



Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

AUDIT REPORT 2013/112

Audit of the regional headquarters of the African Union-United Nations Hybrid Operation in Darfur

Overall results relating to the management of the regional headquarters of the African Union-United Nations Hybrid Operation in Darfur were initially assessed as partially satisfactory. Implementation of two important recommendations remains in progress

**FINAL OVERALL RATING: PARTIALLY
SATISFACTORY**

5 December 2013

Assignment No. AP2013/634/03

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AUDIT REPORT

Audit of the regional headquarters of the African Union-United Nations Hybrid Operation in Darfur

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the regional headquarters of the African Union-United Nations Hybrid Operation in Darfur (UNAMID).
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure: (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. UNAMID had five regional headquarters, commonly referred to as sectors, each headed by an officer designated as Head of Office, with three (North, South and West) at the D-1 level and two (East and Central) at the P-5 level. Heads of the regional offices reported to the Joint Special Representative through the Mission Chief of Staff, and were responsible for maintaining relationships with local authorities and members of the United Nations Country Team. They were also responsible, on behalf of the Joint Special Representative, for the activities of all Mission staff in the sector and for implementing the Mission's mandated activities at the sector level. Sector administration officers were assigned in each sector to support the Head of Office.
4. There was no separate budget for regional offices. Table 1 shows the civilian deployment statistics pertaining to the five regional headquarters.

Table 1: Civilian Deployment

Regional headquarters	International staff	National staff	United Nations volunteers	Number of team sites in each region
Sector North (El Fasher)	695	1,293	243	14
Sector South (Nyala)	131	616	81	7
Sector West (El Geneina)	95	448	67	5
Central Sector (Zalingei)	63	333	44	3
Sector East (El Daein)	21	47	1	3
Total	1,005	2,737	436	32

5. Comments provided by UNAMID are incorporated in italics.

II. OBJECTIVE AND SCOPE

6. The audit was conducted to assess the adequacy and effectiveness of UNAMID governance, risk management and control processes in providing reasonable assurance regarding the **effective management of the regional headquarters of UNAMID**.
7. The audit was included in the 2013 OIOS risk-based work plan due to the operational and financial risks associated with the changes and realignment of essential functions to UNAMID regional offices that took place in 2012.

8. The key controls tested for the audit were: (a) mandates and delegation of authority; and (b) regulatory framework. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Mandates and delegation of authority** - controls that provide reasonable assurance on clarity and appropriateness of the authority, roles and responsibilities of the regional headquarters and other entities involved in sector operations to ensure the effective implementation of the Mission’s mandate.

(b) **Regulatory framework** - controls that provide reasonable assurance that policies and procedures: (i) exist to guide activities of the regional headquarters; (ii) are implemented consistently; and (iii) ensure the reliability and integrity of financial and operational information.

9. The key controls were assessed for the control objectives shown in Table 2.

10. OIOS conducted the audit from April to June 2013. The audit covered the period from 1 January 2012 to 31 March 2013, and reviewed the mandate and delegation of authority to regional headquarters, including the support provided to substantive sections. OIOS visited four of the five sector offices.

11. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

III. AUDIT RESULTS

12. The UNAMID governance, risk management and control processes examined were initially assessed as **partially satisfactory** in providing reasonable assurance regarding the **effective management of the regional headquarters of UNAMID**. OIOS made three recommendations to address issues identified. UNAMID had introduced strategies to improve sector operations and administrative and logistical support provided by Mission Headquarters to sectors. The Head of Mission was in the process of finalizing terms of reference to direct operations and clarifying the roles and responsibilities of heads of offices. However, UNAMID needed to: (a) provide adequate delegation of authority to heads of offices; and (b) improve oversight of sector and team site operations.

13. The initial overall rating was based on the assessment of key controls presented in Table 2 below. The final overall rating is **partially satisfactory** as implementation of two important recommendations remains in progress.

Table 2: Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of the regional headquarters of UNAMID	(a) Mandates and delegation of authority	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
	(b) Regulatory framework	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory

A. Mandates and delegation of authority

Delegated authority to heads of offices needed to be clarified

14. UNAMID budget submissions for financial years 2012/13 and 2013/14 provided for the establishment of a policy framework for the day-to-day management of sector operations, including the delegation of administrative and financial authority.

15. Due to insufficient attention by management, UNAMID had not developed a policy framework to guide the responsibilities of sector offices, and Mission Headquarters often made decisions without consulting heads of offices. Also, although each sector had a sector administration officer, there was no delegation of administrative and financial functions, except for petty cash. Consequently, sector operational staff had to refer to Mission Headquarters to take action on their behalf. This impacted on the effectiveness of sector operations and low staff morale. For example:

- Sectors had no authority to renew contracts of individual contractors and due to delays in the process, which in some cases was months, individual contractors continued to work without valid contracts;
- Without any request or requirement, 5,000 bags of cement were delivered to Sector Central. This cement needed to be re-diverted to Sector West for storage as there were insufficient warehousing facilities in Sector Central;
- Without consultation with the Head of Office in Sector West, the team site in Kulbus was designated for closure. Also, the curfew hours for Sector North were changed by Mission Headquarters without consulting with the Head of Office; and
- Due to insufficient information on budget issues, the Rule of Law Section in Sector North solicited and received funding from the United Nations Development Programme for capacity building training for local judges and prosecutors. Subsequent to the delivery of the training, Mission Headquarters informed sector management that funding had already been approved for this training and included in the Mission's budget.

16. UNAMID was in the process of developing terms of reference to clarify the roles and responsibilities of heads of offices in sectors and those of management at Mission Headquarters.

(1) UNAMID should establish the required policy framework to clarify the responsibilities of heads of offices and delegate appropriate authority to heads of offices and senior administrative officers to improve the management of field operations.

UNAMID accepted recommendation 1 and stated that the Chief of Staff and Director of Mission Support would provide terms of reference for the heads of offices and sector administrative officers including delegation of financial and administrative authority. An Administrative Instruction on reporting lines, terms of reference and appointment of camp managers and reporting officers was issued to all sector administrative officers and service/section chiefs. Recommendation 1 remains open pending receipt of policy guidelines and terms of reference clarifying the responsibilities of heads of offices and sector administrative officers.

Mission Headquarters and sector activities were not adequately coordinated

17. The DPKO/DFS Mission Start-up Field Guide stated that sector heads of offices should be provided with support from substantive sections, and the military and police at Mission Headquarters should adequately coordinate with sector personnel.

18. Due to inadequate attention by management, UNAMID Mission Headquarters had not established adequate mechanisms for coordinating and overseeing sector operations including those of team sites. As a result: (a) the police component in Mission Headquarters conducted investigations and interviews with victims of human rights violations without informing and coordinating with the substantive units in the sectors; and (b) military patrol schedules were not always adequately coordinated, resulting in postponement of sector activities due to lack of military escorts.

(2) UNAMID should establish an adequate mechanism to ensure that Mission Headquarters adequately coordinates activities with sector and team site personnel.

UNAMID accepted recommendation 2 and stated that the required coordination mechanism/structures were mostly in place. The Mission would further increase its oversight of activities and improve coordination. The Sector Support Coordination Unit's terms of reference and concept of operations had been circulated to all sector administrative officers and service chiefs. Recommendation 2 remains open pending receipt of evidence of mechanisms established to further improve coordination of Mission Headquarters and sector activities.

B. Regulatory framework

Mission Headquarters administrative and logistical support to sectors needed improvement

19. The DPKO/DFS Mission Start-up Field Guide required the establishment of individually mandated and support functions for sectors such as finance, engineering, transport, human resources, political and civil affairs. OIOS visits to the sectors indicated that insufficient support was being provided, adversely impacting on operations, as follows:

- (a) Vehicle spare parts for the Transport and Water and Environment Protection Sections were not provided in a timely manner. At the time of the audit, due to inadequate planning for the delivery of spare parts, 126 vehicles were grounded in four sectors;
- (b) Fiduciary responsibilities were incorrectly assigned to United Nations volunteers; and
- (c) Due to insufficient monitoring of projects, engineering tasks that were expected to be completed within a month or so took more than one year to complete.

(3) UNAMID should provide adequate administrative and logistical support to sector and team site operations.

UNAMID accepted recommendation 3 and stated that a Supply Chain Operations Centre had been established to assist the Sector Support Coordination Unit and adequate administrative and logistical support to sector and team site operations was on-going. Based on the action taken by UNAMID, recommendation 3 has been closed.

IV. ACKNOWLEDGEMENT

20. OIOS wishes to express its appreciation to the Management and staff of UNAMID for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja
Assistant Secretary-General for Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the regional headquarters of the African Union-United Nations Hybrid Operation in Darfur

Recom. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	UNAMID should establish the required policy framework to clarify the responsibilities of heads of offices and to delegate appropriate authority to heads of offices and senior administrative officers to improve the management of field operations.	Important	O	Receipt of policy guidelines and terms of reference clarifying the responsibilities of heads of offices and sector administrative officers.	15 February 2014
2	UNAMID should establish an adequate mechanism to ensure that Mission Headquarters adequately coordinates activities with sector and team site personnel.	Important	O	Receipt of evidence of mechanisms established to further improve coordination of Mission Headquarters and sector activities.	15 March 2014
3	UNAMID should provide adequate administrative and logistical support to sector and team site operations.	Important	C	Action taken	Implemented

¹ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

² Important recommendations address important deficiencies or weaknesses in governance, risk management or internal 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 UNAMID in response to recommendations.

APPENDIX I

Management Response

AFRICAN UNION
الاتحاد الأفريقي



UNAMID



UNITED NATIONS
الأمم المتحدة

African Union – United Nations Hybrid Operation in Darfur

Office of the Joint Special Representative

17 November 2013

To: Ms. Eleanor T. Burns
Chief, Peacekeeping Audit Service
Internal Audit Division, OIOS

From: Mohamed Ibn Chambas
Joint Special Representative
UNAMID

Subject: **Draft Report on the audit of regional headquarters of the African Union –
United Nations Hybrid Operation in Darfur (Assignment No.: AP2013/634/03)**

1. With reference to your memorandum of 6 November 2013, on the subject matter, please find appended herewith the management response (Annex I) to the draft audit report for your consideration and records.

Thank you.

cc: Mr. Karen Tchalian, Mission Chief of Staff, UNAMID
Mr. Elijah Karambizi, Deputy Director, Mission Support Division, UNAMID

Management Response

Audit of regional headquarters in the African Union-United Nations Hybrid Operation in Darfur

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNAMID should establish the required policy framework clarifying the responsibilities of heads of offices and delegating appropriate authority to heads of offices and senior administrative officers to improve the management of field operations.	Important	Yes	Mission Chief of Staff /Director Mission Support	15 February 2014	As part of the outcome of the Heads of Office Retreat, which was held on 20-21 October 2013, the Mission Chief of Staff/Director Mission Support are to provide the terms of reference for the head of offices/sector administrative officers incorporating delegation of financial and administrative authority in line with the United Nations guidelines. Administrative Instruction issued by Officer In-Charge, Mission Support Division to all sector administrative officers and Service/Section Chiefs on reporting lines, terms of reference, appointment of Team Sites Camp Managers and Reporting Officers to head of offices are attached in support of the recommendation – implemented by Mission Support Division on 14 Nov 2013.

⁵ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

⁶ Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Management Response

Audit of regional headquarters in the African Union-United Nations Hybrid Operation in Darfur

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
2	UNAMID should establish an adequate mechanism to ensure that Mission Headquarters adequately coordinates activities with sector and team site personnel.	Important	Yes	Joint Special Representative, Deputy Joint Special Representative, Mission Chief of Staff, and Director Mission Support / Deputy Director Mission Support	15 March 2014	<p>The required coordination mechanism/structures are mostly in place. However, the Mission would further increase its oversight of activities and improve coordination. This was already discussed and outlined during the Head of Office Retreat that was held in October 2013.</p> <p>Sector Support Coordination Unit Terms of Reference and Concept of Operations submitted to all Sectors sector administrative officers and Service/Chiefs – implemented by Mission Support Division on 19 September 2013.</p>
3	UNAMID should provide adequate administrative and logistical support to sector and team site operations.	Important	Yes	Chief supply chain management pillar	14 October 2013	Supply Chain Operations Centre (SCOC) has been established to assist Sector Support Coordination Unit. This recommendation has been achieved and adequate administrative and logistical support to sector and team site operations has been on-going.

⁷ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

⁸ Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.