



Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

REPORT 2017/094

Audit of Office of the High Commissioner for Human Rights New York Office

There was a need to clearly define terms of reference and structure of the office and strengthen work planning, performance monitoring and oversight

**26 September 2017
Assignment No. AE2017/330/01**

Audit of Office of the High Commissioner for Human Rights New York Office

EXECUTIVE SUMMARY

The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the effective management of the Office of the High Commissioner for Human Rights (OHCHR) New York Office (OHCHR-New York) operations. The audit covered the period from January 2015 to March 2017 and included a review of strategic planning and coordination, performance monitoring and compliance with administrative policies and procedures.

The growth and expansion of OHCHR-New York from a liaison office to a substantive office had improved OHCHR's strategic position to integrate human rights standards and principles in the work of the United Nations. However, there is a need to clearly define the terms of reference and structure of the office and strengthen work planning, performance monitoring and oversight.

OIOS made seven recommendations. To address issues identified in the audit, OHCHR-New York needed to:

- In consultation with OHCHR headquarters, document the terms of reference for the office, clearly defining its purpose, structure and responsibilities;
- Formalize arrangements for coordination and integrated work planning with other OHCHR substantive offices to enhance coherence and effectiveness of its programme;
- Assess its risks and develop appropriate measures to mitigate the risks identified;
- Establish a mechanism to ensure compliance with the OHCHR performance monitoring framework;
- Establish a mechanism to ensure that the selection and management of grants is performed in accordance with established procedures;
- Consider requests for additional extensions of staff on mission assignment beyond a two-year time limit in light of their potential impact on its operational needs and effectiveness; and
- Clearly assign responsibilities and strengthen monitoring and accountability for its administrative and financial functions.

OHCHR-New York accepted the recommendations and has initiated action to address them.

CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY	1-2
III. OVERALL CONCLUSION	2
IV. AUDIT RESULTS	2-7
A. Strategic planning and coordination	2-4
B. Performance monitoring	4
C. Regulatory framework	5-7
V. ACKNOWLEDGEMENT	7
ANNEX I Status of audit recommendations	
APPENDIX I Management response	

Audit of Office of the High Commissioner for Human Rights New York Office

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the Office of the High Commissioner for Human Rights (OHCHR) New York Office (OHCHR-New York).
2. OHCHR-New York's principal objective was to ensure that human rights standards and principles are integrated into the four United Nations work areas of peace and security, development, humanitarian affairs, and economic and social work. According to OHCHR's management plan for 2014-2017, OHCHR-New York's work will focus on the following thematic priorities:
 - a. Strengthening the effectiveness of international human rights mechanisms;
 - b. Enhancing equality and countering discrimination;
 - c. Combating impunity and strengthening accountability and the rule of law;
 - d. Integrating human rights in development and in the economic sphere; and
 - e. Early warning and protection of human rights in situations of conflict, violence and insecurity.
3. OHCHR-New York was headed by an Assistant Secretary-General (ASG) who reported to the High Commissioner. It had a total of 38 posts and was divided into six sections: (a) Peace and Security Practices; (b) Peace Missions Support; (c) Country Situations; (d) Sustainable Development Goals; (e) Equality and Non-discrimination; and (f) Rule of Law and Counter-Terrorism. OHCHR-New York's budget for the 2016-2017 biennium was \$10.4 million and actual expenditure for the 2014-2015 biennium was \$8.9 million of which \$4.2 million was funded by voluntary contributions, including contributions towards the lesbian, gay, bisexual, trans and intersex (LGBTI) project which aims at promoting the human rights of LGBTI persons.
4. Prior to November 2015, OHCHR had contractual arrangements with the Executive Office of the Office of Legal Affairs to provide administrative support services to OHCHR-New York. Since November 2015 with the implementation of Umoja, OHCHR-New York is supported by OHCHR Geneva and the United Nations Office at Geneva.
5. Comments provided by OHCHR-New York are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the effective management of OHCHR-New York operations.
7. This audit was included in the 2017 risk-based work plan of OIOS due to the risk that the significant expansion of OHCHR-New York activities may not be adequately supported by the required operational arrangements and tools.
8. OIOS conducted this audit from April to July 2017. The audit covered the period from January 2015 to March 2017. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the management of OHCHR-New York which included strategic planning and coordination, performance monitoring and compliance with administrative policies and procedures.

9. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; (d) sample testing; and (e) physical verification of assets.

III. OVERALL CONCLUSION

10. The growth and expansion of OHCHR-New York from a liaison office to a substantive office had improved OHCHR's strategic position to integrate human rights standards and principles in the work of the United Nations. OHCHR-New York needs to clearly define and document its purpose, structure and roles and responsibilities and put in place arrangements for integrated work planning between it and other parts of OHCHR to enhance accountability, coherence and effectiveness of its work. There is also need to assess risks and develop appropriate measures to mitigate the identified risks. In addition, OHCHR-New York needs to strengthen performance monitoring and oversight over administrative and financial matters to ensure compliance with established policies and procedures.

IV. AUDIT RESULTS

A. Strategic planning and coordination

Need to document the terms of reference of OHCHR-New York

11. OHCHR has over the years strengthened its presence in New York and transformed it from a liaison office to a substantive office. In 2010, the Head of Office post was upgraded from D-2 to ASG. The Peace Missions Support and the Sustainable Development Goals Sections were relocated from OHCHR headquarters in Geneva to New York in 2015 and 2017 respectively. The D-1 post of Chief of Development and Economic and Social Issues Branch was also relocated from OHCHR headquarters in Geneva to OHCHR-New York in April 2017. Overall, the staffing levels of OHCHR-New York increased from 25 in 2012 to 38 in 2017. These changes were aimed at strengthening OHCHR's strategic position to work effectively towards integration of human rights in the United Nations system in accordance with the recommendations made in the Secretary-General's report A/59/2005 on the outcome of the Millennium Summit, as well as the OHCHR 2015 functional review.

12. However, these changes were made over a period of time without a clear indication of what the ultimate structure of the office would be, or a clear definition of the new role and responsibilities of OHCHR-New York. OHCHR-New York stated that the rapid pace of expansion had been challenging, as the transitional changes were not matched by changes in the management structure. The upgrade of the Head of Office to ASG had made great difference for OHCHR to be part of decision-making processes to pursue human rights but yet, for several years, there was a gap between the ASG and the Deputy (a P-5) which affected participation in interdepartmental and inter-agency levels meetings, processes and mechanisms. A task force set up after the 2015 functional review proposed a new structure and reporting lines including two new D-1 positions to support the ASG in managing the office's substantive work. The proposed structure had been considered by OHCHR senior management but final decisions had not yet been made due to lack of consensus among the different sections involved and lack of resources.

13. Other New York-based entities interviewed by OIOS indicated that they were not always sure whether to address issues to OHCHR-New York or to OHCHR headquarters in Geneva. In their view, this was because focal points were not always identified which made it difficult to consult with the office on important human rights issues and concerns requiring OHCHR advice. OHCHR senior managers in Geneva agreed that there was need to clarify OHCHR-New York's functions including the division of responsibilities of the substantive divisions in Geneva and their sections in New York. OIOS therefore concluded that there was a need to document the terms of reference of OHCHR-New York and

communicate it to all relevant stakeholders to enhance the office's effectiveness, cohesion and collaboration with its counterparts.

(1) OHCHR-New York should, in consultation with OHCHR headquarters, document the terms of reference for the office, clearly defining its purpose, structure and responsibilities.

OHCHR accepted recommendation 1 and stated that OHCHR-New York's terms of reference have been updated. Recommendation 1 remains open pending receipt of evidence that the updated terms of reference and structure of OHCHR-New York have been approved by OHCHR senior management.

Need to strengthen arrangements for coordination and integration of activities

14. According to the 2015 New York Change Implementation Group Report, the rationale for increasing OHCHR-New York resources was to ensure that OHCHR as a whole delivers its mandate in a cohesive, efficient and organized manner. OHCHR-New York was leading OHCHR's engagement with the United Nations inter-departmental/inter-agency and civil society groups in New York. It had outputs and activities involving coordination with OHCHR substantive divisions and field offices in areas such as assessment of country situations, human rights issues related to the death penalty, protection of human rights in situations of conflict and violence, racial discrimination, and women's human rights and gender issues. Synchronizing activities and objectives between OHCHR-New York and other OHCHR offices was therefore necessary to facilitate coordination and minimize unnecessary duplication. However, there were no formal arrangements for information sharing and joint planning between OHCHR-New York and OHCHR substantive divisions and field offices. There were some informal practices for regular consultations including bi-weekly meeting with the African Branch, weekly teleconference with Asia Pacific Section, and participation of OHCHR-New York staff in the regional consultations meetings, annual meetings of field presences and OHCHR Management Plan meetings. In view of the increase in size and role of the New York office, it is necessary to formalize and strengthen these practices and establish arrangements for coordination during the annual work planning exercise.

(2) OHCHR-New York should formalize arrangements for coordination and integrated work planning with other OHCHR substantive offices to enhance coherence and effectiveness of its programme.

OHCHR accepted recommendation 2 and stated that OHCHR-New York has actively participated in the OHCHR Office Management Plan (OMP) process for integrated planning across the entire office. A Programme Management Officer has participated in systematization workshops; several OHCHR-New York staff participated in the Regional Consultations and the Global Consultation; the OHCHR-New York ASG is the Champion for the Peace and Security aspects of our four-year plan; and OHCHR-New York staff will be assigned to participate in various strategy development groups for the OMP. This inclusive process will be continued in the future for review and updating of the OMP, along with the annual work and cost plans that are developed and approved, and fully accessible in the performance monitoring system, with OHCHR-New York participation. Recommendation 2 remains open pending receipt of evidence that arrangements have been put in place for coordination and integrated work planning between OHCHR-New York and other OHCHR substantive offices.

Need to assess risks and develop appropriate mitigation measures

15. The OHCHR strategic process required identification of planning assumptions that must be fulfilled in order to achieve results. OHCHR-New York had not identified such planning assumptions and had also

not formally assessed the risks to achievement of its objectives. Due to the significant expansion of the office, there is a need to formally assess the risks and identify the related mitigation measures to manage the risks effectively.

(3) OHCHR-New York should assess its risks and develop appropriate measures to mitigate the risks identified.

OHCHR accepted recommendation 3 and stated that OHCHR-New York will contribute and participate in risk assessment and management arrangements currently being developed in Geneva. Recommendation 3 remains open pending receipt of evidence that OHCHR-New York has assessed its risks and developed measures to mitigate the risks identified.

B. Performance monitoring

Need to ensure compliance with the OHCHR performance monitoring framework

16. The OHCHR performance management framework requires substantive divisions and offices to undertake an annual review and report performance through the performance monitoring system. OHCHR-New York had established expected accomplishments in its work plan which were aligned to the OHCHR management plan. However, some outputs and activities included in the work plan were not mentioned in the year end performance report. The performance reports did not also explain reasons for performance gaps between planned and actual outputs and activities. Assessing performance gaps would help ensure that lessons learned were identified and addressed. Examples of activities that were planned but not addressed in the performance report for 2016 are as follows:

- Creation of a new webpage to include an interactive map on the use of the death penalty in the world from 1945 to date;
- A regional panel event on the use of the death penalty;
- Analyzing state practices in combating violence and discrimination against individuals based on their sexual orientation, gender identity and intersex status;
- Strategy on human rights advocacy and outreach for New York-based audience.

17. In addition, a public outreach event to commemorate Human Rights Day 2016 took place but it was not reported in the performance report. Staff interviewed indicated that their input was not requested and they were not aware of the established reporting mechanisms. There is need to report all significant activities undertaken to enable the office to effectively demonstrate its achievements.

(4) OHCHR-New York should establish a mechanism to ensure compliance with the OHCHR performance monitoring framework.

OHCHR accepted recommendation 4 and stated that OHCHR-New York's P-5 Section Chiefs are accountable for ensuring full compliance with the performance monitoring system under the supervision of the D-1 director. Recommendation 4 remains open pending receipt of evidence that an effective mechanism has been established for ensuring compliance with the OHCHR performance monitoring framework.

C. Regulatory framework

Need to comply with OHCHR procedures for the selection and management of grants

18. OHCHR procedures for the selection and management of grants require all grants to be reviewed by the Grants Committee to ensure that the selection is transparent, and the grantee has the capacity to deliver. They also require all grants above \$25,000 to be audited. In 2015-2017, eight grants totaling \$213,850 were awarded to other United Nations organizations for implementing the LGBTI project. None of the grants were reviewed and approved by the Grants Committee as required. OIOS review of five such grants indicated deficiencies which could have been avoided if the grants had been reviewed by the Grant Committee. First, the selection of grantees was not documented; it was therefore unclear whether appropriate capacity assessments were done. Second, in four of the grants reviewed, there was no formal agreement outlining the mutual obligations of the parties and the reporting requirements to enable effective monitoring of the use of the grants. The following weaknesses in reporting could be attributed to the lack of clearly defined reporting requirements: (a) audit reports were not submitted in three cases where the grants were above \$25,000; (b) in four cases, the financial statements submitted were not certified; (c) in one case, the financial reports were submitted one year after completion of grant activities; and (d) the narrative reports submitted did not address all the planned activities. For example, in one case the reports did not include details of the training undertaken. OIOS is of the view that OHCHR-New York needs to ensure compliance with OHCHR standard operating procedures in order to assure that the grants are utilized effectively for the intended purposes.

(5) OHCHR-New York should establish a mechanism to ensure that the selection and management of grants is performed in accordance with established procedures.

OHCHR accepted recommendation 5 and stated that that compliance with the established OHCHR grant management procedures will be reinforced under OHCHR-New York's new management arrangements, with guidance from Programme Support and Management Service in Geneva. Recommendation 5 remains open pending receipt of evidence that a mechanism has been put in place to ensure that the selection and management of grants is performed in accordance with established procedures.

Need to review the use of temporary staff

19. Section 1 of ST/AI/2010/3 on the staff selection system states that a temporarily vacant post is a post blocked for a specific period of time for the return of a staff member on temporary assignment, mission assignment, special leave, secondment, or loan. United Nations mobility programme encourages staff members to serve in missions as part of their career development. At the time of the audit, OHCHR-New York had 13 temporary staff placements (more than 25 per cent of its total staff) because the incumbents of the posts were on mission assignment in various United Nations entities or on Special Leave without Pay. Four such posts were blocked for more than two years. Recruitment and management of the high level of temporary staff placed an administrative burden on the office. The short-term nature of the appointments could also have an impact on productivity. OIOS is of the view that requests for additional extensions of staff on mission assignment beyond a two-year time limit should be viewed keeping in mind their impact on the operational needs and effectiveness of the OHCHR-New York office.

(6) OHCHR-New York should consider requests for additional extensions of staff on mission assignment beyond a two-year time limit in light of their potential impact on its operational needs and effectiveness.

OHCHR accepted recommendation 6 and stated that the two-year limit on extensions of assignments will be observed, except in extraordinary cases. The appointment of an OHCHR case management officer will contribute to monitoring this situation overall. Recommendation 6 remains open pending receipt of evidence of the steps taken with regard to requests for additional extensions of staff on mission assignment to minimize their impact on operations.

Need to clarify roles and responsibilities for administrative functions

20. Compliance with United Nations Financial and Staff Regulations and Rules and administrative instructions is essential to ensure that resources are managed and used effectively. OIOS noted the following deficiencies and areas of non-compliance with administrative policies and procedures:

(a) Flexible working arrangements

21. In 7 out of 11 cases where staff were on flexible working arrangements, there was no written agreement as required by the policy on flexible working arrangements (ST/SGB/2003/4). In four other cases, the agreements were signed by the supervisor and not the Head of Office. Further, the time under flexible working arrangements was not recorded in Umoja as required. This is necessary for effective management of time and attendance records.

(b) Staff performance evaluation

22. According to the administrative instruction on performance management (ST/AI/2010/5), the responsibilities of first reporting officers include developing the work plan with the staff member; conducting midpoint review and final evaluation; and providing ongoing feedback on the overall work of the staff. Three of the staff interviewed indicated that they had not discussed their performance evaluation with their first reporting officer. Dialogue between staff and their first reporting officers is necessary to promote continuous learning, recognize successful performance and address performance shortcomings.

(c) Travel management

23. There was no letter of invitation in all the six cases of non-staff travels related to LGBTI events. As stated in the administrative instruction for participants in advisory meetings (ST/AI/2013/5), letters of invitation are needed to address, among other things, the obligation of the participants including their responsibility for insurance.

(d) Unverified telephone bills

24. OHCHR-New York staff did not always certify their calls from assigned fixed and mobile phones so that the cost of private calls could be identified and recovered from the staff. For 25 staff, the certification was pending since January 2016. The total charges of \$46,717 for the biennium 2014-2015 included charges that had not been certified by staff. Therefore, there was a risk that OHCHR-New York paid for staff members' private calls. The cost of uncertified telephone charges as of April 2017 was \$5,619.

(e) Management of assets records

25. OHCHR-New York Office did not have adequate arrangements to ensure that all its assets were accounted for. The laptop items list was last updated in November 2016 and therefore did not include laptops assigned to staff who joined the office after that time. OIOS performed spot-checks and noted that 2 of the 6 laptops physically checked were not on the list.

26. OIOS attributed the non-compliance issues noted above to the lack of clear assignment of roles and responsibilities and inadequate oversight. The administrative assistant who was responsible for administrative matters had retired, and for the last two years the office was without a programme officer.

(7) OHCHR-New York should clearly assign responsibilities and strengthen monitoring and accountability for its administrative and financial functions.

OHCHR accepted recommendation 7 and stated that OHCHR-New York administrative procedures, monitoring, and accountability measures are under review and will be reinforced accordingly. Recommendation 7 remains open pending receipt of evidence that monitoring and accountability mechanisms for administrative and financial functions have been strengthened.

V. ACKNOWLEDGEMENT

27. OIOS wishes to express its appreciation to the management and staff of OHCHR for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of Office of the High Commissioner for Human Rights New York Office

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	OHCHR-New York should, in consultation with OHCHR headquarters, document the terms of reference for the office, clearly defining its purpose, structure and responsibilities.	Important	O	Receipt of evidence that the updated terms of reference and structure of OHCHR-New York have been approved by OHCHR Senior Management.	30 September 2017
2	OHCHR-New York should formalize arrangements for coordination and integrated work planning with other OHCHR substantive offices to enhance coherence and effectiveness of its programme.	Important	O	Receipt of evidence that arrangements have been put in place for coordination and integrated work planning between OHCHR-New York and other OHCHR substantive offices.	31 December 2018
3	OHCHR-New York should assess its risks and develop appropriate measures to mitigate the risks identified.	Important	O	Receipt of evidence that OHCHR-New York has assessed its risks and developed measures to mitigate the risks identified.	30 June 2018
4	OHCHR-New York should establish a mechanism to ensure compliance with the OHCHR performance monitoring framework.	Important	O	Receipt of evidence that an effective mechanism has been established for ensuring compliance with the OHCHR performance monitoring framework.	30 June 2018
5	OHCHR-New York should establish a mechanism to ensure that the selection and management of grants is performed in accordance with established procedures.	Important	O	Receipt of evidence that mechanisms have been put in place to ensure that the selection and management of grants is performed in accordance with established procedures.	31 December 2017
6	OHCHR-New York should consider requests for additional extensions of staff on mission assignment beyond a two-year time limit in light of their potential impact on its operational needs and effectiveness.	Important	O	Receipt of evidence of the steps taken with regard to requests for additional extensions of staff on mission assignment to minimize their impact on operations.	30 June 2018

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

³ C = closed, O = open

⁴ Date provided by OHCHR in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of Office of the High Commissioner for Human Rights New York Office

Rec. no.	Recommendation	Critical/ Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
7	OHCHR-New York should clearly assign responsibilities and strengthen monitoring and accountability for its administrative and financial functions.	Important	O	Receipt of evidence that monitoring and accountability mechanisms for administrative and financial functions have been strengthened	31 March 2018

APPENDIX I

Management Response

Management Response

Audit of Office of the High Commissioner for Human Rights New York office

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation Date	Client comments
1	OHCHR-New York should, in consultation with OHCHR headquarters, document the terms of reference for the office, clearly defining its purpose, structure and responsibilities.	Important	Yes	Director, NYO	Completed	Complete. NYO Terms of Reference have been updated.
2	OHCHR-New York should formalize arrangements for coordination and integrated work planning with other OHCHR substantive offices to enhance coherence and effectiveness of its programme.	Important	Yes	Director, NYO / Chief, PPMES	31 December 2018	Ongoing. The NYO has actively participated in the OHCHR OMP process for integrated planning across the entire Office. A Programme Management Officer has participated in systematization workshops; several NYO staff participated in the Regional Consultations and the Global Consultation; the NYO ASG is the Champion for the Peace and Security aspects of our four-year plan; and NYO staff will be assigned to participate in various strategy development groups for the OMP. This inclusive process will be continued in the future for review and updating of the OMP, along with the annual work and cost plans that are developed and approved, and fully accessible in the PMS system, with NYO participation.

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

APPENDIX I

Management Response

Audit of Office of the High Commissioner for Human Rights New York office

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation Date	Client comments
3	OHCHR-New York should assess its risks and develop appropriate measures to mitigate the risks identified.	Important	Yes	Chief, PPMES	30 June 2018	Under development. NYO will contribute to and participate in risk assessment and management arrangements currently being developed in Geneva.
4	OHCHR-New York should establish a mechanism to ensure compliance with the OHCHR performance monitoring framework.	Important	Yes	Director, NYO	30 June 2018	Ongoing. NYO P-5 section chiefs are accountable for ensuring full compliance with the performance monitoring system, under the supervision of the D-1 director.
5	OHCHR-New York should establish a mechanism to ensure that the selection and management of grants is performed in accordance with established procedures.	Important	Yes	Director, NYO	31 December 2017	Ongoing. Compliance with the established OHCHR grant management procedures will be reinforced under NYO's new management arrangements, with guidance from PSMS in Geneva.
6	OHCHR-New York should consider requests for additional extensions of staff on mission assignment beyond a two-year time limit in light of their potential impact on its operational needs and effectiveness.	Important	Yes	Director, NYO	30 June 2018	Ongoing. The two-year limit on extension of assignments will be observed, except in extraordinary cases. The appointment of an OHCHR case management officer will contribute to monitoring this situation overall.
7	OHCHR-New York should clearly assign responsibilities and strengthen monitoring and accountability for its administrative and financial functions.	Important	Yes	Director, NYO	31 March 2018	Ongoing. Administrative procedures, monitoring, and accountability measures are under review and will be reinforced accordingly.