
to the Organisation Chart of CEPOL Secretariat

1. **History:**
   - 1996 Association of European Police Colleges /AEPC/
   - Council Decision 2000/820/JHA establishing a European Police College with no legal personality and permanent Secretariat
     - ➢ Temporary Secretariat based in Copenhagen, Denmark
   - 2004/566/JHA amended Council Decision 2000/820/JHA CEPOL shall have legal personality and in addition 2004/567/JHA stated that the seat of CEPOL shall be in Bramshill, United Kingdom and the Governing Board shall set-up a permanent secretariat to assist CEPOL with administrative tasks
   - 2005/681/JHA repealed Council Decision 2000/820/JHA and on 1 January 2006, CEPOL began operating as a European Union Agency
     - ➢ It was agreed that 22 posts will be created within the Secretariat out of which 16 temporary agents and 6 contracted. These posts form the Establishment Plan.
     - ➢ The Governing Board decided on an initial structure of the Secretariat which could be further developed and which addresses the needs of Secretariat, in carrying out its functions
     - ➢ The organisation constituted two main units known as Programmes including External Relations and Administration.

2. **Current situation:**
   - There are four components of the Secretariat:
     Directorate; Programme Unit; Administration Unit and the EUROMED II project team
   - **CEPOL Secretariat** has **26 temporary agent** posts, of which 10 posts are currently vacant (12 AD posts and 14 AST posts) **6 contracted**; **1 Seconded National Expert** (e-learning) and **7 interim**.
   - **MEDA** Project Team is composed of **6 contracted** (there are no vacancies)

- **AGIS** has **2 contracted posts.** One post has been vacant since AGIS I project was completed in **2008** and the other since February 2010.
- The selection of staff is a high priority and in accordance with the established schedule all 10 vacant posts will be selected and filled **by end of 2010.** This does not take into account recruitment of posts that become vacant during the year.

3. **Need for changes:**
   - The inefficient application of the principle of sound financial management;
     - ➢ Especially the budget planning and implementation, the reliability of financial information, the lack of effective application of risk management and disciplinary commitments are repeatedly the subjects of valid criticism by the CoA, the IAS and the Governing Board;
     - ➢ While CEPOL is a small EU agency it unreasonably decentralises its financial circuits which leads to several irregularities;
     - ➢ The partly reinforced financial expertise is not coupled with organisational measures for example no Financial Unit was founded;
     - ➢ Inadequate capacity of the financial verification function prevents timely reimbursements and payments;
     - ➢ Project implementations are not integrated into the CEPOL financial mechanism despite the fact being co-located that fact often causes duplication of efforts and inconsistent practices;
     - ➢ The Administration Unit has no specialised middle management posts across the wide range of disciplines within that unit (ICT, HR, Budget and Finance and Procurement. The Head of Administration cannot ensure full leadership coverage over the complex Administration Unit without the possibility to delegate. The budgetary programming and the day to day operation requires additional division of labour between micro- and senior management;
     - ➢ The segregation of certain functions and an effective Internal Control System will ensure the observance of the

rule of law and the efficient implementation of financial procedures. The current system, including the lack of validation, requires reasonable development in different dimensions such as structural, human and professional development as well as implementation of additional measures.

➢ In accordance with the Financial Rules and Regulations the Accounting Officer and Internal Audit Functions should directly report to the Authorising Officer.

➢ The functional discipline needed to be greatly increased and responsibilities accepted by many individuals;

➢ There is no legal expertise in place. At the same time several cases in the area of HR, tendering and contracting must be prepared with appropriate legal knowledge similar to the listed internal rules that are to be elaborated for adaption

➢ A list of implementing rules are waiting for elaboration and adoption;

- Since CEPOL was established no fundamental changes have been realised in the structure of core business support Programme Unit;

➢ The increasing complexity of training, science, research and development should be fostered more proactively;

➢ Central learning environment, electronic infrastructure and knowledge base needs to be further developed;

➢ Core business related projects should be managed on the highest level and integrated into the CEPOL learning environment and standards including creation of clear chain of command;

➢ Enhanced senior law enforcement (Police) skills, knowledge and experience are needed to be deployed to the Secretariat.

- There are several inconsistencies between legal responsibilities and subordinations:

➢ The Director as Authorising Officer has the primary responsibility for the legitimate implementation of the budget. Any delegation of authority does not liberate him

from the responsibility and accountability. This is a strong argument for establishing direct working relation with Accounting Officer and Internal Control function;

➢ The Director is the only one who can legally represent CEPOL.
External Relations is one of the strategic areas requiring special emphasis and a very close cooperation with the External Relations Working Group and its Chair.

➢ In order to ensure continuity and proper representation of CEPOL the Director should be substituted not only during in his absence from Bramshill but in some other cases internally and externally.

➢ The Quality Management and Internal Audit Functions complement each other in a sense of complexity of Internal Control System. This is the motive to create a joint platform and synergy between the two functions;

➢ In the broadest context communication and reporting are crucial in building CEPOL's image in the international arena. CEPOL needs, to and at the same time has a great opportunity, to increase its visibility, to promote more effectively the performance and achievements of its network among stakeholders, the European law enforcement community and civil society.

4. **Aims of changes are:**
- To reinforce the Secretariat by selection of candidates for all vacant (10) posts;
- To close interim positions and transform them into contracted staff where and when Contract Agents where necessary;
- To contribute to the observation of rule of law and fulfilment of current and foreseen obligations;
- To establish a more effective Internal Control System;
- To ensure proper segregation of financial functions;
- To reinforce the Secretariat by staff enhancement and to calibrate for fulfilling the complexity of the tasks (core business, project- , financial- and human resources management).

5. **Subjects of changes:**
- To upgrade both units to the level of departments

- ➢ **Learning, Science, Research & Development Department**
  - ▪ **Headed by Deputy Director:** the status of the Head of Programme Unit will be transformed by 2010 and upgraded to AD 12 by 2013;
  - ▪ Within the department the following units should be established:
    - o **Training Unit:** no additional post requested. The Programme Co-ordinator status will be transformed and upgraded to grade AD 9 by 2012;
    - o **Research, Science and Development Unit:** requested additional status Head of Unit AD 9 by 2013;
    - o **Project Management Unit**: required additional status AD 9 Head of Unit by 2011.

- ➢ **Corporate Services Department**
  - ▪ **Headed by Head of Department**
  - ▪ Within the department the following units should be established:
    - o **Financial Unit** : required additional post with the status AD 9 Head of Unit by 2011;
    - o **ICT Unit:** required additional post with the status Head of Unit by 2012;
    - o Introduction of **legal advisory and data protection functions:** 2010 – 2011 Seconded National Expert and by 2012 Contract Agent;
    - o Transformation of interim Finance Assistants posts (2 x Initiating Agents) to contracted by end 2010;
    - o Transformation of interim Financial Support Assistant post (support Accounting Officer) to a Temporary Agent post (AST3) by end of 2010.
    - o Reassignment of the post Budget and Finance Support Assistant from CA FGIII to Temporary Agent post (AST3)

- ➢ **Change of the grade of Accounting Officer** from AD 5 to AD 7 by 2012

6. **Milestones of change management:**
   - I. **Step:** Approval by the Governing Board **by 31 May 2010**
   - II. **Step:** Endorsement by CoA, IAS and COM **by 31 May 2010**

III. **Step:** Introduction of the MAP to the EP Committee by **end of June 2010**

IV. **Step:** Implementation of the first phase in **2010/2011**

V. **Step:** Implementation of the second phase in **2012/2013**

Outline Job Descriptions

The following section provides outline job descriptions for the new or adapted posts described in the previous sections. The posts will be subject to further elaboration over time.

1. **Outline job description of Head of Learning, Science, Research & Development Department / Deputy Director**
   - As Head of the Learning, Science, Research & Development Department
   - To be responsible for the overall management of:
     - CEPOL training and learning activities,
     - the Science and Research activities
     - the on-going further development of the CEPOL Products and Services
     - the management of projects assigned to CEPOL
   - To be responsible for the internal coordination and communication between the units of the department
   - To be responsible for the planning, implementation and evaluation of activities according to the CEPOL cycles of budget and programme planning.
   - To be responsible for the oversight of human resources management in the department
   - To be responsible for the consistent application of quality management within the department
   - To plan, implement, follow up and report the budget for the area of responsibility within the management team.

   As a Deputy Director

   - To ensure business continuity when the Director is not available
   - To represent CEPOL on behalf of the Director at high ranked events
   - To be involved in the daily management of the Agency on behalf of the Director and under his supervision on defined areas (shared responsibilities)

2. **Outline job description of Legal Advisor, Data Protection and Information Security Officer**

   - Assist in corporate secretarial matters
   - Arrange and review draft contracts and agreements
   - Arrange and review draft internal rules, regulations and decisions
   - Give advice on a broad range of legal and regulatory issues

- Liaise with external counsel when necessary and assist Director in legal representation
- Provide support in compliance related matters and risk management

Processing of personal data by the European Institutions, Regulation (EC) 45/2001 provides that each institution or body must appoint at least one person as Data Protection Officer

- The main task of this person is to ensure, in an independent manner, the internal application of provisions of the Regulation within the Institution
- Maintain a register of all the processing operations on personal data carried out by the Institution.
- Responsible dealing with requests from the public for access to CEPOL documents.

As an information security officer

- Develop system and information ownership policies; information and data classification guidelines; standards and procedures.
- Develop, establish and maintain standards, procedures and guidelines to promote the security and uninterrupted operation of computer-based application systems

3. **Outline job description of Head of Unit ICT**
   - Provide management expertise on CEPOL ICT matters
   - Advise CEPOL Management on ICT related topics
   - Develop and implement an ICT Strategy for CEPOL that addresses the development and elaboration of the CEPOL ICT function, products and services including:
     - Technology
     - Governance
     - Sourcing
     - Resourcing (financial and physical)
   - Develop and implement multi-annual ICT planning (including financial planning) to ensure the smooth implementation of the ICT Strategy in accordance with the requirements of the organisation.
   - Develop and implement an Information Management Strategy for CEPOL, complimentary to the organisational and ICT Strategies that addresses:
     - Security
     - Data Protection
     - Information Availability
   - Develop, establish and maintain technical standards, procedures and guidelines to promote the security and uninterrupted operation of computer-based application systems
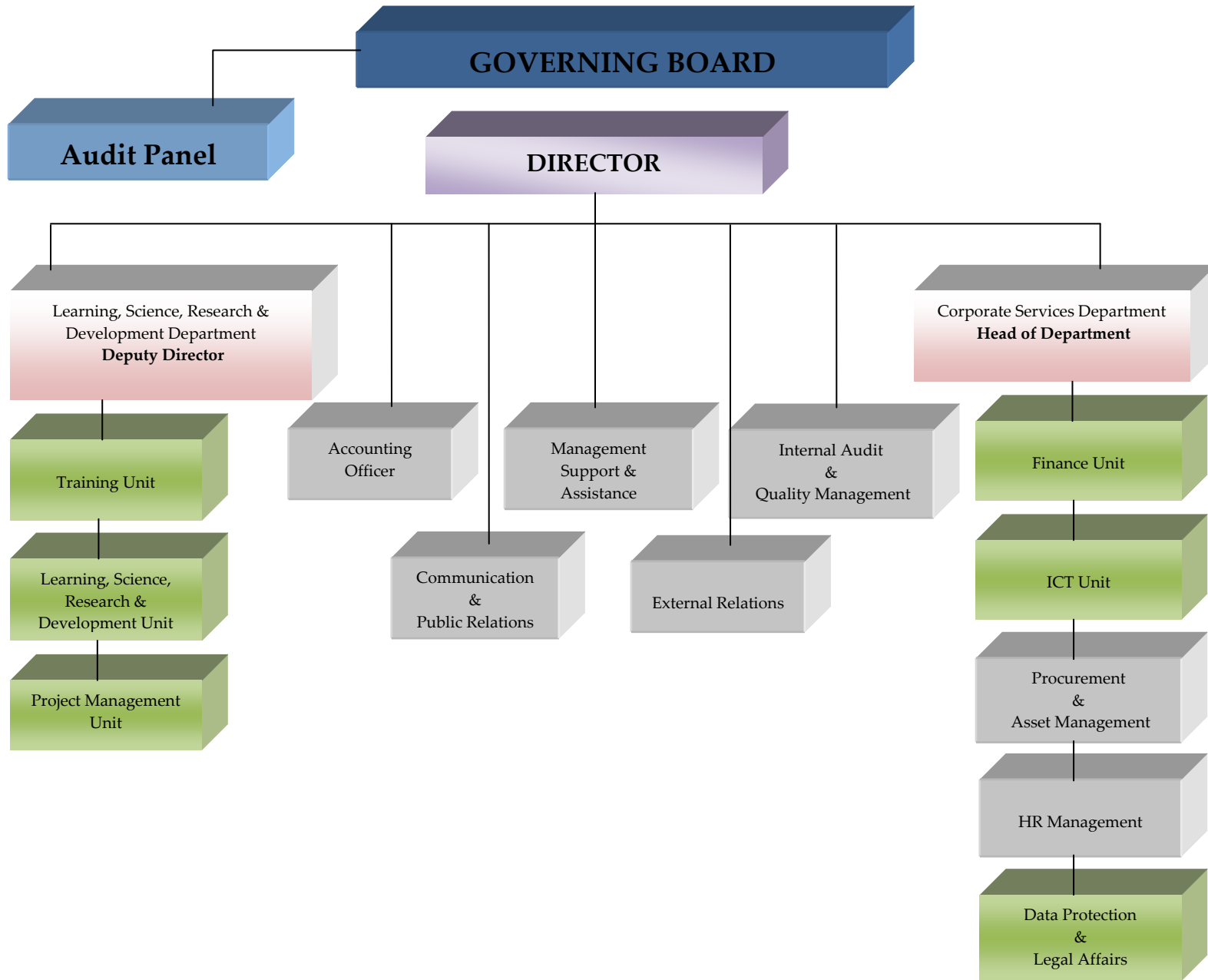
- To ensure the timely development of the CEPOL ICT applications, functions and capabilities in line with the:
    - Organisational and Strategic requirements
    - Industry best practice and standard
- Provide day-to-day management of the ICT Function
- Liaison with the Data Protection function
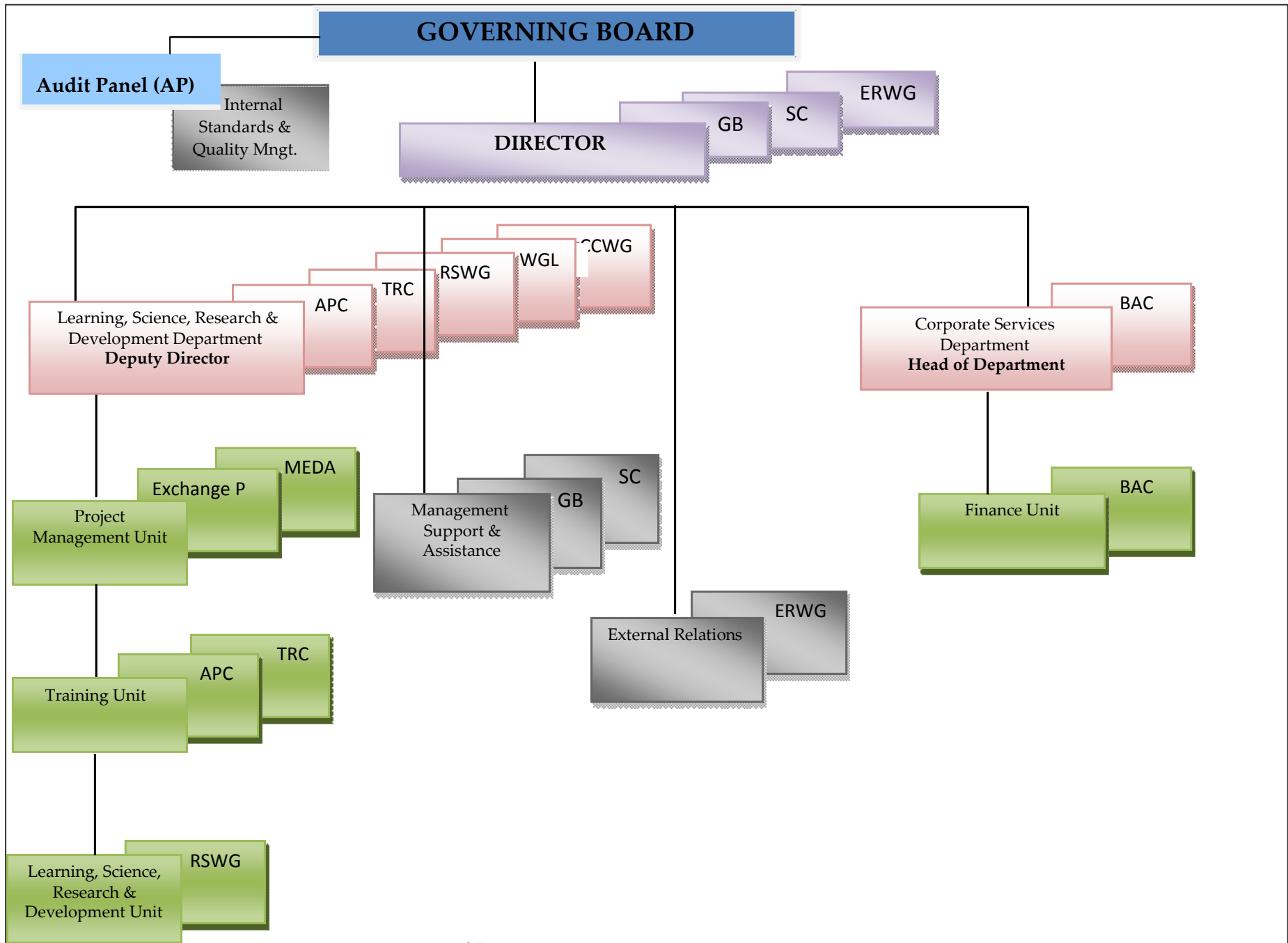- Representation of CEPOL on ICT related matters

4. **Outline job description of Head of Unit Finance**
- Provide management expertise on CEPOL Finance matters
- To ensure the delivery of quality-driven service to the organisation and the CEPOL Network
- Assisting the Head of Administration in the strategic development of budgetary and financial policy in the framework of the applicable EU Financial Regulations;
- To ensure the consistent application of the principles of sound financial management though the consistent and proper application of the EU Financial Regulations and CEPOL Financial Regulations.
- Development, implementation and monitoring of the CEPOL annual budget
- Providing the CEPOL management with regular financial reports and analysis;
    - ensuring the quality, accuracy and integrity of financial data, financial analysis and reporting;
- Develop and implement financial controls;
    - monitoring and implementing quality standards in the Unit;

- Enable the implementation of the CEPOL Strategy and associated strategies:
    - Liaising with the Heads of Administration and Programmes on the planning and implementation of the financial resources.
- Coordinating the audit preparations with internal and external auditors; Liaising and consulting with counterparts at other institutions (Commission, Council, Court of Auditors, etc.) and/or agencies on all budget and finance related matters;
- Providing guidance to the Procurement Sector of the Unit and monitor the procurement activities;
- Representing CEPOL in inter-institutional meetings on all budgetary and financial matters on behalf of the Head of Administration when required
- Planning and managing the Unit's human, financial and technical resources and ensuring that these are properly used.

5. Outline job description of Head Project Management Unit

- To establish and implement standards for the management of projects at CEPOL ensuring that:
    - The standards comply to recognised Project Management standards
    - Are tailored to be appropriate to CEPOL Projects
    - The standards enable and support the governance of projects
- To ensure the controlled planning, start, execution and closure of projects
- To establish regular and standardised project reporting standards
- To establish and maintain planning procedures for projects addressing:
    - Human Resource Planning and Management
    - Budget and Financial Planning
    - Project Communication Planning
    - Evaluation
- To contribute to the mid- and long-term strategic planning of CEPOL by an active ongoing development of supporting project plans / ideas
- To realize feasibility studies for project proposals
- To be responsible for the line management of officers involved in the projects
- To enable a close network with the CEPOL MS and other relevant stakeholders in Europe to enable successful project cooperation

GOVERNING BOARD

Audit Panel

DIRECTOR

Learning, Science, Research & Development Department
Deputy Director

Corporate Services Department
Head of Department

Accounting Officer

Management Support & Assistance

Internal Audit & Quality Management

Training Unit

Finance Unit

Communication & Public Relations

External Relations

ICT Unit

Learning, Science, Research & Development Unit

Procurement & Asset Management

Project Management Unit

HR Management

Data Protection & Legal Affairs

GOVERNING BOARD

Audit Panel (AP)

Internal Standards & Quality Mngt.

DIRECTOR

GB

SC

ERWG

Learning, Science, Research & Development Department
Deputy Director

APC

TRC

RSWG

WGL

CCWG

Corporate Services Department
Head of Department

BAC

Project Management Unit

Exchange P

MEDA

Management Support & Assistance

GB

SC

Finance Unit

BAC

External Relations

ERWG

Training Unit

APC

TRC

Learning, Science, Research & Development Unit

RSWG

Final follow-up report on the audit of "Missions" and on "the follow-up of the implementation of Internal Control Standards" at CEPOL

CEPOL IAS Action Plan

Rec No.	Initial Priority	Revised Priority	Auditee's Action Plan	Target Date	IAS Comment
			Audit on "Missions" /2009		
7	Critical	Very Important	The revision of the contract of employment of the MEDA II Project Manager was allocated to the previous Director of CEPOL. No progress was achieved other than to cease the reimbursement of travel costs between the employee's residence and the CEPOL offices. The regularisation of this situation is a matter of the priority for the new management of CEPOL. Due to the prolonged history of this issue and the relatively short remaining duration of the project, the options to bring this situation into alignment with the regulations are limited. A service supplier contract is only possible following a tender procedure. This is not a practical solution in the timeframe. The only other identified solution, after detailed discussions with the Court of Auditors, is to revise the CEPOL Employment Contract. This will be done to ensure that the place of employment is detailed and that transport to the seat of CEPOL will not be reimbursed. Alignment with the provision on "residence" is not achievable due to previous high-level agreements that should be honoured even if they should not have been established in the first place.	Revised Contract in place 09/04/2010	
4	Very Important	Very Important	CEPOL has prepared an amendment to Decision 33/2009/GB of the Governing Board of the European Police College laying down the Mission Guidelines to ensure the appropriate delegation of authorisation and verification of the Director's missions. In advance and in anticipation of the approval of the revision, the recommendations of the IAS have been implemented. Authorisation of missions of the Director is now delegated to the Head of Administration. Verification is also appropriately delegated	31/05/2009 GB Approval	

5	Very important	Rec. Implemented	No further specific action required.		
6	Very important	Important	CEPOL has progressed all the recommendations of the IAS relating to exceptions; the final implementation of the improved procedure is scheduled for early April 2010. A revised procedure on the recording of exceptions has been prepared. This revision encompasses the reporting, recording and monitoring of exceptions. A central register has been established that covers all types of exceptions, not only those relating to missions or procurement. Completed. Responsibility for the maintenance of the exceptions register has been allocated. Completed. A dedicated mailbox for the reporting of exceptions has been set-up. Completed. Staff will be informed of the new procedure and training will be provided. To be completed by 09/04/2010. The exceptions register will be monitored and trends analysed. Follow-up actions to address recurrent exceptions will be identified and actioned. The exceptions register will be reviewed at the weekly management meetings.	09/04/2010	

"Follow-up of the implementation of internal control standards" / 2008					
Rec No.	Initial Priority	Revised Priority	Auditee's Action Plan	Target Date	IAS Comment
8	Critical	Very	The CEPOL procurement workflow is currently being revised and	Revised	

		important	comprehensive procurement checklists and templates are being developed in order to clearly define the role of each party involved in procurement procedure and to implement control measures - it is foreseen that revised workflows, checklists and templates shall be implemented by end of May 2010. The Procurement Support Officer is involved in every step of the procurement process from the initiation of the procurement action until the signature of the contract. Inter alia he is advising the requesting officers of the choice of procurement procedure, reviews the specifications/TOR, administers the publication of tenders, contact with tenderers and coordinates the tender evaluation process in order to ensure full compliance with the Financial Regulation and the Implementing Rules Currently, full files of all items related to each procurement procedure are kept by the Procurement Support Officer.	templates and checklists 31/05/2010 Full implementation 31/08/2010	
1	Very important	Very important	Improvements have been made to the management of delegations and the coherence between ABAC and paper delegations is now ensured, reviewed and updated as required. The delegation template has been update and inconsistencies have been removed. Further action is required to introduce a Charter for the AODs. This will be completed by 16/04/2010 The filing of delegations is improved in terms of the consistency of the filing. However, it is intended to centralise the responsibility of filing and the management of delegations. This will be completed by 30/04/2010.	Charter implemented 16/04/2010 Centralised filing implemented 30/04/2010	
2	Very Important	Very Important	A regular review of the budget execution is place since the last quarter 2009, which has enabled an improvement in the execution rate for both C1 and C8 funds. At the end of the year CEPOL had committed 89% of the budget (91% of the operational appropriations) and paid 45% of the C1 credits and 53% of the C8 credits. The commitment process is being improved in order to avoid over commitment. Reports on budgetary execution are produced on a monthly basis.	Financial Management centralised 31/04/2010 Integration funded projects 31/04/2010	

			An integrated system of monitoring of operational expenditure has been put in place at the beginning of 2010. Since 2009, all the transactions are recorded in ABAC, which improves the reliability and accuracy of the data provided by the standard Data warehouse reports. The new management of CEPOL will review the financial recording and reporting processes to achieve further improvements. Financial management reporting improvements will be fully implemented by 01/06/2010. CEPOL will implement a number of measures to improve the financial management of the agency. The agency will centralise the financial management of all activities to enable improvements in the consistency and reliability of both financial management and reporting. This structural change will be implemented by 31/04/2010. Structural changes will be made to ensure that the projects funded from assigned revenue (AGIS, ISCE and MEDA) are fully integrated into the new CEPOL management structure. Particular emphasis will be paid to ensuring the sound financial management and accurate reporting of these projects. This structural change will be implemented by 31/04/2010. CEPOL will launch a project to review and improve the financial and accounting circuits, including all policies and processes to ensure that the financial management system is reliable, consistent and completely aligned with the Commission Financial Regulations. This review will be conducted in conjunction external experts. It is foreseen that this analytical review will be conducted under the Commission Framework Service Contracts BUDG06/PO/03 and 30-CE-0227323 Lot 1. Subject to a successful procurement exercise, it is the intention that the review will be completed before the end of July 2010.	Management reporting 01/06/2010 Review financial circuits 31/07/2010	
4	Very important	Rec. Implemen	No further specific action required.		

		ted			
5	Very Important	Very Important	Most of the inventory items (including the items purchased in 2005 and ICT items) are now registered in ABAC Assets and are bar-coded with unique identification numbers (except a limited number of items, the situation of these items shall be regularised no later than end of April 2010) All the offices/locations are bar-coded with identification numbers; All the bar-coded items were scanned and their physical location was recorded in ABAC Assets; Every time an item is permanently moved from one location to another, the Procurement Officer is informed and he updates the records in ABAC Assets; The last physical inventory was carried out in February 2010 The Fixed Asset register produced by ABAC Assets is coherent with the fixed assets account in the accounting system; The preparation and display of the inventory reports per each office is ongoing and is pending finalization upon completion of a series of planned office moves during March - April 2010.	Inventory complete 31/04/2010 Preparation inventory reports 31/04/2010	
6	Very Important	Very Important	A comprehensive and fully resourced recruitment plan is being drawn up and will be finalised by 31/03/2009 to ensure that all currently vacant posts are filled by the end of 2010. This plan already foresees that interim or temporary staff will no longer be used to fill vacant posts. For each post where interim staff is currently employed, job descriptions will be prepared and a handover of activities will be planned.	Recruitment plan in place 31/03/2009 Tansition plan and supporting documentation in place April - October 2010.	
7	Very Important	Closed	No further action recommended		
9	Very	Closed	No further action recommended		

	Important				
14	Very Important	Closed	Combined with recommendation 2		
7	Very Important	Implemented	No further action recommended		
New no. 1	Critical	Implemented	No further action recommended		
New no. 2	Very Important	Very Important	Numerous improvements have been made to Human Resource management since the beginning of 2010. Particular attention has been paid to recruitment. The Vacancy Notice is approved by the Appointing Authority and the Selection Committee members are appointed by the Appointing Authority/ Members of the Selection Committee covered under Staff Regulation must be in a function group and grade, at least equal or higher than that of the post to be filled. No interim staff members are appointed to Selection Committees. All applicants are checked against eligibility criteria by the HR Section. CEPOL now has a representative of the Staff Committee in each recruitment procedure. The Staff Committee member is an equal member of the Selection Committee. A preparatory meeting is now held for each recruitment where the Selection Committee members set the threshold for invitations to the interview, the structure of written test and points to be awarded, the interview structure, the type of questions suggested for the interview structure and points to be awarded. At this initial meeting a declaration of confidentiality is signed. Only after this are the Selection Committee provided with the applications for appraisal and scoring. The Selection Committee members have a second meeting to agree the shortlist of candidates to be invited for the interview. At this meeting the signed absence of conflicts of interest are returned to the HR Officer monitoring the selection process.	Revision of the CEPOL Recruitment Guidelines 31/05/2010. Quality review personal files 31/03/2010	

			Finally the 3rd meeting of the Selection Committee is concerned with the candidate interviews. The remit of the Selection Committee is to create a Reserve List. The Appointing Authority makes a reasoned decision to appoint one of the candidates on the list. Whilst the process has been improved significantly, the revision of the recruitment guidelines must be completed. This will be completed by 31/05/2010. The revised procedures will then be submitted for formal review and acceptance. In the interim period checklists have been developed, to be completed by the HR Officer monitoring each selection process. These check lists are included in the recruitment files along with the minutes of each Selection Committee meeting. In addition a review of all personal files is underway to ensure the completeness and consistency of information stored. This will be completed by 31/03/2010.		
3	Important	Important	CEPOL will launch a review of the financial and accounting circuits, including all policies and processes to ensure that the financial management system is reliable, consistent and completely aligned with the Commission Financial Regulations. This review will culminate in the validation of the financial procedures and the accounting system, in accordance with Article 43 of the framework Financial Regulation. This validation will be completed before the delivery of the Final Statement of Accounts for 2009 to be published by 01 July 2010.	Article 43 validation 30/06/2010	