OIOS
Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

REPORT 2023/071

Audit of the delegation of authority framework at the United Nations Office at Geneva

There is need to document the sub-delegation structure and strengthen monitoring mechanisms

19 December 2023
Assignment No. AE2023-310-01

Audit of the delegation of authority framework at the
United Nations Office at Geneva

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the delegation of authority framework at the United Nations Office at Geneva (UNOG). The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in implementing the delegation of authority framework at UNOG. The audit covered the period from 1 January 2021 to 31 August 2023 and included a review of risk areas relating to delegation of authority including: (a) the sub-delegation structure; and (b) reporting and monitoring mechanisms.

The audit showed that there was a need to document the sub-delegation structure and strengthen monitoring mechanisms.

OIOS made four recommendations. To address the issues identified in the audit, UNOG needed to:

- Clearly document its sub-delegation structure, communicate it to concerned staff, and ensure that the actions delegated to staff are aligned to the approved sub-delegation structure and clearly specified in the delegation of authority portal;

- Review the staffing and operational arrangements for the Security Liaison Officer functions and ensure that the role is appropriately resourced;

- Ensure that all managers and staff with delegated authority have access to the Business Transformation and Accountability Division's dashboard for information and monitoring purposes; and

- Clearly define its approach for monitoring underperforming indicators to ensure that they are effectively monitored.

UNOG accepted the recommendations and has initiated action to implement them. Actions required to close the recommendations are indicated in Annex I.

CONTENTS

Audit of the delegation of authority framework at the United Nations Office at Geneva

I.   BACKGROUND

1.   The Office of Internal Oversight Services (OIOS) conducted an audit of the delegation of authority framework at the United Nations Office at Geneva (UNOG).

2.   On 1 January 2019, the United Nations Secretary-General introduced a revised framework for delegating increased authority directly to heads of entities as outlined in ST/SGB/2019/2. The framework is a key pillar of the Secretary-General's management reforms and aims at further decentralizing decision-making; aligning authority with responsibilities; and strengthening accountabilities. The Department of Management Strategy, Policy, and Compliance (DMSPC) has the overarching role of monitoring the use of delegated authority through key performance indicators (KPIs), while the Department of Operational Support (DOS) has the role of advising, guiding, training, and supporting entities on the implementation of the framework.

3.   UNOG provides administrative and operational support services to United Nations Secretariat entities in Geneva and a few entities in other parts of Europe. It also provides conference services for United Nations meetings held at Geneva and other locations. UNOG is headed by a Director-General supported by more than 1,600 staff spread in five divisions/services including: (i) the Division of Administration; (ii) the Division of Conference Management (DCM); (iii) the Security and Safety Service (SSS); (iv) the United Nations Information Service (UNIS); and (v) the Library and Archives.

4.   DCM, SSS and UNIS have dual reporting lines, to the Director-General of UNOG as well as to the heads of their respective departments, namely the Department for General Assembly and Conference Management (DGACM), the Department of Safety and Security (DSS) and the Department of Global Communications (DGC), respectively. UNOG's expenditure including that of DCM, SSS and UNIS, was $489 million in 2021 and $483 million in 2022.

5.   The Secretary-General delegated to the UNOG Director-General authority for 93 actions in all four functional areas. The Director-General retained nine of the delegated actions and delegated the rest to heads of services and other officials along functional and reporting lines as summarized in Table 1 below.

Table 1: Distribution of actions delegated to the Director-General

	Delegated actions		
Functional area	**Total**	**Retained by the Director-General**	**Delegated to other UNOG officials**
Human resources	60	9	51
Budget and finance	19	0	19
Procurement	8	0	8
Property management	6	0	6
Total	**93**	**9**	**84**

6.   Comments provided by UNOG are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

7. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in implementing the delegation of authority framework at UNOG.

8. This audit was included in the 2023 risk-based work plan of UNOG due to the risk that potential weaknesses in implementing the delegation of authority framework could affect the achievement of its business objectives.

9. OIOS conducted this audit from June to October 2023. The audit covered the period from 1 January 2021 to 31 August 2023 and included a review of risk areas relating to delegation of authority including: (a) the sub-delegation structure; and (b) reporting and monitoring mechanisms.

10. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; and (d) sample testing. Systemic issues identified in the audit will be referred for further assessment and consideration at Headquarters, as they may support Organization-wide changes.

11. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Sub-delegation structure

Need to clearly document and properly communicate the sub-delegation structure

12. According to guidance from DOS, heads of entities are free to design a sub-delegation structure appropriate for their entity. An entity could choose a flat or direct structure where all sub-delegations emanate from the head of entity directly to the decision-maker, or a cascading structure where delegations may be sub-delegated by each recipient through the chain of functional hierarchy within the entity, or a combination of the two. The underlying principle is to enhance clarity of the structure for purposes of transparency. DOS provided guidelines and templates to aid entities in the documentation of sub-delegation structures and delegated actions.

13. UNOG adopted a cascading structure for sub-delegating authority which OIOS considered to be appropriate given its size and structure. The sub-delegation structure was outlined in matrices attached to the delegation of authority memos from the Director-General to the Directors of the Division of Administration and DCM dated 21 June 2019 and 27 June 2019, respectively. There were five matrices including: (a) four matrices for the Division of Administration, one for each of the four functional areas (human resources; budget and finance; procurement; and property management); and (b) a matrix for DCM.

14. The matrices clearly outlined the authority that the Director-General was to sub-delegate to the Directors of the Division of Administration and to the Director of DCM. However, for DCM, the matrix did not indicate whether the Director of DCM could further sub-delegate any actions and to whom, as recommended in the DOS operational guidelines. The matrices had also not been communicated to managers (Directors and Chiefs) and relevant staff. The sub-delegation structure is an important part of the accountability framework and should, at a minimum, be communicated to managers as well as staff with delegated authority to enable them have a clear view of who or which office had delegation for the various

decisions. In line with best practices, the sub-delegation structure could be disseminated as a local policy/guidance document or information note with the matrices as annexes.

15. At the individual staff level, all authority was delegated and accepted in the delegation of authority portal as required. However, in cases where several actions relating to one functional area were sub-delegated (such as in the case of delegations to Directors and Chiefs), the totality of information in the delegator's comments box of the portal and attachments did not clearly specify the actions being delegated as required by the DOS guidelines. Further, OIOS noted the following two areas where the delegated authority was not clearly aligned with the approved structure presented in the matrices: (i) the authority delegated to the Director of the Strategic Heritage Plan which was not clearly specified in the matrices as well as in the portal; and (ii) authority delegated to the new Chief of Central Support Service which did not include any in the human resources area, as reflected in the human resources matrix.

16. *UNOG stated that the portal should be updated to enable the necessary granular level of information on the delegation that is currently indicated in the matrix. While the matrices offer a workaround to the issue of delegation of authority, it introduces multiplicity of sources to track the delegations which poses a risk and a challenge for regular housekeeping of the delegations on ongoing basis.* OIOS will address this, and other issues related with the design of the portal, at Headquarters. At the UNOG level, the gaps noted need to be addressed to ensure that the sub-delegation structure is clearly documented and communicated.

> **(1) UNOG should: (a) clearly document its sub-delegation structure and communicate it to concerned staff; and (b) ensure that the actions delegated to staff are aligned to the approved sub-delegation structure and clearly specified in the delegation of authority portal.**
>
> *UNOG accepted recommendation 1 and stated that it is going to wait for the issuance of the OIOS report on delegation of authority at the corporate level before the implementation of this recommendation. The findings of the audit at the corporate level may indeed lead to corporate updates on the documentation of the sub-delegation structure to be implemented by UNOG both in the portal and in the matrices.*

Need for guidance on delegation of authority issues relating to offices with dual reporting lines

17. The DOS guidelines did not have guidance on how authority for areas with dual reporting lines (DCM, SSS and UNIS) should be delegated and documented. As a result, there were some inconsistencies. The Under-Secretary-General of DGACM sub-delegated human resources and budget and finance authorities to the Director-General of UNOG, while the other departments (DSS and DGC) did not have a similar sub-delegation instrument. Interviews with staff showed that in practice, the division of authority between UNOG and the Headquarters departments in areas such as recruitment and budget preparation were established and understood. It would be useful for such practices to be clearly documented to enhance clarity of the sub-delegation structure and accountabilities.

18. At the UNOG level, the Director-General fully sub-delegated the authority delegated by DGACM to the Director of DCM. DCM and the Division of Administration clarified the roles and responsibilities between the two divisions with respect to human resources. No similar documentation of division of responsibilities had been prepared for the other functional areas although staff indicated that the existing practices were understood and were generally working well. There is a need for such established practices to be documented for accountability and knowledge management purposes.

19.   Further, OIOS' review of the KPI reports in the dashboard maintained by the Business Transformation and Accountability Division (BTAD) of DMSPC showed that as of October 2023, UNOG's reports in the dashboard included data for DCM, SSS and UNIS except for the KPI report on advance travel purchase policy. UNOG had to address this gap in its internal dashboard which was distinct from the BTAD dashboard.

20.   The observations noted above show the need to streamline how authority for dual reporting lines should be documented and aligned to the practices on the ground and the monitoring framework. As the issue of dual reporting lines is a systemic issue that affects other Offices away from Headquarters, OIOS will assess this matter at Headquarters.

<u>Need to review the staffing and operational arrangements for the role of Security Liaison Officer</u>

21.   Most of the delegated authority was exercised through Umoja. Of the 396 Umoja roles, 41 required the role holder to have delegated authority as a preliminary step before the role could be assigned in the system. A Security Liaison Officer (SLO) is responsible for assigning such roles in Umoja and ensuring that the staff concerned have the required delegated authority and have fulfilled the training requirements. OIOS reviewed 50 randomly selected Umoja role holders and verified that the staff first accepted delegation of authority in the portal before they were assigned Umoja roles and that training requirements were complied with.

22.   The SLO role was assigned to one staff member in the ICT Security and Data Privacy Unit who performed the role in addition to other roles and responsibilities of the Unit. Interviews with staff and a review of the SLO functions showed that the role may be currently under-resourced considering that the SLO served UNOG and its clients and managed about 29,000 Umoja role allocations. The SLO had to manage the troubleshooting and queries raised by a broad range of staff with no back up support in case of increased workload. There were six focal points who did preliminary checks such as ensuring that training certificates were attached to applications for a role in Umoja, but the core work was done by the designated SLO. The Chief of the Information and Communications Technology Service provided back-up support in cases where the SLO was absent, which showed that it may be necessary to have a second SLO.

23.   UNOG indicated that there was extensive troubleshooting done by the SLO than had been envisioned and acknowledged that it needed to revisit the staffing arrangements for the SLO role. OIOS benchmarked with another Office away from Headquarters and noted that the SLO role in that entity was assigned per business area to at least six staff, each in their area of expertise. Further, feedback from some of the UNOG entities indicated that with the right report on "Umoja user provisioning", they may be able to resolve some of the issues and queries directed to the SLO. These are important factors that UNOG needs to consider in reviewing the assignment of the SLO functions and related organizational arrangements.

> **(2)   UNOG should review the staffing and operational arrangements for the Security Liaison Officer functions and ensure that the role is appropriately resourced.**
>
> *UNOG accepted recommendation 2 and stated that it will produce a review of the organizational design, staffing and operational arrangements for the SLO function.*

<u>Other operational arrangements for implementing delegation of authority were satisfactory</u>

24.   UNOG had six portal administrators who managed the delegation of authority portal in each business area. OIOS' review showed that revocation of delegation of authority was done within 30 days of staff separation or change in staff roles, as required. UNOG also duly reviewed the personal history profiles

of certifying officers and assessed their capacity to carry out the role before authority was delegated. Under the delegation of authority framework introduced in 2019, most head of entities of UNOG's clients received authority in areas that were previously centralized at UNOG. UNOG prepared documents that showed in more granular details the division of authority between it and its clients in the human resources area. In 2021, one of the entities (Office of the High Commissioner for Human Rights) was granted approval to exercise its delegated authority for human resources following which it in-housed human resources services previously provided by UNOG. This affected the UNOG Human Resources Management Service's staffing arrangements significantly, and there were concerns that other entities could do the same. UNOG included the issue in its risk register as a high-risk area but in 2023 lowered the risk to "low" in view of additional clarifications provided on the issue of centralized administrative services. No other significant operational risks on implementation of the delegation of authority framework were noted.

B.   Reporting and monitoring mechanisms

<u>Need for all relevant managers and staff to have access to monitoring reports</u>

25.   BTAD monitors the use of delegated authority using 16 KPIs aimed at ensuring that the delegates were complying with the applicable legal and policy framework and internal controls. BTAD had developed a dashboard to provide results of each KPI through charts and graphs, as well as detailed reports on all 16 KPIs. UNOG had also established its own dashboard, known as the Director-General's dashboard, that allowed for a quick overview of 3 of the 16 KPIs namely: (i) equitable geographical distribution; (ii) gender parity; and (iii) advance travel purchase policy. The rest of the KPIs were not included in the Director-General's dashboard and were to be monitored directly from the BTAD dashboard. While all managers had access to the Director-General's dashboard, not all had access to the BTAD dashboard. For example, none of the managers in the Strategic Heritage Plan and SSS had access to the BTAD dashboard despite having delegated authority.

> **(3)   UNOG should ensure that all managers and staff with delegated authority have access to the Business Transformation and Accountability Division's dashboard for information and monitoring purposes.**
>
> *UNOG accepted recommendation 3 and stated that it is going to review the current accesses to the dashboard.*

<u>Need for a more systematic approach to monitoring underperforming KPIs</u>

26.   Monitoring is the continuous process of measuring performance, taking corrective action where necessary, and documenting lessons learned. UNOG was underperforming (i.e., not meeting the established targets) in 3 of the 16 KPIs including KPIs on: (i) equitable geographical distribution; (ii) advance travel purchase policy; and (iii) timely payment for goods and services. Two of the underperforming KPIs (equitable geographical distribution and advance travel purchase policy) were in the Director-General's dashboard and there was evidence of regular review and measures being taken to address the underperformance.

27.   However, the third underperforming KPI (timely payment of goods and services) was not in the Director-General's dashboard, and the approach to monitoring and addressing the underperformance was less systematic. A payment was classified as being on time if it was made 32 days or less from the invoice date or within the period defined by the payment terms. The target was 100 per cent which UNOG did not achieve in 2021 and 2022, as its average rate for the two years was 44 per cent.

28.   UNOG indicated that it was taking action to improve the efficiency of invoice processing to help improve timeliness. There was, however, no evidence that the quarterly results and reports in the BTAD dashboard were regularly reviewed. Regular review of the BTAD reports would help UNOG to assess the reasons for variances, trends in the KPI, and the extent of remedial action needed.

29.   Further, the BTAD dashboard showed that in 2023, 22 of the transactions relating to invoice processing timelines and 117 relating to certification timelines were negative. UNOG was of the view that the use of the invoice date as a baseline in calculating the KPI was not appropriate in situations where the delivery date was later than the invoice date and had raised these concerns with BTAD. Such methodological issues are systemic and will be assessed further at Headquarters.

30.   Similarly, there was a methodological issue with the KPI on "expenditure against appropriation" that will be assessed further at Headquarters. The KPI was computed by comparing expenditure against the proportionate budget at the end of each quarter. This distorted the alignment of budget and expenditure and explained why UNOG did not achieve the 100 per cent target in the first three quarters of 2021 and 2022. Only the fourth quarter results presented an accurate picture, and these were within the targeted range in 2021 and 2022.

31.   Based on the observations above, OIOS concluded that UNOG needed to clearly define its approach for monitoring underperforming KPIs that are not in the Director-General's dashboard. The approach could address issues such as how frequently it needs to review the data for each KPI, who would do the reviews, and the mechanisms through which the underperforming KPIs and action being taken to address them would be reported or discussed.

> **(4)   UNOG should clearly define its approach for monitoring underperforming indicators to ensure that they are effectively monitored.**
>
> *UNOG accepted recommendation 4 and stated that a standard operating procedure is going to be issued on the monitoring of the KPI on timely payment.*

Corrective action had been taken to improve timeliness in reporting human resources exceptions

32.   ST/SGB/2019/2 and the delegation instrument on human resources require all exceptions to human resources administrative instructions to be fully documented, including the reasons thereof, and to be reported in the exception log within four business days of the decision. Between 2020 and 2023, UNOG registered 70 exceptions. OIOS' review of a sample of the exceptions showed that they were duly approved based on detailed justification documented in memos or emails. The most recurring exceptions related to "three-month break between temporary appointments at the same duty station". Of the 70 exceptions, 30 were not reported on time. In 10 cases UNOG had omitted reporting the exceptions which were only noted after BTAD undertook an in-depth analysis of the data and brought the unreported cases to UNOG's attention. To address the issue of late reporting, in 2023 UNOG changed the workflow for recording the exceptions. In the new workflow, the exceptions are recorded by the Front Office of the Human Resources Management Service who are also responsible for overseeing the approval of the exceptions. This helps in ensuring that the exceptions can be recorded immediately to avoid delays and omissions. Since UNOG had taken corrective action, OIOS did not make a recommendation on this issue.

IV.   ACKNOWLEDGEMENT

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

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Internal Audit Division
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STATUS OF AUDIT RECOMMENDATIONS

Audit of the delegation of authority framework at the United Nations Office at Geneva

Rec. no.	Recommendation	Critical[1]/ Important[2]	C/ O[3]	Actions needed to close recommendation	Implementation date[4]
1	UNOG should: (a) clearly document its sub-delegation structure and communicate it to concerned staff; and (b) ensure that the actions delegated to staff are aligned to the approved sub-delegation structure and clearly specified in the delegation of authority portal.	Important	O	Receipt of evidence that: (a) UNOG has clearly documented and communicated its sub-delegation structure; and (b) actions delegated to staff are aligned to the approved sub-delegation structure and clearly specified in the delegation of authority portal.	31 March 2025
2	UNOG should review the staffing and operational arrangements for the Security Liaison Officer functions and ensure that the role is appropriately resourced.	Important	O	Receipt of the results of the review of the staffing and operational arrangements for the Security Liaison Officer functions.	31 December 2024
3	UNOG should ensure that all managers and staff with delegated authority have access to the Business Transformation and Accountability Division's dashboard for information and monitoring purposes.	Important	O	Receipt of evidence that all managers and staff with delegated authority have been granted access to the Business Transformation and Accountability Division's dashboard.	30 June 2024
4	UNOG should clearly define its approach for monitoring underperforming indicators to ensure that they are effectively monitored.	Important	O	Receipt of evidence of action taken to clearly define the approach to monitoring underperforming indicators.	30 June 2024

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[1] Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.
[2] Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.
[3] Please note the value C denotes closed recommendations whereas O refers to open recommendations.
[4] Date provided by UNOG in response to recommendations.

APPENDIX I

Management Response

Management Response

Audit of the delegation of authority framework at the United Nations Office at Geneva

Rec. no.	Recommendation	Critical[1]/ Important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNOG should: (a) clearly document its sub-delegation structure and communicate it to concerned staff; and (b) ensure that the actions delegated to staff are aligned to the approved sub-delegation structure and clearly specified in the delegation of authority portal.	Important	Yes	Special Assistant to the Director of Administration

Executive officer of the Division of Conference Management | 31.03.2025 | UNOG accepts the recommendation. However, UNOG is going to wait for the issuance of the OIOS report on the delegation of authority at the corporate level before the implementation of this recommendation. The findings of the audit at the corporate level may indeed lead to corporate updates on the documentation of the sub delegation structure to be implemented by UNOG both in the portal and in the matrices. |
2	UNOG should review the staffing and operational arrangements for the Security Liaison Officer functions and ensure that the role is appropriately resourced.	Important	Yes	Special Assistant to the Director of Administration	31.12.2024	UNOG accepts the recommendation. It will produce a review of the organizational design, staffing and operational arrangements for the SLO function.
3	UNOG should ensure that all managers and staff with delegated authority have access to the Business Transformation and Accountability Division's dashboard for information and monitoring purposes.	Important	Yes	Special Assistant to the Director of Administration	30.06.2024	UNOG accepts the recommendations. UNOG is going to review the current accesses to the dashboard.
4	UNOG should clearly define its approach for monitoring underperforming indicators to ensure that they are effectively monitored.	Important	Yes	Chief Finance Section	30.06.2024	UNOG accepts the recommendation. A Standard Operating Procedure is going to be issued on the monitoring of the KPI on timely payment.

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[1] Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

[2] Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.