Sixtieth session
Agenda items 120, 132 and 136

Follow-up to the outcome of the Millennium Summit

Report of the Secretary-General on the activities
of the Office of Internal Oversight Services

Administrative and budgetary aspects of the financing
of the United Nations peacekeeping operations

Report of the Office of Internal Oversight Services on
proposals for strengthening the Office of Internal
Oversight Services

Summary

In its resolution 48/218 B, in which it established the Office of Internal
Oversight Services (OIOS), as well as in resolutions 54/244 and 59/272, the General
Assembly has reinforced the principles of independence and transparency as
prerequisites for effective oversight.

The Office of Internal Oversight Services has used these legislative decisions
as a foundation for its proposals for strengthening the Office. It has also considered
the report of the external review of OIOS (see A/60/883 and Add.1 and 2), which was
conducted in conjunction with the General Assembly commissioned review of
governance and oversight in the United Nations.

The oversight functions, as stipulated in General Assembly resolution
48/218 B, namely: internal audit, inspection, evaluation, monitoring and
investigation will be retained and strengthened as proposed in the present report. The
Office underlines the issue of transparency and stresses its independence and the fact
that OIOS is internal to the Organization but not internal to its management.

The proposed change to the funding arrangements for OIOS will secure OIOS
financial independence and use risk assessments as a basis for determining the level
of resources for internal audit, inspections and evaluations. The setting of the
Organization’s risk tolerance and the associated budget for oversight activities will
be subject to General Assembly approval.
In the proposed structure of the Office, the existing internal audit functions will be consolidated into one division headed by a director based in New York.

The inspection and evaluation functions will be organized as a division. Inspection will be reinforced with regard to its approach, methodology and number of staff. The evaluation function will similarly be strengthened.

The monitoring function will continue to be undertaken by OIOS; however, OIOS proposes that the responsibility for the preparation of the biennial reports of the Secretary-General on programme performance be transferred to the Department of Management. The Office will be responsible for assessing the methodology, integrity and discipline of programme performance reporting.

The Office of Internal Oversight Services proposes to transfer the internal management consulting function from OIOS to an appropriate office within the Secretariat.

The Office of Internal Oversight Services proposes to implement the proposals for strengthening and restructuring of the Office by redeploying existing authorized posts and using the funding allocated for general temporary assistance in lieu of established posts. The Office also proposes additional non-post resources for implementing its risk assessment framework, eliminating the backlog of investigations cases and enhancing information technology tools and staff training.
I. Setting the context for strengthening the Office of Internal Oversight Services

1. The Office of Internal Oversight Services (OIOS) was established in 1994 under the terms provided by the General Assembly in its resolution 48/218 B. The resolution was the result of decisions taken by the General Assembly to establish an independent entity to enhance oversight functions (General Assembly resolution 48/218 A). Those decisions were preceded by a report of the Joint Inspection Unit (JIU) on accountability and oversight in the United Nations Secretariat (JIU/REP/93/5), which highlighted the need for independent oversight and for consolidating the functions of auditing, inspection, evaluations and investigations. The General Assembly took note with appreciation of the JIU report. According to Assembly resolution 48/218 B, the purpose of the Office is to assist the Secretary-General in fulfilling his internal oversight responsibilities in respect of the resources and staff of the Organization through the functions of: monitoring; internal audit; inspection and evaluation; and investigation.

2. In its establishment of OIOS in 1994, the General Assembly specifically formulated the Office’s mandate to ensure that the Office had an independent oversight role in the Organization. It also established a framework for the reporting of OIOS oversight activities to the Assembly. These provisions underscore that independence for the internal oversight body and transparency in its reporting are the key issues in a culture of accountability.

A. Independence and transparency

3. The Secretary-General has also on different occasions and most recently in his report on measures to strengthen accountability at the United Nations (A/60/312) stressed the importance of independent oversight as an essential part of any comprehensive system of accountability. In that report, the Secretary-General stated that without the audit of financial statements, the investigation of complaints, the evaluation of programme performance, and all the other reviews carried out by the Board of Auditors, OIOS and JIU, both internal management and the governing bodies would not have an impartial assessment of the functioning of the Organization or, where shortcomings were identified, be in a position to hold accountable those responsible. He also stated in the report that it was therefore essential that the oversight bodies be independent, have the capacity to carry out their functions and provide full coverage of all aspects of the functioning of the Organization.

4. In its resolution 59/272, with a view to increasing transparency as a basis for increased accountability and the strengthening of the accountability framework, the General Assembly decided that reports of OIOS should be submitted directly to the Assembly as submitted by the Office and that the original versions of the reports of the Office of Internal Oversight Services not submitted to the Assembly were, upon request, made available to any Member State.

5. In his report on measures to strengthen accountability at the United Nations, the Secretary-General stressed the importance of transparency, as an essential feature of any system of accountability. The Secretary-General further stated that by making decision-making processes, performance data, transaction processing and
general information about the Organization more accessible, the United Nations became more accountable to Member States, staff and civil society. In response, the General Assembly reaffirmed the Secretary-General’s views on accountability in its resolution 60/254.

6. In its comments on the report of the Secretary-General entitled “Investing in the United Nations: for a stronger Organization worldwide: detailed report” (A/60/846/Add.1-4), the Advisory Committee on Administrative and Budgetary Questions further stressed the issue of transparency and emphasized the importance of increasing public access to United Nations documentation (A/60/870).

B. Transparency and the distinction between internal and external oversight

7. The General Assembly has taken measures to increase transparency in the Organization and its expectation is also that oversight bodies will operate independently in their work and that their reports shall be available to Member States. These ambitions may cause some unease in the Organization as management may still hold a traditional view of internal oversight and may not yet be accustomed to such increased transparency. In order to strengthen the Office it is therefore essential to understand the development and challenges in modern internal oversight in the public sector in general, which possibly is the best comparator for the United Nations.

8. The real challenge for OIOS is to manage the tension created by having to uphold the fundamental principle of ensuring transparency in the Organization through the accessibility of OIOS reports and having to function as an internal oversight body. The challenge is most apparent when an internal oversight office discovers irregularities on which it is committed to report, while the preference of management may be to deal with such matters internally. In the end, this is not a question of defining the differences between internal and external oversight and placing the internal oversight in the “correct” category. It is certainly not an issue of making a distinction between internal and external oversight by arguing that the difference is between being transparent and not transparent or being open to stakeholders versus not being open to stakeholders. In other words, OIOS is internal to the Organization, not internal to management.

9. The distinction between internal and external oversight is beginning to break down even in the private sector, where more internal auditors are reporting to their company boards. For the United Nations, it is simply a matter of management acceding to the requirement of Member States for more transparency through access to internal oversight reports. For the oversight system to work effectively, it is also a matter of having clear support from senior management and from the General Assembly for increased transparency in the Organization. In this connection, OIOS would also like to highlight that a transfer of any of its traditional oversight functions away from the Office would not only significantly reduce the independence of oversight in the Organization but also reduce transparency through reduced availability of reports to the General Assembly and the Member States.
C. External review of the Office of Internal Oversight Services

10. The proposal contained in the 2005 World Summit Outcome to strengthen the Office of Internal Oversight Services as a matter of priority is a timely and strategic one for the Organization’s reform.

11. The present report on proposals for strengthening OIOS is based on the principle that independence and transparency are prerequisites for effective oversight. Some inputs for the report have been taken from the external review of OIOS (hereafter, referred to as “the external review”), which was conducted in conjunction with the General Assembly commissioned review of governance and oversight in the United Nations and which has been submitted to the Under-Secretary-General for Internal Oversight Services. References to relevant recommendations in the report of the external review (see A/60/883 and Add.1 and 2) are shown separately in text boxes and actions for OIOS and proposed actions for consideration by the General Assembly are shown under separate headings. The Office has also aligned itself with best practices and international standards and, where applicable, the Institute of Internal Auditors’ International Standards for the Professional Practice of Internal Auditing has been cited.

12. According to the final terms of reference for the external review of OIOS, and given the complex structure of the United Nations, the primary objective was to provide a basis for decision-making with respect to: the appropriate level of OIOS independence from management; the adequacy of OIOS resources compared to its remit; the appropriate range of functions to be provided by OIOS; its reporting mechanisms; and the organization and structure of OIOS for optimum resource utilization and effectiveness.

13. The terms of reference also required the external review to: benchmark OIOS against similar audit and oversight bodies; determine the range of oversight functions OIOS should undertake; and ensure the Office’s independence, in particular with respect to funding, budgetary control and human resources management. A key element of this operational independence is a fair and neutral mechanism for the allocation of a budget for OIOS. According to these same terms of reference, the Steering Committee was to work in full consultation with OIOS and to issue the final report following the review submitted to the Under-Secretary-General for Internal Oversight Services.

14. Notwithstanding the provisions of the terms of reference, OIOS records that it has not been consulted by the Steering Committee and that the report of the external review of OIOS was submitted to the Under-Secretary-General for Internal Oversight Services on 21 June 2006, seven weeks after the expected date of 30 April 2006.

15. Many of the proposals for strengthening OIOS, which are contained in the present report, require consideration by the General Assembly. Other recommendations for OIOS in the external review regarding the Office’s working practices are being considered for implementation under the authority of the Under-Secretary-General for Internal Oversight Services.
II. Strengthening the Office of Internal Oversight Services

16. Strengthening OIOS involves:
   (a) Institutional changes to support independence;
   (b) A proper oversight structure to facilitate professionalism and draw on the
       synergies of the different disciplines in the oversight function.

17. Institutional changes relate to ensuring independence, which is a quality in itself and which in fact and in appearance must separate the internal oversight function from the Organization’s management and operations that are subject to its review. Funding arrangements for the oversight function are therefore critical for ensuring the independence (see paras. 36-47 below).

18. The effectiveness of oversight is fully realized when it operates in the context of a structured internal control framework. As described in the Guidelines for Internal Control Standards for the Public Sector, issued by the International Organization of Supreme Audit Institutions, the framework includes the following components: (a) control environment; (b) risk assessment; (c) control activities; (d) information and communication; and (e) monitoring.

19. An internal control framework should also establish management’s responsibility for the systems of internal control, including the organizational culture and ethical values, assessment and management of risks and the implementation of oversight recommendations.

20. Structural changes involve strengthening the ability of OIOS to, in general, review, audit, evaluate, or inspect by examining and analysing organizations, programmes, functions, processes or activities, as well as strengthening the ability to investigate specific allegations or reports of misconduct. A key element of strengthening OIOS is maximizing the synergy between its various disciplines to add to the effectiveness of the Office.

21. In keeping with the mandate of OIOS, the Office will undertake functions in accordance with General Assembly resolution 48/218 B, namely those of internal audit, inspection, evaluation and investigation. The internal audit, inspection and evaluation functions will be undertaking the mandated function of monitoring.

22. Other changes required for strengthening OIOS include:
   (a) Increasing the independence in the management of personnel to provide the Office with greater flexibility in the recruitment and management of OIOS staff (see paras. 107-109 below);
   (b) Institutionalizing training and skills development to ensure that OIOS staff maintain their skill levels and keep abreast of developments in oversight (see paras. 110-114 below);
   (c) Acquiring and implementing specialized productivity and communications tools for the management of OIOS functions, as well as technical tools to facilitate the work of the different functions of OIOS (see paras. 115-117 below);
   (d) Improving the work environment specifically with regard to finding solutions to the current constraint on office space (see paras. 118 and 119 below).
A. Institutional changes

23. In its mandates relating to OIOS, the General Assembly unambiguously states that the Office should be operationally independent from management. However, changes are necessary in order to give full effect to those mandates.

24. In resolution 48/218 B, the General Assembly decided that the Office of Internal Oversight Services should exercise operational independence under the authority of the Secretary-General in the conduct of its duties and, in accordance with Article 97 of the Charter of the United Nations and had the authority to initiate, carry out and report on any action which it considered necessary to fulfil its responsibilities with regard to monitoring, internal audit, inspection and evaluation and investigations.

25. Relevant professional standards that OIOS follows in the conduct of its work, such as the International Standards for the Professional Practice of Internal Auditing, the norms and standards for evaluation for the United Nations system, and the Uniform Guidelines for Investigations, also stress the importance of independence to oversight.

26. These legislative mandates and professional standards provide the basis for strengthening OIOS independence and status in the Organization.

Oversight charter

27. The Office does not have a single consolidated charter to which management and staff may refer in order to obtain clarification on the authority, independence, role and responsibility of OIOS in the Organization.

28. Since the adoption by the General Assembly of resolution 48/218 B, the Office’s mandate has been reviewed twice, in resolutions 54/244 and 59/272. In resolution 59/287 on strengthening the investigation functions in the United Nations, the Assembly re-emphasized that the Office of Internal Oversight Services was the internal body entrusted with investigations in the United Nations. The establishment and organization of OIOS are also set out in the Secretary-General’s bulletins ST/SGB/273 and ST/SGB/2002/17, respectively; and the personnel arrangements for the Office are stipulated in administrative instructions ST/AI/401 and ST/AI/2003/4.

29. There are also various other documents that relate to OIOS operations, including administrative instruction ST/AI/397, on the reporting of inappropriate use of United Nations resources and proposals for improvement of programme delivery; and Secretary-General’s bulletins on the protection against retaliation for reporting misconduct and for cooperation with duly authorized investigations (ST/SGB/2005/21), on the establishment of the Oversight Committee (ST/SGB/2005/18) and on the use of information and communication technology resources and data (ST/SGB/2004/15). Finally, financial regulation 5.15 states that the Office of Internal Oversight Services should conduct independent internal audits in accordance with regulation 5.8 (d) and in conformity with generally accepted auditing standards. Internal auditors should review, evaluate and report on the use of financial resources and on the effectiveness, adequacy and application of internal financial control systems, procedures and other relevant internal controls.
30. Together, the above-mentioned resolutions, Secretary-General’s bulletins and administrative instructions form the legislative framework that OIOS uses as its mandate for operating within the Organization. In addition, OIOS has adopted professional standards that guide and define its functions. For example, at the 2002 meeting of the representatives of internal audit services of the United Nations organizations and multilateral financial institutions, it was decided that the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors would be adopted as the uniform auditing standard. In addition, OIOS investigators follow the Uniform Guidelines for Investigations adopted in 2003 at the Fourth Conference of International Investigators. The OIOS Evaluation Section applies the norms and standards for evaluation for the United Nations system agreed to by the United Nations Evaluation Group.

The external review recommends that:

These [legislative] mandates should be consolidated into oversight terms of reference that provide a current, comprehensive view of the functions, role and responsibilities of OIOS.

31. The Office supports the above-mentioned recommendation and further proposes to expand the terms of the charter to include adherence to the relevant international professional standards applicable to each of its functions. This is supported by Standard 1000 of the Institute of Internal Auditor’s Standards for the Professional Practice of Internal Auditing, which stipulates that the purpose, authority and responsibility of the internal audit activity should be formally defined in a charter, consistent with the Standards, and approved by the board.

Proposed action

32. The OIOS proposes to prepare an oversight charter. The charter will be based on all of the applicable legislative mandates and decisions and should be brought into force through a Secretary-General’s bulletin.

33. This charter should be amended to reflect mandates and legislative decisions of the General Assembly.

Overall internal oversight governance

34. The external review makes the observation that there is no executive body operationally supporting OIOS in matters of scope management, issue resolution, adequacy of resources and implementation of critical recommendations. This function has in general terms been fulfilled by the Fifth Committee of the General Assembly.
The external review recommends that:

*Oversight of internal audit should be performed by a suitable oversight body following governance principles, namely the Independent Audit Advisory Committee.*

35. While it is ultimately subject to a decision by the General Assembly, OIOS has stressed that the effectiveness of any body established to assist the Assembly, such as the Independent Audit Advisory Committee, is dependent on the:

   (a) Terms of reference that clearly establish the Committee’s oversight and advisory role, but not authority over the Organization’s oversight bodies, and do not diminish access by the General Assembly to oversight reports;

   (b) Application of strict criteria for the qualification and independence of the Committee members.

**Ensuring operational independence**

36. The main obstacle to OIOS independence as it was established by the General Assembly is the funding arrangement for the Office. There are two main issues that need urgent resolution with regard to the budgeting for OIOS. The first is that the OIOS budget is currently subject to review by the Department of Management over which OIOS has oversight responsibility. The second is that OIOS has to “negotiate” funding for almost two thirds of its budget with the very same entities for which it has to perform oversight functions.

37. The current situation is further complicated by the restriction on the use of resources funded by one entity to undertake oversight assignments for another entity. This infringes on the Office’s ability to fully adopt a risk-based approach to the allocation of oversight resources.

38. The process for finalizing the OIOS budget is the same as for all other Secretariat departments in that the budget is prepared according to budget guidelines set by the Department of Management. Once prepared, the draft budget is submitted to the Programme Planning and Budget Division for review. The proposed budget is then subject to discussion and finalization with the Controller. This process may result in further budgetary restrictions.

39. Implementation standard 1110.A1 of the Institute of Internal Auditors states that the internal audit activity should be free from interference in determining the scope of internal auditing, performing work and communicating results.

40. While OIOS cannot point to any particular instance in which budget reductions were undertaken with the intention of restricting the Office’s activity, the arrangement is still inappropriate as it places the Controller in a position where he could unduly influence the budgeting of OIOS resources and could compromise OIOS independence when reviewing the work of the Programme Planning and Budget Division.
41. The situation may be exacerbated when the OIOS programme of work is fully risk-based as the Controller could be in a position to set the risk tolerance for the Organization by determining the resources allocated.

42. Currently, the OIOS allocation from the regular budget accounts for approximately one third of the Office’s total budget. Extrabudgetary resources, which come from different sources, are funded to the largest extent by the support account for peacekeeping. The OIOS Internal Audit Division has established a metric, which has been accepted by the Department of Peacekeeping Operations and the General Assembly. This metric allocates one Professional auditor for every $100 million of a mission’s budget and one General Service staff for every $200 million of a mission’s budget. The remainder of the extrabudgetary funding is obtained from some 11 other sources and is dependent on OIOS management proposing that the entity should have independent oversight and then negotiating the extent and funding of the oversight staff required. The OIOS Investigations Division has experienced instances where it has had to retroactively claim reimbursement for investigation services provided to funds and programmes.

43. A further restriction is that according to the Organization’s rules, resources funded by one entity can only be applied to perform tasks for that same entity. This places a severe limitation on the independence of an oversight function that aims to use an objective basis, such as the level of risk to the Organization, to determine how resources should best be applied to benefit the Organization as a whole. It is also ineffective for the Organization to have an oversight function that is forced to review matters of lower risk at the expense of unattended higher risks or new emerging risks simply because of the way the oversight is funded.

The external review recommends that:

As a priority, OIOS should significantly upgrade its annual risk assessment methodology to be used by all the OIOS internal audit groups.

44. The Office agrees with the need to improve its risk-based work planning process. The workplans of internal audit inspections and evaluations, and the resulting resource requirements, will be based on comprehensive risk assessments of all key processes and departments of the United Nations Secretariat. The Office has developed a risk assessment framework, which was launched at the end of June 2006. It has set an ambitious target for the project but is committed to ensure that its 2008 workplans are fully risk-based. The allocation of dedicated resources is required to ensure that key deliverables are realized within the time frames established.
The external review recommends that:

The United Nations should separate the funding of OIOS from the allocation of its cost. Internal oversight is a function the size of which should be based on the degree of risk and management’s tolerance for risk. This should be determined by management and presented to the Independent Audit Advisory Committee and the General Assembly, together with a single budget for OIOS.

45. The Office of Internal Oversight Services has examined the recommendations of the external review on the issue of funding and, using the recommendation as a basis, proposes that the budget of the Office be provided in the following manner:

   (a) The Office will propose its detailed workplan based on risk assessments for internal audit, inspections and evaluations, General Assembly requests and investigation case loads. Its strategic initiatives, such as strengthening professional practices and maintaining staff skills, will also be included in the workplan;

   (b) The resulting OIOS programme of work will be discussed with the Secretary-General or his delegate before being finalized for presentation outside of the Secretariat;

   (c) A corresponding budget will be prepared by OIOS based on the programme of work;

   (d) The final programme of work and associated budget will be submitted to the Independent Audit Advisory Committee for concurrence (pending a decision by the General Assembly);

   (e) The budget will be submitted to the General Assembly through the Advisory Committee on Administrative and Budgetary Questions for approval and once approved the budget will be allotted to OIOS in full by the Secretariat. The decision on the apportionment of the budget to the individual Secretariat programmes should be undertaken by the Secretariat and should not involve OIOS.

The annex of the present document contains a flow chart of the proposed process.

46. The proposed process of establishing the OIOS budget ensures that there is adequate separation between OIOS and the Secretariat in the setting of the risk tolerance for the Organization. Separate budget allocations may be required for specific assignments requested by the General Assembly or Secretariat management if those assignments are in addition to the work planned.

47. The process outlined above ensures that funds will be provided on the basis of the Organization’s tolerance for risk to the Organization rather than on negotiations between OIOS and the individual programme managers. It also resolves the restriction on the use of resources that are funded from various sources.

Proposed action

48. The Office proposes that the General Assembly use the current level of resources allocated to OIOS as a baseline for the resources required by the Office.
49. The new budget process will take effect in the 2008-2009 biennium.

50. The Office seeks to complete the full implementation of its comprehensive and organization-wide risk assessment framework by December 2007 and will require additional resources to complete the project.

51. For the OIOS workplans beginning in 2007, OIOS will establish a programme of work for its internal audit, evaluation and inspection functions that is based on risk assessments and General Assembly requests and will establish suitable objective measures to justify the resource requirements for its investigations function.

Restrictions on reports of the Office of Internal Oversight Services

52. In accordance with resolution 48/218 B and subsequent resolutions regarding reporting, the Under-Secretary-General for Internal Oversight Services has a mandate to report to the General Assembly on any matter that may be of interest and to report annually on the activities of the Office. Despite this mandate, OIOS is constrained by the limitations set on the length of its reports. As a result, the Office is restricted and sometimes prevented from expressing fully the details of complex matters for the General Assembly’s benefit, when the need to do so arises.

53. The report length restriction particularly affects the General Assembly mandated OIOS annual report on the activities of the Office. Given the Assembly requirements for OIOS to list details of all reports produced in the period, it is further constraining for the Office to give proper treatment to reporting its activities while remaining within the word count limit.

Proposed action

54. The Office proposes that the General Assembly consider granting a general waiver of the restrictions on OIOS reports.

B. Strengthening the functions of the Office

55. In order to deliver its mandate more effectively, OIOS proposes changes to some of its functions as well as the Office’s structure and resources. The majority of the changes are within the authority of the Under-Secretary-General for Internal Oversight Services.

56. According to the external review, the mandate for OIOS to conduct evaluations, inspections and investigations encumbers the internal audit activity with other activities that have served to limit its effectiveness.

57. The Office strongly disagrees with this conclusion of the external review. Contrary to the assertion in the external review, it is a strength of OIOS that its investigation, inspection and evaluation functions provide broad oversight coverage for the Organization under one Office. OIOS therefore proposes a structure that will focus on the core oversight functions, as mandated by the General Assembly in its resolution 48/218 B and in a manner that will optimize the synergies of the different oversight disciplines. See annex II for the proposed structure of OIOS.
**Internal Audit Division**

58. The structure of the internal audit function of OIOS will be refined to combine the current two separate divisions (located in New York and in Geneva) into a single division, bringing the internal audit capacity of Geneva, Nairobi, New York and the auditors located in the field under one divisional director reporting to the Under-Secretary-General.

59. This structural change was recommended by the external review and it is agreed that this would eliminate any duplication of general and administrative activities and drive consistency in the audit approach and methodology.

60. Chiefs with responsibility for the following areas will report to the Director of the Internal Audit Division: (a) headquarters; (b) peacekeeping; (c) Geneva Office, Nairobi Office and the Information and Communication Technology Audit Section (all under the Deputy Director). Also reporting directly to the Director will be the: (a) Professional Practices Unit; and (b) Audit Operations Manager in the Office of the Director.

   **The external review recommends that:**

   *OIOS should establish a professional practice group to drive consistency and quality. This group should (a) support the development of a global audit methodology; (b) maintain the audit manual; (c) identify best practices; (d) own the quality assurance function; (e) determine the professional skills component of the skills inventory; (f) coordinate with OIOS human resources management, and external and other auditors.*

61. The Office agrees with the recommendation of the external review to set up a Professional Practices Unit, which will report directly to the Director of the Internal Audit Division; the existing Quality Assurance Section will be incorporated into the Unit. The Unit will be responsible for implementing the OIOS risk assessment framework, ensuring compliance with auditing standards, instituting a standardized audit methodology, and keeping abreast of new technology and developments in internal audit. It will also monitor the Division’s performance and prepare management reports.

**Proposed action**

62. The new structure of the Internal Audit Division structure will be effective as at 1 January 2007 and OIOS will proceed immediately with recruitment on the basis of the new structure.

63. The Office will require additional resources to put this new structure into effect and to create the Information and Communication Technology Audit Section and the Professional Practices Unit.

64. To the extent possible, posts required will be redeployed from within existing resources.
Inspection

65. Inspections provide the General Assembly and senior managers with objective information about their performance, analyses of their operations, management and oversight systems, and recommendations for improving programme implementation, resource management and management controls. Inspection is an independent appraisal intended to identify problems and recommend actionable solutions to stimulate positive change in managerial practices and encourage self-evaluation.

66. A stronger OIOS inspection function, as proposed by OIOS, will be assigned the task of conducting detailed inspections of entities and cross-cutting areas based on pre-determined criteria which would include an assessment of risk and concerns expressed by the General Assembly or senior management. The inspection approach and methodology will be reassessed by OIOS and realigned with the work of the other OIOS functions. The Office also foresees the use of staff in investigations and internal audit as required to supplement the skills of the inspection teams. Given the current resources devoted to inspections, OIOS has been able to conduct only two to three inspections annually. The Office proposes to strengthen the function so that they will be able to produce eight to ten inspection reports per year.

The external review recommends that:

Preparing the programme performance report should become the responsibility of the Department of Management. OIOS would then be in an appropriate position to provide assurance over the process used to compile the report or over the accuracy of data in the report.

67. The Office agrees with the recommendation of the external review and proposes to change its role with regard to the preparation of the biennial report of the Secretary-General on programme performance. Oversight skills and competencies will instead be utilized to provide management and the General Assembly with independent, objective validation and analysis of programme reporting rather than to compiling the report, which is more appropriately a management responsibility.

Proposed action

68. Proposals will be submitted for the redeployment of staff to strengthen the inspection function.

69. The Office will undertake further work to reassess the approach and methodology of its inspection function and make the necessary adjustments.

70. The Office proposes that the responsibility for the preparation of the biennial programme performance report of the Secretary-General be transferred to the Department of Management. OIOS will undertake its mandated oversight role with respect to the programme performance reporting, and will include in its programme of work an assessment of the methodology for programme performance reporting.
Evaluations

71. In the United Nations Secretariat, the central evaluation function rests with OIOS in order to ensure its independence and objectivity. Evaluation complements the other three oversight functions of audit, inspection and investigation by focusing on the broader issues of the relevance, effectiveness and impact of Secretariat programmes. Although Secretariat programmes do conduct self-evaluation, such exercises are not sufficient as the only source of information on programme performance and they therefore need to be complemented and validated by the central evaluation function in the Organization, which provides more independent and objective evaluative information.

The external review recommends that:

Since evaluations are performed to inform the contributor to an activity about whether the resources being applied are having the effect intended, this activity should be performed by programme management and reported to the relevant body that sets the budget and approves the plans for the programme. An Evaluation Practices Group to centrally assist and coordinate evaluation practices by preparing managers ... should be established and ideally be located within the Department of Management.

72. Evaluation is an integral part of independent, effective internal oversight and OIOS strongly disagrees with the external review recommendation that its evaluation function be relocated to the Department of Management.

73. While there may be merit in strengthening capacities for evaluation at the level of programme management, it should not be at the expense of independent inspection and evaluation. Shortfalls in accountability and control at the programme level — or, more broadly, programmatic performance — may also be caused by deficiencies embedded in the Organization-wide rules and procedures that apply to all programme managers.

74. In the opinion of OIOS, the Department of Management is clearly not an independent party to exercise oversight pertaining to the systems and operational policies that it itself has been the initiator and promoter of (e.g., budgetary planning process, accounting, procurement, travel, human resources management and information technology support) which represent some of the most critical dimensions of potential organizational risk. Evaluation of these systems and practices therefore need to be performed by another party.

75. Therefore, and following the report of the Secretary-General on strengthening monitoring and evaluation in the United Nations (A/60/73), OIOS will continue to undertake the mandated function of providing the Organization and the General Assembly with central, independent, in-depth evaluations. This function also provides the centre of excellence for the Organization in regard to methodology, expertise and support for programme evaluations undertaken at the departmental level. Additional evaluations will be proposed, based on the requirement by the Committee for Programme and Coordination.
76. Given the current resources devoted to evaluations, OIOS has been able to conduct only four evaluations each year. The Office proposes to strengthen the function to the effect that it will be able to produce between eight and ten evaluation reports per year.

Proposed action

77. The Office will establish an Inspection and Evaluation Division, which will be headed by a Director. The Division will comprise two sections, namely, the Evaluation Section and the Inspection Section.

78. The proposal for strengthening inspections and evaluations will be implemented through the redeployment of existing posts.

Investigations

79. In accordance with its mandate, investigations is a core function entrusted to OIOS by the General Assembly, and OIOS proposes to strengthen and focus the role appropriately within the Office.

The external review recommends that:

*The Investigations Division should be part of the Office of Legal Affairs, since it deals with all matters that could result in a legal action.*

80. The Office strongly disagrees with the recommendation of the external review since the effect will be to weaken rather than strengthen oversight. The recommendation that the Investigations Division engage in objective activity under the Office of Legal Affairs presents a conflict because objectivity presumes a lack of specific interest in the outcome and the Office of Legal Affairs, by virtue of its role in the United Nations, necessarily has to hold primarily the interests of the Secretariat in view.

81. The Office of Legal Affairs provides legal advice to the United Nations Secretariat and has on occasion found that the interests of a Secretariat department may differ from that of OIOS — by analogy, it would be like serving as counsel for both the plaintiff and the respondent. This proposal would put the Office of Legal Affairs in the untenable position of trying to create an imaginary line between the lawyers giving advice to departments on investigations and those giving advice to the investigators.

82. The recommendation of the external review rests on a fundamental flaw which focuses on the end result of the investigation rather than the issue of the independence of the investigatory process.

83. The General Assembly, in its resolution 59/287, explicitly noted that independent investigation was in the best interests of the Organization. OIOS has reported in the past (A/58/708) on how independence is a critical component of effective investigation and proposed the Uniform Guidelines for Investigations which provide that investigators operate with independence. In its report on
strengthening the investigations function in United Nations system organizations (A/56/282), JIU also noted the importance of independence in investigations.

84. The Office does recognize, however, that it needs to comprehensively reassess the functions, structure and work processes of its Investigations Division. For this reason, OIOS will undertake a special review of the Division, to be completed by the end of 2006, which will allow OIOS to restructure and refocus its approach to investigations.

85. Of key importance also is to ensure that major problems are responded to rapidly and in a focused manner. Furthermore, temporary staff may be needed in the short term to address the present backlog in the caseload. At the same time, OIOS sees an opportunity to maximize the synergy between its investigation function and its internal audit and inspection functions, especially in regard to assessing risk in the Organization and maintaining awareness of fraud indicators among the internal audit staff. For this reason, OIOS plans to create an opportunity for a few investigators to move to the United Nations Office at Geneva in order to provide coverage for that duty station and facilitate cooperation with the OIOS internal auditors already located there.

86. The Investigations Division will be headed by a Director, based in New York, and will be responsible for investigations into matters relating to employee integrity (violations of the rules and regulations of the United Nations, mismanagement, waste of resources and abuse of authority) and administrative fraud (such as that relating to financial resources and contracts), and will undertake the training of programme managers in the conduct of basic investigations, as mandated by the General Assembly.

87. The terms of General Assembly resolution 59/287 express the serious concern that Member States have as regards sexual exploitation and abuse. In that resolution, the Assembly stressed that sexual exploitation and abuse constitute serious misconduct and fall under category I cases, which include matters for investigation by OIOS. In 2005, OIOS received additional support account resources to address both the burgeoning regular caseload at peacekeeping missions and this new responsibility. The equivalent of 30 new posts for investigators, translators and support staff for the resident investigator offices of the Investigations Division were approved, with the large majority being assigned to six of the largest peacekeeping missions.

88. The Office had informed Member States and the Secretariat that the problem of sexual exploitation and abuse would take at least two years to be properly addressed from three perspectives, namely, policy creation, advocacy programmes and enforcement actions leading to sanctions. The number of cases received by OIOS related to personnel of peacekeeping operations continues to grow, as it has for the past several years. Cases relating to sexual exploitation and abuse account for approximately 52 per cent of all cases of investigation, almost all of which are at peacekeeping missions.

89. In the light of the above, OIOS has decided to arrange the structure so that these serious matters of concern are grouped separately from general investigative activities in order to facilitate the interaction between the investigators of sexual exploitation and abuse and the activities in other departments of the Secretariat engaged in the comprehensive response to this matter. This separation of sexual
exploitation and abuse investigations from the investigation of matters of employee integrity and administrative fraud will enable the team to focus on this matter and recruit the specialist skills and competencies that may be required for the special task force.

90. The Office believes that, in order for the Organization to be successful in eradicating this blight on the good work of the United Nations in peacekeeping, there is need for a holistic and comprehensive response to the issue. This response must comprise education, training and investigations but, most of all, an accountability system that compels mission management, force commanders, troop commanders and Member States to act decisively to ensure zero tolerance.

91. The Chief of the OIOS Special Investigations Task Force for Sexual Exploitation and Abuse will report directly to the Under-Secretary-General for Internal Oversight Services. OIOS proposes that the General Assembly consider receiving an annual report of the Task Force with a view to assessing the needs of the Task Force and the impact of its work.

92. The OIOS Procurement Task Force, established to undertake the investigations into procurement-related wrongdoings, reports directly to the Under-Secretary-General for Internal Oversight Services. Similar to the proposal for the Special Investigations Task Force for sexual exploitation and abuse, the Procurement Task Force will be funded separately for the completion of the serious cases under investigation. At the appropriate time, and in consultation with the Secretary-General, the Under-Secretary-General for Internal Oversight Services will disband the OIOS Procurement Task Force and assign the remaining cases to the OIOS Investigations Division. At that point, the Under-Secretary-General may propose to recruit some of the existing Task Force staff to the Investigations Division to continue with the work.

Proposed action

93. The Investigations Division will be structured in such a way that investigators will be located at four duty stations — New York, Nairobi, Vienna and Geneva. The current arrangements for operations managers in New York, Nairobi and Vienna will continue. Posts will be redeployed from within existing resources to implement this structure.

94. The Office will enhance the process for assessing the incoming matters that will be investigated by the Division. Processes will be established to refer the matters not investigated to the appropriate entities.

95. In the short term, special arrangements will be made to review the backlog of cases. The resources to do this will be taken from the existing general temporary assistance funds provided by the General Assembly to OIOS as part of the regular budget.

96. A request for additional resources for the required information technology tools and case management systems will be submitted along with the present report for consideration by the General Assembly.

97. The Office will establish the Special Investigations Task Force for Sexual Exploitation and Abuse which will report to the Under-Secretary-General for
Internal Oversight Services. Staff recruited specifically to deal with these issues will be transferred to the Task Force.

**Office of the Under-Secretary-General**

98. The core functions of the Office of the Under-Secretary-General for Internal Oversight Services include advising the Under-Secretary-General on substantive and managerial policies and guidelines; coordinating the work of the OIOS divisions; overseeing the preparation of the OIOS workplan and monitoring its implementation; preparing reports and notes on oversight and managerial issues; acting as a focal point for information on all aspects of the work of the Office; coordinating inter-office activities; and negotiating and coordinating with other United Nations oversight entities, departments, offices, funds and programmes. More recently, the Office of the Under-Secretary-General has been required to spend an increasing amount of time liaising with intergovernmental bodies and Member States on matters relating to OIOS reports and overseeing the development and implementation of strategic projects.

The external review recommends that:

*OIOS should have access to competent legal counsel to enable it to respond properly to the outcome of oversight activities that become subject to legal review for any purpose and to review reports on an as-needed basis.*

99. The Office concurs with this recommendation. In the past year, the increased number of investigations and of disputes regarding the mandate and scope of work of OIOS, as well as the focus on accountability by senior management, has led to an increase in the number of matters that require legal review. OIOS believes this will be a growing trend, which highlights the need for OIOS to have its own Legal Officer. This view is supported by the recommendation of the external review for competent legal counsel to enable OIOS to respond properly to the outcome of oversight activities that become subject to legal review and to review reports on an as-required basis.

100. The recent growth in the number of OIOS staff and their geographical spread have created a need for improved internal communication to keep OIOS staff informed of the professional and other matters in the Organization that are relevant to their work and to them personally as United Nations staff members. In addition, OIOS proposes to strengthen its external communication capacity. Therefore, OIOS considers that there is a need to establish an additional post of Programme Officer who would deal, among other things, with the Office’s internal and external communications.

**Proposed action**

101. The Office proposes to recruit a Legal Officer who will report directly to the Under-Secretary-General for Internal Oversight Services.
102. The Office proposes to employ an additional Programme Officer to support the Office of the Under-Secretary-General in regard to internal and external communications.

**Internal Management Consulting**

The external review recommends that:

*The internal management consulting function should be transferred out of OIOS as it is inconsistent with the assurance functions of oversight.*

103. The Office agrees that the management consulting function would more appropriately be positioned outside OIOS. The function, however, is a useful and critical capability for any organization to have in planning and implementing change.

**Proposed action**

104. The Office proposes that the General Assembly consider transferring the internal management consulting function from OIOS to an appropriate office of the Secretariat. The resources used for this function will be redeployed to other functions within OIOS. Consideration may be given to transferring some posts with the function.

**Renaming OIOS**

105. To better reflect the functions, role and responsibilities of the Office, OIOS proposes that it be renamed the Office of the Inspector-General.

**Proposed action**

106. The Office proposes that the General Assembly consider changing the name of OIOS to Office of the Inspector-General.

**C. Strengthening the management and operational processes**

**Human resources management**

The external review recommends that:

*OIOS should have the capability of accessing whatever skills it considers are necessary to complete its internal audit activities.*

107. The Office concurs with the recommendation made by the external review and the observation in the report that current processes for the recruitment of staff
hinder sound and timely human resources management practices. The deliberations of the OIOS Review Board are often protracted.

108. In an ideal situation, OIOS should have an expedited hiring process that operates at the discretion of OIOS management and a suitable oversight mechanism to ensure that the process is fair. However, OIOS recognizes that this is an important area that needs to be reviewed separately and that before any proposal can be made to the General Assembly due consideration must be given to the United Nations Staff Regulations and Rules, under which all staff operate.

Proposed action

109. The Office proposes to re-evaluate its recruitment processes with the objective of expediting the process and enhancing transparency within the framework of the United Nations Staff Regulations and Rules.

Training

The external review recommends that:

[OIOS should] Establish a formal training syllabus for each staff level of OIOS, targeted at skills required for the current role and for anticipated future roles.

110. The Office agrees with this recommendation and recognizes that training and learning play a key role in enhancing skills and knowledge, enabling the provision of oversight services of the highest quality to the Organization and empowering OIOS staff to develop their careers. For this reason, OIOS created a dedicated learning unit in 2003 and entered into an external contract to offer staff access to over 100 online training courses, many of which earn continuing professional education credits.

111. Standard 1230 of the Institute of Internal Auditors states that internal oversight staff should enhance their knowledge, skills and other competencies through continuing professional development.

112. The Office has not as yet developed a central inventory of staff skills or an inventory of the skills it requires. Such inventories would serve as a basis for accessing the skills required for oversight activities and determining the skills to be developed through training, hiring or secondment from other United Nations entities.
The recommendation of the external review states that:

*Provide a dedicated human resources professional for OIOS to use for expedited hiring, developing and maintaining skills inventories, executing a sourcing plan and creating individual development plans and training programmes.*

113. The Office agrees with this recommendation and will give proper attention to the matter in planning the implementation of the external review recommendations.

*Proposed action*

114. The Office proposes to develop and implement, with expert assistance, a training and staff development strategy for OIOS which will include a central inventory of staff skills and a related strategy, a career model for OIOS staff with defined career paths, and individualized training programmes. An amount of $40,000 to hire an expert at the P-4 level for three months for this purpose is required.

*Technology and knowledge management*

The external review recommends that:

*[OIOS should] Implement information technology tools in both the audit and investigation functions after improving the level of information communication technology skills within OIOS.*

*The OIOS should develop and implement a formal global knowledge management strategy.*

115. The Office agrees with these recommendations and the observation that there is a need for it to use technology effectively in order to increase the efficiency of its operations and to facilitate its global knowledge sharing and communication. OIOS has taken steps to enhance the skill sets in information and communication technology auditing and to use information technology tools in the conduct of its audits and investigations. For example, a specialized information and communication technology audit section will be created to implement the Office’s recently completed information and communication technology auditing strategy.

116. The Office also agrees with the recommendation that information technology tools should be used to enhance communication and sharing of knowledge. OIOS is in the process of establishing a formal knowledge network and information portal. However, it recognizes that an effective knowledge-management system requires dedicated resources and may take time to implement.
Proposed action

117. The Office seeks specific funding to implement productivity and communication tools for the management of OIOS, as well as specific specialized technical tools for enabling and facilitating the working of its various functions. Funds in the amount of $470,000 for the acquisition of productivity, communications and specialized technical tools are necessary. An investigations case management system costs $300,000 and $60,000 is needed for forensic imaging. Auto audit licensing for 112 audit staff at $985 per staff per annum amounts to some $110,000.

Space requirements

118. Lack of office space constitutes a major problem for OIOS, especially at its headquarters in New York. Although posts have been authorized by the General Assembly, the Office does not currently have the space to accommodate incumbents.

Proposed action

119. The Office will propose funding for the physical alterations necessary to maximize the use of its existing space. It will, however, continue to pursue its request for additional office space with the Department of Management. Resources in the amount of $100,000 are needed for office layout alteration. It is anticipated that a total of 2,000 square metres in the four locations of OIOS in New York will have to be reconfigured at $50 per square foot.

Costing of the non-post resources

120. Costing of traditional non-post resources required for the proposed new structure for OIOS will be presented to the General Assembly during its sixty-first session in the Fall of 2006. Based on the level of resources that OIOS is submitting, OIOS division directors will further refine and organize their operations and decide on the allocation of posts among sections and duty stations. Once the levels and numbers of posts per duty station are finalized, costs of post and non-post resources will be determined.

(Signed) Inga-Britt Ahlenius
Under-Secretary-General for Internal Oversight Services
Annex

PROPOSED BUDGET PROCESS

STEP ONE
Work Plan Formulation
- Risk Assessment
- GA Requests
- Investigations
- Strategic Initiatives

STEP TWO
Budget Formulation

STEP THREE
Approval Process
- Programme of Work and Budget
- Independent Audit Advisory Committee/Advisory Committee on Administrative and Budgetary Questions

STEP FOUR
Budget Allotment Process
- Approved Budget
- Secretariat
- Allocation to OIOS
Annex II

Note: SEA, sexual exploitation and abuse; PKO, peacekeeping operations
Annex III

Table 1 below shows the planned utilization of posts and general temporary assistance positions per level under the regular budget and extrabudgetary funds in the Internal Audit Division, within existing resources as at 30 June 2006. Also indicated is the proposed number of posts per level under one funding source.

Table 1
Internal Audit Division

<table>
<thead>
<tr>
<th>Category</th>
<th>Posts</th>
<th>GTA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB</td>
<td>XB</td>
</tr>
<tr>
<td>Professional and above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D-2</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>D-1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>P-5</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>P-4</td>
<td>7</td>
<td>30</td>
</tr>
<tr>
<td>P-3</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td>P-2</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>27</td>
<td>65</td>
</tr>
<tr>
<td>General Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal level</td>
<td>4</td>
<td>—</td>
</tr>
<tr>
<td>Other levels</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>13</td>
<td>18</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local level</td>
<td>—</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>40</td>
<td>87</td>
</tr>
</tbody>
</table>

Table 2 below contains the planned utilization of posts and general temporary assistance positions per level under the regular budget and extrabudgetary funds in the Inspection and Evaluation Division, within existing resources as at 30 June 2006. The proposed number of posts per level under one funding source is also indicated. Consideration may be given to transferring a maximum of two posts (D-1 and P-5). The posts together with the incumbents will be transferred to the department where the function will be integrated. Three P-4 posts and one P-2 post, together with the incumbents, will be utilized for inspections.
### Table 2
**Inspection and Evaluation Division**

<table>
<thead>
<tr>
<th>Category</th>
<th>Posts</th>
<th>GTA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB</td>
<td>XB</td>
</tr>
<tr>
<td>Professional and above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D-2</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>D-1</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>P-5</td>
<td>3</td>
<td>—</td>
</tr>
<tr>
<td>P-4</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>P-3</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>P-2</td>
<td>2</td>
<td>—</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>12</strong></td>
<td><strong>3</strong></td>
</tr>
<tr>
<td>General Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal level</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>Other levels</td>
<td>4</td>
<td>—</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>5</strong></td>
<td>—</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local level</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17</strong></td>
<td><strong>3</strong></td>
</tr>
</tbody>
</table>

Table 3 below shows the planned utilization of posts and general temporary assistance positions per level under the regular budget and extrabudgetary funds in the Investigation Division, within existing resources as at 30 June 2006. Also indicated is the proposed number of posts per level under one funding source.

### Table 3
**Investigation Division**

<table>
<thead>
<tr>
<th>Category</th>
<th>Posts</th>
<th>GTA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB</td>
<td>XB</td>
</tr>
<tr>
<td>Professional and above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D-2</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>D-1</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>P-5</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>P-4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>P-3</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>P-2</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>13</strong></td>
<td><strong>13</strong></td>
</tr>
</tbody>
</table>
Table 4 below contains the planned utilization of posts and general temporary assistance positions per level under the regular budget and extrabudgetary funds in the Special Investigations Task Force for Sexual Exploitation and Abuse, within existing resources as at 30 June 2006. The proposed number of posts per level under one funding source is also indicated.

### Table 4
**Sexual Exploitation and Abuse Task Force**

<table>
<thead>
<tr>
<th>Category</th>
<th>Posts</th>
<th></th>
<th>GTA</th>
<th></th>
<th></th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB</td>
<td>XB</td>
<td>Total</td>
<td>RB</td>
<td>XB</td>
<td>Total</td>
</tr>
<tr>
<td><strong>General Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal level</td>
<td>2</td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Other levels</td>
<td>3</td>
<td></td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Subtotal</td>
<td>5</td>
<td></td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local level</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>16</td>
<td>35</td>
<td>16</td>
<td>1</td>
<td>17</td>
</tr>
</tbody>
</table>

Tables 5 and 6 below show the planned utilization of posts and general temporary assistance positions per level under the regular budget and extrabudgetary funds in the Special Investigations Task Force for Sexual Exploitation and Abuse, within existing resources as at 30 June 2006. The proposed number of posts per level under one funding source is also indicated.
budgetary funds in the Office of the Under-Secretary-General, Office of Internal Oversight Services (OIOS) and the Executive Office, within existing resources as at 30 June 2006. Also indicated is the proposed number of posts per level under one funding source.

Table 5
**Office of the Under-Secretary-General**

<table>
<thead>
<tr>
<th>Category</th>
<th>Posts</th>
<th>GTA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB</td>
<td>XB</td>
</tr>
<tr>
<td>Professional and above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USG</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>D-2</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>D-1</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>P-5</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>P-4</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>P-3</td>
<td>2</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>5</td>
<td>—</td>
</tr>
<tr>
<td>General Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal level</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>Other levels</td>
<td>2</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>3</td>
<td>—</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local level</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>—</td>
</tr>
</tbody>
</table>

Table 6
**Executive Office**

<table>
<thead>
<tr>
<th>Category</th>
<th>Posts</th>
<th>GTA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RB</td>
<td>XB</td>
</tr>
<tr>
<td>Professional and above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D-2</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>D-1</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>P-5</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>P-4</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>P-3</td>
<td>—</td>
<td>1</td>
</tr>
<tr>
<td>P-2</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
In addition to the 293 posts and general temporary assistance positions that are currently authorized in OIOS, we have six audit staff who are encumbering posts included in the staffing table of the Economic Commission for Africa (1 P-4), the United Nations Compensation Commission (2 P-4), the United Nations Assistance Mission in Afghanistan (1 P-4) and the United Nations Assistance Mission for Iraq (1 P-4, 1 General Service (Other level)). We propose that the six be transferred to the OIOS budget for a total of 299 posts.

Furthermore, excluded from the 293 posts authorized on a long-term basis for OIOS are the 23 temporary positions utilized for the Procurement Investigations Task Force.