Policy on Stewardship of Heritage Property

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I.  **Purpose and objective**

1.  This policy document establishes stewardship of heritage property with a focus on the requirements for the recording and physical verification of heritage property of the United Nations that is of a tangible nature.

II.  **Definition and characteristics**

2.  Heritage property is defined as property that is of historical or natural significance, cultural, educational, artistic or aesthetic importance, and/or of unique and significant inherent architectural design, integrity or characteristics.

3.  Heritage property is characterized by its irreplaceability, uniqueness, legal and/or statutory obligations that may impose prohibitions or severe restrictions on its disposal. Other characteristics associated with heritage property include a high degree of difficulty to estimate its useful life, an unlikely ability to fully reflect the property’s heritage value as a financial value based purely on a market price, and a general expectation for the property’s indefinite preservation for the benefit of present and future generations.

4.  Examples of heritage property include historical buildings and archaeological sites, sculptures, decorative arts, paintings and tapestry of cultural significance, and books, maps and collections of educational or artistic significance.

III.  **Heritage property of the United Nations**

5.  Heritage property of the United Nations is primarily acquired with its heritage designation through donations by Member States for display or exhibition within United Nations premises and for cultural, educational, informational or decorative purposes.

6.  In some cases, an existing property originally acquired by the Organization in support of its operational activities may be designated as a heritage property following an event of recognized heritage importance.

7.  The Organization may therefore have heritage property that solely fulfils its heritage characteristics and heritage property that, beyond its heritage characteristics, is also utilized to support the operations of the Organization. This may be in the case of a building, that besides its designation as a heritage property, also provides functional office space to United Nations personnel. In the same manner, an office desk that is designated as a heritage property may be used by the Organization to facilitate administrative tasks performed by United Nations personnel.

8.  Irrespective of whether the heritage property solely fulfils its heritage characteristics or is also utilized to support the operations of the Organization, the heritage property is required to be recorded as a heritage property. In cases where the heritage property is utilized to support the operations of the Organization, the heritage property is still required to be recorded as heritage
property, in addition to be recorded as property of the Organization in accordance with ST/AI/2015/4 entitled “Management of property” 4 June 2015.¹

IV. Recording and physical verification requirements for heritage property

9. All heritage property of the Organization, irrespective of being displayed or exhibited for cultural, educational, informational or decorative purposes or used in operations to support the activities of the Organization, once entrusted to the Organization, are required to be recorded in the system of record, and subject to physical verification, safeguarding and safekeeping for the duration of the custodianship period.

10. The recording of heritage property requires that data details such as description, name of the donor, date of the donation, name of the artist, physical location, amongst other data details are collected and maintained to support adequate internal controls over heritage property. Data details required in the system of record for each heritage property are:

   a) Unique identification number in the form of a barcode label that enables identification of the heritage property both physically and electronically;
   b) Detailed description of the heritage property, including the title, type, size, colour, and any other key details to accurately describe and differentiate the heritage property from other similar heritage property;
   c) Classification that indicates the high-level description of the heritage property under one of the following categories:
      i. Real estate and monuments;
      ii. Works of art;
      iii. Books and maps; and
      iv. Other heritage items.
   d) Date of the donation of the heritage property or the date when the heritage property was designated as a heritage property;
   e) Details of the donor, such as Member State country, name of person or other;
   f) Details of the physical location of the heritage property within the premises of the Organization;
   g) Status of the heritage property to indicate whether the property is on display, in storage, at the premises of the donor, or is utilized in support of operations; and
   h) Date of the most current physical verification of the heritage property.

11. In addition to the required information identified above, any other relevant data and documentation of the heritage item, such as photographic images of the heritage property, records of the heritage property’s historical significance, and records of the terms, conditions, restrictions and/or prohibitions under which the heritage property is held shall be recorded in the system of record to enhance the control and management of the heritage property and to facilitate physical verification processes.

¹ Whereas the delegation of authority referenced in ST/AI/2015/4 has been superseded, the terms and definitions for property in the ST/AI continue to be valid.
12. Heritage property is required to be physically verified at least once per year, and as often as deemed necessary for the effective control and management of heritage property. The physical verification is meant to confirm the existence of the heritage property and to verify that the data details as recorded in the system of records are accurate. The results of the physical verification process, along with any discrepancies identified between the data of the physical verification and the data of the system of record are required to be recorded and reconciled in a timely manner.\(^2\) All documentation as part of the physical verification process is required to be retained in the system of record for review and proof that the physical verification was performed as mandated.

V. Responsibility to preserve and restore heritage property

13. The preservation and restoration of heritage property is mainly the responsibility of the donor of the heritage property, including the management of logistics, transportation and coordination of activities with the artist or restoration specialists due to financial restrictions and liabilities of the Organization as per United Nations Financial Regulation 3.12 and Rule 103.4(b). In the event that preservation or restoration of a heritage property is managed by the Organization, an agreement between the donor and the Organization is required that details the specific responsibilities of the Organization.

14. It is the responsibility of the Organization to report any deterioration of the condition of the heritage property that may be noticed during the physical verification process or other control mechanisms put in place for the safekeeping or safeguarding of the property.

VI. Damage beyond restoration

15. Heritage property is generally expected to be held indefinitely for the benefit of present and future generations and therefore it is unlikely for the Organization to undergo a process that involves the removal of heritage property from the system of record of the Organization. However, in the event that a heritage property from a donor is damaged beyond restoration and is required to be returned to the donor, then such return processes shall be executed in consultation with the Office of Legal Affairs and the Under-Secretary-General of the Department of Management Strategy, Policy and Compliance.

VII. Reporting of United Nations heritage property

16. The Organization’s portfolio of heritage property is not recognized as part of Property, Plant and Equipment in the financial statements of the Organization. However, any significant transactions related to heritage property are required to be disclosed in the notes to the financial statements, including any acquisitions or new designations of heritage property and returns of heritage property to the donor. In addition to the reporting of significant transactions, a high-level description of holdings of heritage property is required to be presented in the notes to the annual financial statements.

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\(^2\) For guidance on the physical verification process, reference should be made to document entitled ‘Guidance on Physical Verification of Property’.
17. All documentation of exchanges between the Organization and donor, as well as actions taken for the control and management of heritage property, including physical verification, should be readily available and retrievable for review upon request by various bodies, including Finance, Global Asset Management Policy Service, and the Board of Auditors.

VIII. Supporting Tools

18. The Umoja Job Aid ‘Heritage Property Record Creation’ provides step-by-step Umoja guidance for the creation and maintenance of heritage property records, including how to link a heritage property record with an equipment record or asset record when a heritage property is used in operations.

19. The Umoja Job Aid ‘Physical Verification Process’ provides step-by-step guidance for the physical verification activities including generating a list of heritage property subject to physical verification, identifying and recording data discrepancies, and uploading physical verification results to the system of record.