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# United States Senate

WASHINGTON, DC 20510-3604

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June 12, 2007

The Honorable Alicia Barcena  
United Nations Under Secretary General for Management  
Room S-3800, United Nations Plaza  
First Avenue at 46th Street  
New York, NY 10017

Dear Under Secretary General Alicia Barcena:

As pointed out in your June 9<sup>th</sup>, 2007 letter to the Washington Times, the United Nations Capital Master Plan is referred to by some as a proposal rather than a project. After seven years of the U.N. not having a design plan while spending \$160 million on activities billed as “design and preconstruction planning,” the distinction between “proposal” and “project” should be the least of our worries.

The Capital Master Plan has been a challenge from the beginning. First, there is the difficult task of addressing maintenance and modernization issues after almost sixty years of neglect. Successful organizations and businesses budget and plan for regular upkeep and renovations, but unfortunately, the United Nations is only just now attempting to repair life-threatening conditions that have been accumulating due to managerial neglect for decades.

Second, renovations are a series of procurements, and we know the serious crisis within the U.N. procurement system of fraud, kick-back schemes, and other corruption. There have been several U.N. officials convicted in U.S. courts for their complicity in these illicit activities. One of those convicted happens to be the procurement official who awarded the original design contract for the Capital Mater Plan. This might explain why, according to construction experts in New York City, the contract award was higher than it should have been—especially when paid to a firm with no proven track record and with very little to show for how it spent the money.

This rocky start has quite naturally led many in the U.S. to request more openness and honesty from the U.N. regarding the renovations. The demand for GAO involvement was done at the request of the Congress, not, as your letter implied, due to some voluntary transparency on the part of the U.N.

Your letter to the editor incorrectly describes the level of GAO involvement in overseeing the renovations. GAO has *not* conducted an audit of the Capital Master Plan but has merely reviewed the at times paltry amount of documentation it has been provided by your

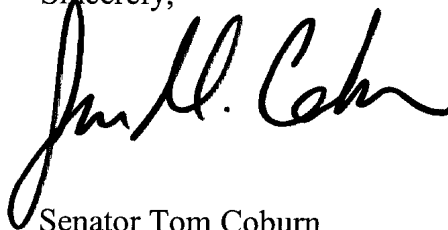
office. When conducting our own investigation, we obtained the documentation that GAO had and it did not include the itemized budgeting information that would be necessary to make determinations about the total amount of the loan needed from the U.S. taxpayers. While the U.N. Office of Internal Oversight Services (O.I.O.S.) may have conducted a handful of audits, the work done by this office remains secret. A secret, internal "audit" can hardly be classified as transparency, accountability or independent auditing. Even so, the "audits" from O.I.O.S. employ methods many call into question. According to GAO, the O.I.O.S. falls short of international auditing standards, does not assess risk and control issues, does not have adequate resources, and does not have systematic procedures for ensuring the reliability of data used for its audits.

Regarding the Capital Master Plan website, I applaud the U.N. for taking a small step towards transparency, a commitment that had to be requested at our hearings in 2005 and 2006, not independently offered by the U.N. Unfortunately, the site does not provide the information necessary for true accountability. Contract documents and progress reports are not posted, and there is no way that anyone outside of the U.N. can know how money is really being spent and whether we are getting the best results for our investment.

As a sign of good faith that the U.N. is as aware of the importance of transparency as you say it is, I urge you to promote legitimate transparency by not only publicly releasing internal U.N. audits of the Capital Master Plan but to publicly release audits and program reviews throughout the entire U.N. system. This would be a more meaningful step towards the level of transparency and accountability desperately needed at the United Nations.

I look forward to working with you in the future to safeguard the investments in the U.N. system made by taxpayers all over the world.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Coburn". The signature is fluid and cursive, with a large initial "T" and "C".

Senator Tom Coburn  
Senate Subcommittee on Federal Financial  
Management, Government Information, and  
International Security