

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



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**AUDIT**

**OF**

**UNDP**

**LEGAL SUPPORT OFFICE**

**Report No. 1420**

**Issue Date: 15 April 2015**

## Report on the audit of UNDP's Legal Support Office Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP's Legal Support Office (the Office) from 17 November to 5 December 2014. The audit aimed to assess the adequacy and effectiveness of the governance, risk management and control processes relating to the following areas and sub-areas:

- (a) the mandate and organizational structure of the Office;
- (b) adequacy of the management and processes of the Office;
- (c) the Office's preparedness to advise on legal matters related to the consequences of the Structural Review;
- (d) the operational procedures, controls and workflow management in the Office, and the information technology systems and tools used; and
- (e) the coordination and cooperation with other UNDP offices and bureaux as well as with other United Nations agencies.

The audit covered the activities of the Office from 1 January 2013 to 30 November 2014. The Office recorded programme and management expenditures totalling \$6 million. This was the first audit of the Office.

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

### Overall audit rating

OAI assessed the Office as **partially satisfactory**, which means, "Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity." This rating was mainly due to the need for improvements in the following areas: mandate and organizational structure, management and processes, and coordination with other United Nations entities.

### Key recommendation(s): Total = 7, high priority = 1

The seven recommendations aim to ensure the following: (a) achievement of the organization's strategic objectives (Recommendation 1); (b) reliability and integrity of financial and operational information (Recommendation 6); (c) effectiveness and efficiency of operations (Recommendations 2, 4, 5); and (d) compliance with legislative mandates, regulations and rules, policies and procedures (Recommendations 3, 7).

For the high (critical) priority recommendation, prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP. The high (critical) priority recommendation is presented below:

Management of disciplinary cases (Issue no. 2)

There were delays in the processing of disciplinary cases, whereby these cases required on average two years to be concluded from the time the staff member was notified. The UNDP's Legal Framework stipulates that the period between the time when the staff member is notified that he or she is the subject of an investigation and the time when he or she is advised of either the exoneration

from the allegations of wrongdoing, or the charges brought against him or her, should normally not exceed six months. UNDP management announced in June 2014 the establishment of a working group composed of representatives from the various stakeholders, such as OAI, Ethics, Legal Support Office and Office of Human Resources to consider improvements in processes and ways of working on an ongoing basis. This working group met only once, in June 2014, and it reconvened in April 2015.

Recommendation: Reconvene and reactivate the working group to collaborate to reduce the processing time for disciplinary cases with the goal to achieve the six-month target. In this regard, consider a complete business process review of the management of disciplinary cases, as well as a reassessment of the capacity of the Office.

### Management comments and action plan

The Director of the Bureau of Management and the Director of the Legal Support Office accepted all of the recommendations and are in the process of implementing them. Comments and/or additional information provided have been incorporated in the report, where appropriate.

Issues with less significance (not included in this report) had been discussed directly with management and actions have been initiated to address them.



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