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HIGH COMMISSIONER'S PROGRAMME

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**Financial rules for voluntary funds administered
by the High Commissioner for Refugees¹**

Promulgated by the High Commissioner

¹ This revision of UNHCR's Financial Rules replaces document A/AC.96/503/Rev.8. It incorporates amendments resulting from the adoption of the Decision on the Financial Rules at the Extraordinary Meeting of 8 December 2009 of the sixty-first session of the Executive Committee (A/AC.96/1080). In line with these decisions, the revised rules come into effect as of 1 January 2010.

TABLE OF CONTENTS

ARTICLE	PAGE
1. APPLICABILITY	3
2. FINANCIAL YEAR	4
3. CONTRIBUTIONS	4
4. OTHER INCOME	5
5. CUSTODY OF FUNDS	5
6. FUNDS AND RESERVES	6
7. APPROVAL OF PROGRAMMES AND PROJECTS	10
8. IMPLEMENTATION OF PROGRAMMES AND PROJECTS	10
9. INVESTMENT OF FUNDS	12
10. INTERNAL CONTROL	13
11. ACCOUNTS	15
12. AUDIT	16
13. GENERAL PROVISIONS	16

Article 1 - APPLICABILITY

Authority and applicability

- 1.1 These rules, which are based on the provisions of the Financial Regulations of the United Nations, are established in accordance with paragraph 8 of General Assembly resolution 1166 (XII) and the subsequent directives of the Executive Committee of the High Commissioner's Programme. Except as may otherwise be provided by the General Assembly or the Executive Committee, these rules shall govern all financial activities of the United Nations High Commissioner for Refugees other than the administration of his/her regular budget.
- 1.2 Exceptions to these rules may only be made by specific decision of the High Commissioner, in a manner consistent with the Financial Regulations of the United Nations.
- 1.3 These rules shall not apply to the subsequent administration of moneys or supplies allocated by the High Commissioner under agreements with Governments, governmental agencies, local authorities or other agencies, provided that those agreements contain appropriate provisions to ensure, in the opinion of the High Commissioner, that these moneys or supplies will be so utilized as to provide the maximum benefit for the purpose of the allocation, and subject to the provision of Article 12 regarding audit.
- 1.4 The Controller shall be responsible for the application of these rules on behalf of the High Commissioner.
- 1.5 These rules may be amended by the High Commissioner in consultation with the Executive Committee in a manner consistent with the Financial Regulations of the United Nations.

Definitions

- 1.6 For the purpose of these rules:
 - (a) "UNHCR" shall mean the Office of the United Nations High Commissioner for Refugees;
 - (b) "High Commissioner" shall mean the High Commissioner or his/her authorized delegate;
 - (c) "Executive Committee" shall mean the Executive Committee of the High Commissioner's Programme;
 - (d) "The Controller" shall mean the Controller or his/her authorized delegate;
 - (e) "Representative" shall mean the officer-in-charge of a UNHCR regional or country office, or of a UNHCR operation;

(f) “Biennial Programme Budget” shall mean the comprehensive budget for the programmes and projects to be implemented under the four pillars which are approved biennially by the Executive Committee, as well as the Operational and the “New or Additional Activities – Mandate-related” Reserves. The four pillars refer to the highest level of the comprehensive results-based budget and accounting structure and comprise: Pillar 1: Global Refugee Programme; Pillar 2: Global Stateless Programme; Pillar 3: Global Reintegration Projects; and Pillar 4: Global Internally Displaced Persons Projects. The “Annual Budget” shall mean a budget for one year, corresponding to the breakdown of the Biennial Programme Budget into each of the two years of the biennium;

(g) “Annual Programme Budget” shall mean the combined budget for Pillar 1: Global Refugee Programme, including the Reserves, and Pillar 2: Global Stateless Programme, which form part of the Biennial Programme Budget;

(h) “Supplementary budgets” shall mean such budgetary increases as may be approved by the High Commissioner, pursuant to Article 7.5, to meet new needs under any pillar, that arise after the approval of the Biennial Programme Budget and before the approval of the next Biennial Programme Budget, and which cannot be fully met from the Reserves. Supplementary budgets are considered increases to the Biennial Programme Budget. They will be funded through contributions in response to special appeals;

(i) “Pledges” shall mean formal promises made at pledging conferences or otherwise, to make voluntary contributions in cash or in kind to a UNHCR programme or project.

Article 2 - FINANCIAL YEAR

2.1 The financial year shall be the period from 1 January to 31 December.

Article 3 - CONTRIBUTIONS

3.1 The High Commissioner may accept contributions offered in cash, kind or service, including contributions from sources other than Governments, which can be utilized for the purposes of carrying out the functions laid upon him/her by the General Assembly or directives given to him/her by the Executive Committee. He/she may reject any offers which he/she does not consider appropriate or which cannot be utilized for the above purposes. The High Commissioner shall report to the Executive Committee all offers accepted.

3.2 The value of all contributions accepted for carrying out the above purposes shall normally be credited to the appropriate programme or project, provided that contributions for purposes falling outside the Biennial Programme Budget including its Reserves shall be credited to the Working Capital and Guarantee Fund or other funds, pursuant to Articles 6.12 and 6.13, as appropriate. When the purpose of a contribution is not restricted or otherwise designated by the donor, the High Commissioner shall determine how the contribution will be used. When the arrangement with the donor is such that UNHCR may start implementation of activities only after receipt of the funds, the contribution shall be treated as a trust fund under Articles 6.12 and 6.13.

3.3 An official receipt shall be issued in respect of all contributions received. Contributions in kind or in services will be recorded in the appropriate account only when the goods and/or services are received, at fair market value as estimated by the High Commissioner.

Article 4 - OTHER INCOME

Revenue-producing activities

- 4.1 All revenue-producing activities shall be subject to the same financial controls as are applied to other activities.
- 4.2 No expenditure relating to revenue-producing activities shall be incurred against the gross income deriving from such activities without the written authorization of the Controller, except to the extent specifically provided in the contractual arrangements, as approved in writing by the Controller, for the activity.
- 4.3 Information showing gross revenue and expenditure as well as net revenue from each such activity shall be reported to the Executive Committee.

Miscellaneous income

- 4.4 Moneys received as a result of the sale or other disposal of supplies, equipment or other assets purchased from voluntary funds, shall be credited as miscellaneous income to the current financial year of the Annual Programme Fund, unless otherwise directed by the Executive Committee.
- 4.5 Adjustments of prior years' expenditure (refunds, cancellations and additional charges) shall be applied to the current financial year of the appropriate fund, unless otherwise agreed with the donor. For trust fund accounts, adjustments shall be applied to the account from which the expenditure was incurred.

Article 5 - CUSTODY OF FUNDS

Bank Accounts

- 5.1 The Controller shall designate the banks in which the voluntary funds of UNHCR shall be kept. He/she shall establish such official bank accounts as may be required and designate signatories to operate the accounts.
- 5.2 Bank accounts established for UNHCR field offices shall be maintained by remittances from UNHCR Headquarters. Where appropriate and to the extent authorized by the Controller, remittances may be made from other UNHCR offices and through cheque drawings on bank accounts maintained by UNHCR Headquarters.
- 5.3 An official receipt shall be issued in respect of all moneys received.

- 5.4 All moneys received shall be deposited in an official UNHCR bank account not later than the business day following the date of receipt.
- 5.5 Officers responsible for the operation of UNHCR bank accounts shall not exchange one currency for another except to the extent necessary for the transaction of official business.

Payments

- 5.6 Only Representatives and such other approving officers designated by the Controller in writing may approve payments on behalf of UNHCR. Approving officers are responsible for reviewing the legality of payments and exercising all appropriate financial controls.
- 5.7 Payment shall be made on the basis of supporting vouchers and other documents which indicate that the goods or services have been received in accordance with the documents establishing the obligation, that payment has not previously been made, and that the payment is properly due. Progress payments may be made when the Controller deems it to be in the interest of UNHCR.
- 5.8 Payments in advance of the delivery of goods or performance of contractual services may be made if generally accepted commercial practice or the essential interest of UNHCR so demand. Whenever such an advance payment is requested, the reasons therefore shall be recorded by the certifying officer.
- 5.9 Payments in excess of \$100 or its equivalent shall be made by cheque or bank transfer unless otherwise authorized by the Controller.
- 5.10 Disbursements shall be recorded in the accounts as of the date when the disbursement is made, that is, when the cheque or instruction to the bank is issued, or cash is paid out.
- 5.11 Cheques and instructions to banks shall be signed by two officers from a panel or panels of signatories designated by the Controller provided that signature of cheques by one officer and one other official may be authorized when circumstances so warrant. If exceptional circumstances so warrant, signature of cheques by one officer may be authorized. The authority granted and responsibility assigned to such signatories is a personal one and cannot be delegated.

Article 6 - FUNDS AND RESERVES

Funds established for the purpose of managing the Biennial Programme Budget

- 6.1 Transactions pertaining to the Biennial Programme Budget shall:
- (a) for Pillar 1: Global Refugee Programme and Pillar 2: Global Stateless Programme, be recorded in:
 - (i) the Annual Programme Fund;

- (ii) the Regular Budget Fund;
 - (iii) the Junior Professional Officers Fund;
- (b) for Pillar 3: Reintegration Projects, be recorded in the Pillar 3 Reintegration Projects Fund; and
- (c) for Pillar 4: Internally Displaced Persons Projects, be recorded in the Pillar 4 Internally Displaced Persons Projects Fund.

Annual Programme Fund

6.2 There shall be established an Annual Programme Fund to which unrestricted and restricted contributions, miscellaneous income and balances relating to Pillar 1: Global Refugee Programme and Pillar 2: Global Stateless Programme that are not required for the replenishment of the Working Capital and Guarantee Fund shall be credited. Restricted contributions are those subject to externally imposed stipulations which specify the purpose for which the contribution is to be used.

Pillar 3: Reintegration Projects Fund

6.3 There shall be established a Pillar 3 Reintegration Projects Fund, to which unrestricted and restricted contributions and balances relating to Pillar 3 Reintegration Projects that are not required for the replenishment of the Working Capital and Guarantee Fund shall be credited.

Pillar 4: Internally Displaced Persons Projects Fund

6.4 There shall be established a Pillar 4: Internally Displaced Persons Projects Fund, to which unrestricted and restricted contributions and balances relating to Pillar 4: Internally Displaced Persons Projects that are not required for the replenishment of the Working Capital and Guarantee Fund shall be credited.

Working Capital and Guarantee Fund

- 6.5 A Working Capital and Guarantee Fund is established at a ceiling determined by the Executive Committee. The Fund shall be maintained by income from the following sources:
- (a) income from repayments of loans;
 - (b) savings from prior years' Annual Programme Fund, Pillar 3: Reintegration Projects Fund, and Pillar 4: Internally Displaced Persons Projects Fund unless agreed otherwise with donors in the case of restricted contributions. For trust fund accounts, savings shall be applied to the account where savings were made;
 - (c) interest from investments;
 - (d) voluntary contributions;

(e) other miscellaneous income, including exchange gains and losses, as well as the net income of revenue-producing activities unless the Executive Committee has directed otherwise on the use of income from those activities.

6.6 The Working Capital and Guarantee Fund may be utilized for the following purposes:

- (a) to replenish the Operational Reserve;
- (b) to meet essential payments due for the implementation of programmes and projects pending receipt of contributions pledged;
- (c) to guarantee obligations incurred against governmental pledges or firm pledges from organizations of established repute;
- (d) to guarantee commitments in respect of revenue-producing activities of UNHCR;
- (e) to fund payments for bank charges;
- (f) to fund in the course of a given year, obligations incurred under the Annual Budget, including the Operational Reserve, pending the receipt of anticipated contributions, on the condition that the level of obligations so funded does not exceed one-twelfth of the total amount, excluding the amount of the Reserves, approved by the Executive Committee for that year's Annual Budget. However, this funding facility shall only be used to the extent that:
 - (i) at the end of a given year, obligations thus funded do not exceed 3 per cent of that year's level of the Annual Budget, excluding that of the Reserves, approved by the Executive Committee;
 - (ii) the Working Capital and Guarantee Fund shall be replenished as a matter of priority in the subsequent year according to the provisions of Article 6.5 above, and where appropriate and necessary, from unrestricted contributions to the Annual Programme Fund, the Pillar 3: Reintegration Projects Fund, and/or the Pillar 4: Internally Displaced Persons Projects Fund;
- (g) the Working Capital and Guarantee Fund may be utilized to guarantee budgetary increases under the Headquarters component of the Annual-Budget-that may result directly from exchange rate fluctuations in a given year, provided that such increases do not exceed 2 per cent of the approved Annual Budget level (excluding the amount of the Reserves). If recourse is made to the Working Capital and Guarantee Fund for such a purpose, the Fund shall be replenished in the subsequent year in accordance with the provisions of Article 6.5; and
- (h) for any other purpose that the Executive Committee may authorize.

Operational Reserve

- 6.7 The Operational Reserve is established to:
- (a) provide assistance to refugees, returnees, and displaced and stateless persons-for which there is no provision in the programmes and projects approved by the Executive Committee;
 - (b) provide such additional administrative expenditure, for which there is no provision in the programmes and projects approved by the Executive Committee or that is pending action by the General Assembly;
 - (c) fund planning of repatriation, especially in regard to the necessary measures to be taken on behalf of returnees in their country of origin;
 - (d) fund preparations in the country of asylum for voluntary repatriations not otherwise provided for, and activities related to actual return;
 - (e) provide supplementary funding for voluntary repatriations, including initial reintegration needs in the country of origin;
 - (f) cover unexpected cost increases in, and/or meet the costs of modifications to, programmes and projects financed from the current or previous years' Annual Budget, or from an Operational Reserve allocation made in a current or previous year;
 - (g) increase existing allocations to meet priority needs-under the current year Annual Budget.
- 6.8 An Operational Reserve shall be constituted at an amount equivalent to 10 per cent of the proposed programmed activities in the Annual Programme Budget being submitted for approval. The Operational Reserve shall be maintained at not less than \$10 million by replenishments from the Working Capital and Guarantee Fund.
- 6.9 The High Commissioner may make transfers of appropriations from the Operational Reserve to other parts of the Annual Budget for the purposes set out in Article 6.7 provided that the amount made available for any one programme or project shall not exceed \$10 million in any one financial year.
- 6.10 The High Commissioner may make allocations from the Operational Reserve to other parts of the Annual Budget for the purposes set out in Article 6.7, provided that the amount made available for any one programme or project shall not exceed \$10 million in any one year. An Operational Reserve allocation may be cancelled if sufficient funds are subsequently received in response to a related supplementary appeal (be it by UNHCR, an inter-agency appeal or a Consolidated Appeal), or if the funds, or part thereof, have not been obligated at the end of a given year.
- 6.11 The High Commissioner shall report to the Executive Committee at each annual session, and at each regular session of its Standing Committee, on the use made of the Operational Reserve.

Trust fund, reserve and special accounts

- 6.12 Subject to the provisions of Article 6.13 below, the High Commissioner may establish trust fund, reserve and special accounts for moneys becoming available to him/her for purposes of the Annual Budget and for other purposes that are consistent with the policies, aims and activities of UNHCR.
- 6.13 The purpose and scope of each trust fund shall be defined by agreement between the High Commissioner and the donor. The purpose and limits of each reserve or special account shall be clearly defined by the High Commissioner with the concurrence of the Executive Committee. Such funds and accounts shall be administered in accordance with these financial rules unless otherwise directed by the Executive Committee.

The “New or Additional Activities – Mandate-Related” Reserve

- 6.14 The “New or Additional Activities – Mandate-related” Reserve is established to provide UNHCR with the budgetary capacity to accommodate unbudgeted activities which are consistent with the activities and strategies in the approved Annual Programme Budget and with the Mandate of the Office.
- 6.15 The “New or Additional Activities – Mandate-related” Reserve shall be constituted at \$50 million for each financial year of the Biennial Programme Budget, or at a different level if so decided by the Executive Committee.

Article 7 - APPROVAL OF PROGRAMMES AND PROJECTS

- 7.1 The High Commissioner shall submit biennially to the Executive Committee for approval his/her Biennial Programme Budget, which shall include estimates of the cost of programmes and projects under the four pillars, including the Reserves.
- 7.2 The High Commissioner may submit to the Executive Committee for approval a revised Biennial Programme Budget.
- 7.3 The approval by the Executive Committee of the Biennial Programme Budget constitutes an authorization to the High Commissioner to incur obligations and make payments up to the amounts approved, subject to the provisions of Article 8.2 below.
- 7.4 The High Commissioner may effect transfers and such adjustments between appropriations within each year of the Biennial Programme Budget as may be required by changes affecting the programmes and projects for which they were planned, provided that the Executive Committee is informed of such adjustments and transfers at its next session.
- 7.5 The High Commissioner may, in the case of new needs that cannot be met fully from the Operational Reserve, approve supplementary budgets under the Biennial Programme Budget and issue special appeals under any pillar, with such adjustments being reported to each subsequent meeting of the Standing Committee for consideration.

- 7.6 The approved level of the Annual Budget in a given year may be allowed to increase by up to 2 per cent if, in accordance with the provisions of Article 6.6 (g), the Working Capital and Guarantee Fund was used to compensate for budgetary increases under the Headquarters component of the Annual Budget that resulted directly from exchange rate fluctuations; in such a case, the subsequent adjustment of the Biennial Programme Budget level and related accounting adjustments would be effected at the end of the relevant financial year.

Article 8 - IMPLEMENTATION OF PROGRAMMES AND PROJECTS

- 8.1 The High Commissioner may obligate the necessary funds for the implementation of programmes and projects in accordance with:
- (a) the terms of the approval given by the Executive Committee for the Annual Budget; or
 - (b) the terms and conditions of the supplementary budgets; or
 - (c) the conditions governing other funds and accounts.
- 8.2 The High Commissioner may incur obligations for the implementation of programmes and projects to the extent that moneys and governmental pledges are available in the appropriate fund or account. The High Commissioner may also, pending the receipt of the contributions, enter into obligations up to one-half of the total amount of firm pledges from organizations of established repute. Furthermore, the High Commissioner may enter into obligations under the current year of the Biennial Programme Budget including the Reserves, up to the amount funded from the Working Capital and Guarantee Fund as provided for in Articles 6.6 (f) and 6.6 (g). This authority is subject to the following conditions:
- (a) at the end of each year, all obligations of UNHCR shall be covered by the total of:
 - (i) moneys available,
 - (ii) governmental pledges,
 - (iii) firm pledges made by organizations of established repute and guaranteed by the Working Capital and Guarantee Fund, provided that a memorandum record shall be kept of such pledges, and
 - (iv) funds drawn from the Working Capital and Guarantee Fund as provided for in Articles 6.6 (f) and 6.6 (g);
 - (b) at any given time the total amount of moneys available in all UNHCR funds and accounts excluding trust fund accounts shall be sufficient to meet the total payments due at that time.

- 8.3 Whenever possible and appropriate the implementation of programmes and projects will be entrusted to implementing agencies, e.g. governmental, intergovernmental or non-governmental bodies, private firms or individual experts.
- 8.4 Programmes and projects will be implemented in accordance with the terms of:
- (a) an agreement or a formal exchange of letters between UNHCR and the implementing agency or agencies, to be concluded before implementation starts; or
 - (b) a Letter of Instruction to the responsible officer(s) or organizational unit(s) of UNHCR and any sub-agreements thereto; or
 - (c) an agreement between UNHCR and a government or United Nations agency for payment of a grant by UNHCR to that party. The terms and conditions of grant agreements shall be in accordance with the related framework to be approved by the Executive Committee.
- 8.5 Each agreement, sub-agreement or exchange of letters referred to in Article 8.4 (a) and (b) shall:
- (a) define the purpose and objectives of the programme **or** project and the means of achieving them;
 - (b) specify the conditions which are to govern the financing and implementation of the programme or project;
 - (c) specify the amount of moneys to be made available by the High Commissioner, the currency in which it will be paid and, when applicable, the purposes for which it is to be used;
 - (d) specify the termination date of the programme or project;
 - (e) prescribe the form of the financial statements to be submitted at least annually to the High Commissioner, and the dates on which they shall be submitted;
 - (f) provide that the High Commissioner may arrange for such inspections and examinations as he/she deems necessary to ensure the proper implementation of the programme or project;
 - (g) provide that expenditure made by the agency under the agreement may be audited on behalf of the High Commissioner in accordance with Article 12 of these rules;
 - (h) prescribe the submission of audit certificates by the agency;
 - (i) prescribe arbitration as the means for settlement of disputes;
 - (j) recognize the privileges and immunities enjoyed by UNHCR.
- 8.6 The High Commissioner will not accept liability for compensation for death, disability or other hazards which may be suffered by employees of the agencies or third parties as a result of their connection with the work financed by UNHCR.

- 8.7 When-programmes and projects are to be implemented a formal Letter of Instruction to the responsible officer(s) or organizational unit(s) shall be issued before implementation starts.
- 8.8 Letters of Instruction shall define the purpose, objectives, duration and modalities of implementation of the programmes and projects and the maximum amount to be expended. If any part of the programmes and projects covered by a Letter of Instruction is to be implemented by an implementing agency or agencies, sub-agreements will be concluded in accordance with Articles 8.4 and 8.5(a) - (j) above.

Article 9 - INVESTMENT OF FUNDS

- 9.1 The Controller may make short-term investments of moneys not immediately required in accordance with the investment policies of the United Nations and in consultation with the Secretary-General where practical. A report on the investment shall be submitted to the Secretary-General at least once a year.
- 9.2 The Controller shall report annually on such investments to the Executive Committee.
- 9.3 Income from investments shall be credited to the Annual Programme Fund, except for the replenishment of the Working Capital and Guarantee Fund as provided in Article 6.5 above, and unless otherwise directed by the Executive Committee.

Article 10 - INTERNAL CONTROL

- 10.1 The Controller is responsible to the High Commissioner for establishing internal controls to ensure:
- (a) the regularity of receipt, custody and disposal of all assets entrusted to him/her;
 - (b) the conformity of obligations and expenditures with the directives of the Executive Committee or, as appropriate, with the purpose and conditions of the funds or accounts referred to under Article 6 above.

Control of expenditures

- 10.2 Before any expenditure is actually incurred, every obligation or proposal for incurring expenditure shall require certification by an officer designated for the purpose, provided that the Controller shall have the authority to certify obligations and expenditures under all accounts.

10.3 Certifying officers shall be designated by the Controller and shall be responsible for the specific accounts assigned to them. Alternates may be designated by the Controller to act in the absence of the certifying officers. Certifying officers shall be responsible for ensuring that the proposed obligation or expenditure:

(a) is in accordance with the existing regulations, rules and instructions;

(b) conforms to the terms of the relevant authorizations from the Executive Committee or to the purpose and conditions of the relevant fund or account.

The authority granted and responsibility assigned to such officers is a personal one and cannot be delegated.

10.4 Commitments against the approved Annual Budget for the following year may be made when they are necessary and in the interest of UNHCR. A memorandum record of all such commitments shall be maintained.

Ex-gratia payments

10.5 The Controller may personally approve ex-gratia payments where, although no legal liability on UNHCR exists, the moral obligation is, in his/her opinion, such as to make payment desirable in the interest of UNHCR. Ex-gratia payments to staff members of UNHCR or another agency of the United Nations system as well as ex-gratia payments in excess of \$5,000 shall require the personal approval of the High Commissioner. A statement of any ex-gratia payments made shall be submitted to the United Nations Board of Auditors and to the Executive Committee with the annual accounts.

Writing-off of losses

10.6 (a) The Controller may, after full investigation in each case, authorize the writing off of losses of cash and the book value of accounts receivable and notes receivable, including conversion of loans into grants, except that the writing-off of amounts in excess of \$10,000 shall require the approval of the High Commissioner. A statement of all amounts written off shall be submitted to the Board of Auditors with the annual accounts;

(b) The investigation shall in each case indicate the responsibility, if any, attaching to any official of UNHCR for the loss. Such official may be required to reimburse the loss either partially or in full.

10.7 (a) The Controller may, after full investigation in each case, authorize the writing-off of losses of UNHCR property or such other adjustment of the records as will bring the balance shown by the records into conformity with the actual quantities;

(b) The investigation shall in each case indicate the responsibility, if any, attaching to any official of UNHCR or others for the loss. Final determination as to all surcharges to be made against officials of UNHCR or others as the result of losses will be made by the Controller.

Management of equipment and supplies

- 10.8 An Assets Management Board shall be established at UNHCR Headquarters to advise the High Commissioner on questions arising from the management of equipment and supplies purchased out of UNHCR voluntary funds, and the ownership of which is vested in UNHCR. The High Commissioner is authorized to establish Assets Management Boards at the regional and the local level. The High Commissioner will issue rules and procedures of the Boards defining in particular the composition, the authority and the responsibility of the Boards.
- 10.9 Subject to the provisions contained in Article 1.3 above, the Boards will advise the High Commissioner and Representatives, respectively, on the steps to be taken to ensure that:
- (a) such equipment and supplies are the subject of up-to-date and detailed records;
 - (b) they are utilized for the purpose for which they were purchased and in accordance with the terms of the pertinent implementing instrument;
 - (c) at the time of disposal (through sale, gift, exchange or destruction) of such property which has become surplus to operating requirements, the interests of UNHCR are fully protected.

Contracts and purchases

10.10 The High Commissioner will establish a Committee on Contracts at UNHCR Headquarters. The High Commissioner is authorized to establish Committees on Contracts at the regional and the local level. The Committees will review the award of contracts by UNHCR and involving major financial amounts. Rules and procedures of the Committees defining in particular the composition, the authority and the responsibility of the Committees will be issued by the High Commissioner.

Article 11 - ACCOUNTS

- 11.1 The High Commissioner shall submit annual accounts which will include:
- (a) A Balance Sheet showing separately:
 - (i) cash and term deposits,
 - (ii) accounts receivable and other assets,
 - (iii) liabilities,
 - (iv) reserves and fund balances,
 - (v) the surplus and balances resulting from the year's operations;
 - (b) A statement of Income and Expenditure showing under the current and prior year's programmes and projects and the various funds and accounts:
 - (i) contributions and other income received during the year,

- (ii) prior years' adjustments made,
 - (iii) expenditures incurred,
 - (iv) the surplus and balances resulting from the year's operations;
 - (c) A Status of Obligations showing the liquidation of all obligations under the current and prior year's programmes and projects and the various funds and accounts;
 - (d) Supporting schedules showing:
 - (i) in respect of governmental contributions, the contributions paid and pledged by each Government and intergovernmental institution, and the fund to which they have been credited,
 - (ii) in respect of non-governmental and private contributions, the fund to which they have been credited,
 - (iii) other pertinent accounts data as considered useful or necessary by the High Commissioner.
- 11.2 The schedule in respect of loan operations shall be shown on an annual and cumulative basis, and shall report on the loan transactions without distinction as to the programme or fund from which the loan was granted.
- 11.3 The accounts of all voluntary funds shall be maintained in United States dollars, provided that the accounts of field offices may be maintained in the national currency of the country concerned.
- 11.4 The High Commissioner shall submit annual accounts certified by the Controller and approved by himself/herself to:
- (a) the United Nations Board of Auditors within three months after the close of each financial year; and
 - (b) the Executive Committee at its next session. He/she shall also submit to the Executive Committee the audit certificate, the report of the Board of Auditors and the report of the Advisory Committee on Administrative and Budgetary Questions thereon.

Article 12 - AUDIT

- 12.1 All financial transactions and related activities covered by these rules shall be subject to audit by the UNHCR Audit Section of the Office of Internal Oversight Services, by the United Nations Board of Auditors. Additional external auditors will be engaged by UNHCR to audit the accounts of implementing partners.

Article 13 - GENERAL PROVISIONS

- 13.1 Every official of UNHCR is responsible to the High Commissioner for the regularity of the actions taken by him/her in the course of his/her official duties. Any official who takes any action contrary to these rules, or to the administrative instructions issued in connection therewith, may be held personally and financially liable for the consequences of his/her action.
 - 13.2 In the High Commissioner's absence, the Deputy High Commissioner is in charge of the Office of UNHCR and disposes of all powers vested in the High Commissioner by these rules. Similarly, in the absence of a UNHCR officer in whom powers have been vested by these rules, these powers will be exercised by his/her deputy or the officer-in-charge of the organizational unit concerned. The High Commissioner will issue rules and procedures defining the delegation of authority and responsibility in UNHCR.
 - 13.3 Where no specific provision is made in these rules, the Financial Regulations of the United Nations shall apply.
 - 13.4 These rules supersede all previous rules relating to the High Commissioner's voluntary funds.
-