



Office of Internal Audit and Investigations (OIAI)

Item 11: Office of Internal Audit and Investigations 2019 annual report

Reference documents: [E/ICEF/2020/AB/L.3](#) and [E/ICEF/2020/AB/L.3/Add.1](#)

Stephen Zimmermann, Director, OIAI



- Key component of the oversight framework
- Provide independent and objective audit and advisory services
- Conduct investigations in respect of allegations of misconduct and fraud
- OIAI Charter will be revised in 2021

OFFICE OF INTERNAL AUDIT AND INVESTIGATIONS

AUDIT COVERAGE AND OUTCOMES



- 28 audit reports (20 CO and 8 thematic), one Joint UN audit and two advisory reports
- Country offices audited constituted 36% of UNICEF's 2019 planned programme expenditures

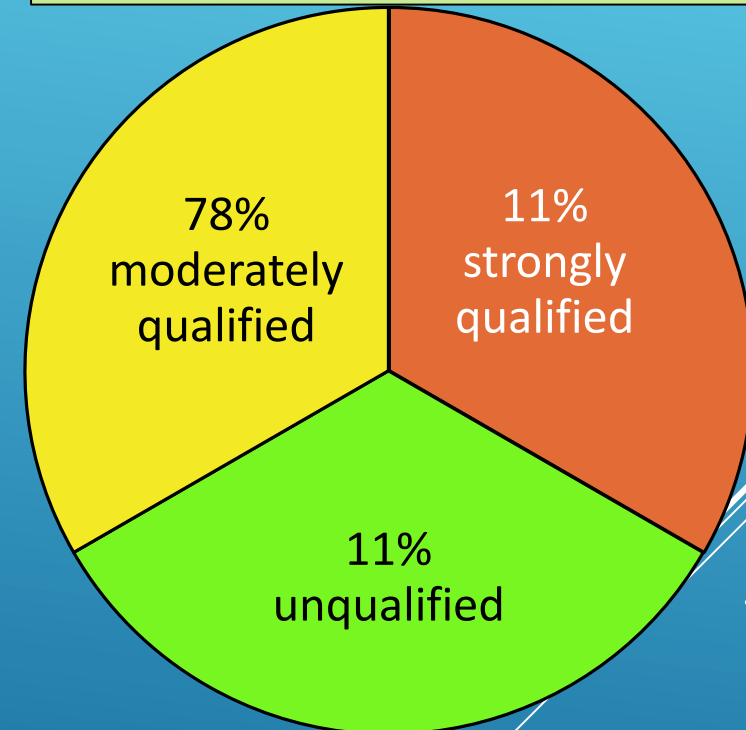


- 16% 'high-priority' agreed actions



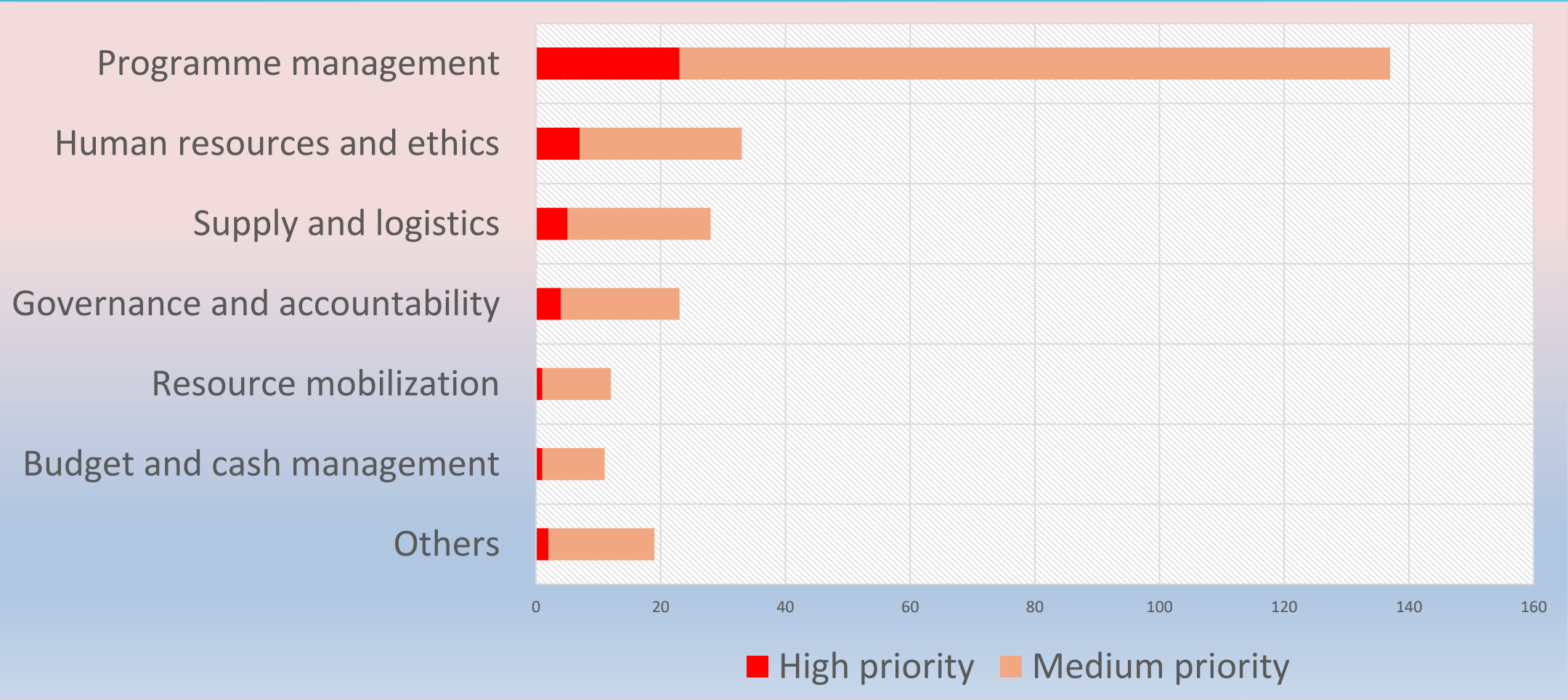
- ZERO agreed actions older than 18 months
- 83% of 2018 agreed actions implemented

2019 Audit Report Conclusions



None of the reports received an 'Adverse' conclusion

FOCUS OF COUNTRY OFFICE AUDITS' AGREED ACTIONS



THEMATIC AUDITS AND ADVISORY



THEMATIC AUDITS

- IT and Cybersecurity (information security)
- Travel Management (efficiency and economy)
- Private Fundraising Partnerships (Relations with Natcoms)
- Results Reporting by Country Offices (reliability and integrity)
- Joint Audit of UN Delivering as One programme

ADVISORY

- Data Privacy (inventory, governance and awareness)
- Child Safeguarding (framework, workplan and partnerships)

ANNUAL OPINION

In line with Executive Board decision 2015/11, and based on the scope of work undertaken in 2019, the UNICEF framework of governance, risk management and controls ***was generally adequate and effective.***

BASIS FOR OPINION

- ✓ Independent risk-based workplanning and prioritization based on available resources
- ✓ 89% of the audit reports resulted in an overall satisfactory rating
- ✓ Excellent implementation rate of agreed actions
- ✓ Non-discovery of material deficiencies in the overall organization framework of governance, risk management and control.

OVERVIEW OF INVESTIGATIONS

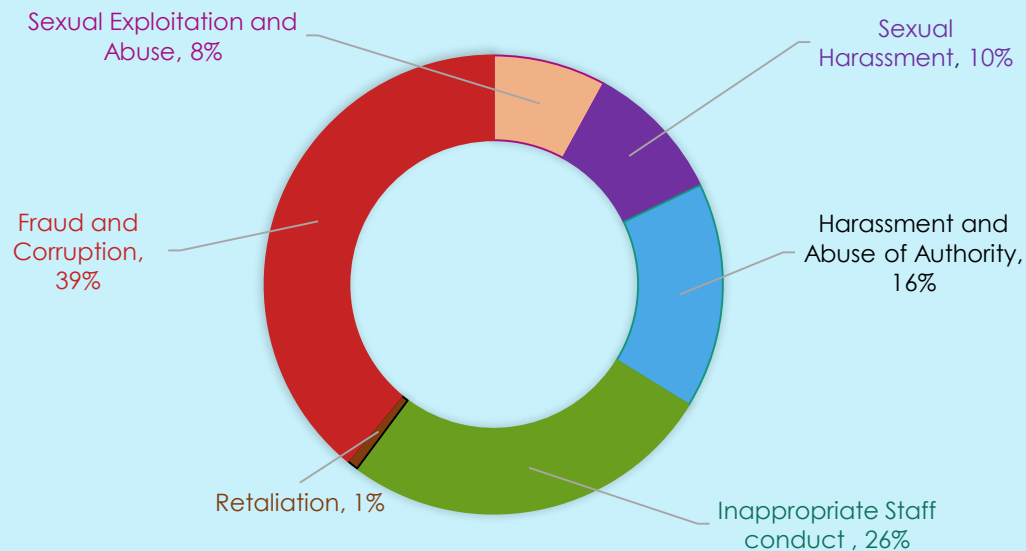
498 investigations cases managed in 2019, representing a 120 per cent increase compared to 2018

NEW CASES in 2019

364 allegations received in 2019

104% increase over 2018, and 400% increase over 2017 and 2016

DISTRIBUTION OF 2019 CASE INTAKE

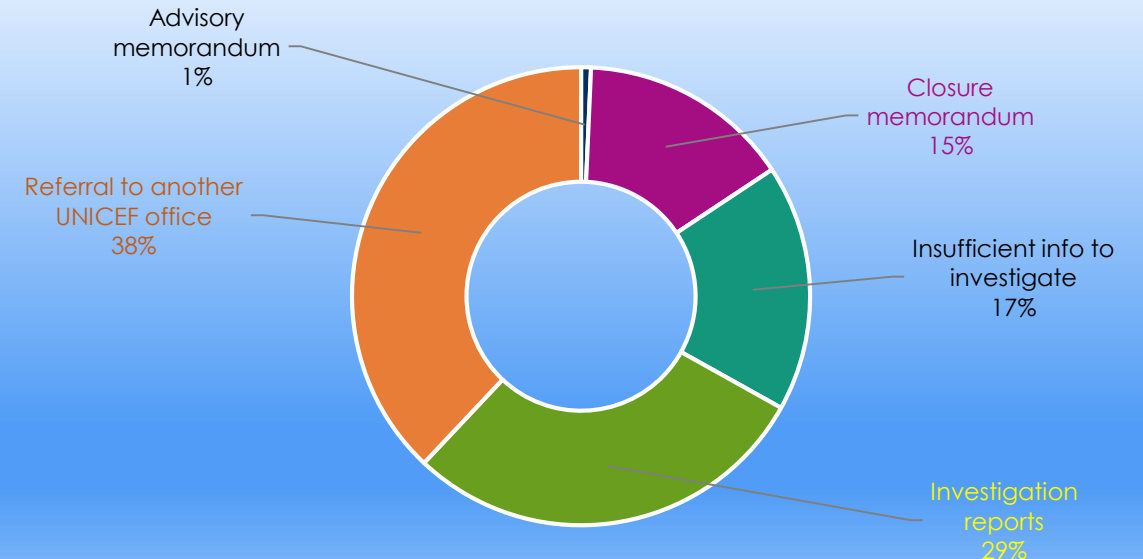


CASES CLOSED in 2019

287 cases closed (93 in 2018); with 209% increase in output

75% cases closed within 9 months

DISPOSITION OF CLOSED CASES



QUALITY AND STANDARDS

Professional Standards

- ✓ International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors
- ✓ Uniform Principles and Guidelines for Investigations
- ✓ Due-process principles stipulated in chapter X of the United Nations Staff Regulations and Rules



Internal assessments



Client feedback



Key performance indicators



External Quality Assessment (IIA)

Quality Assurance and Improvement Programme (QAIP)

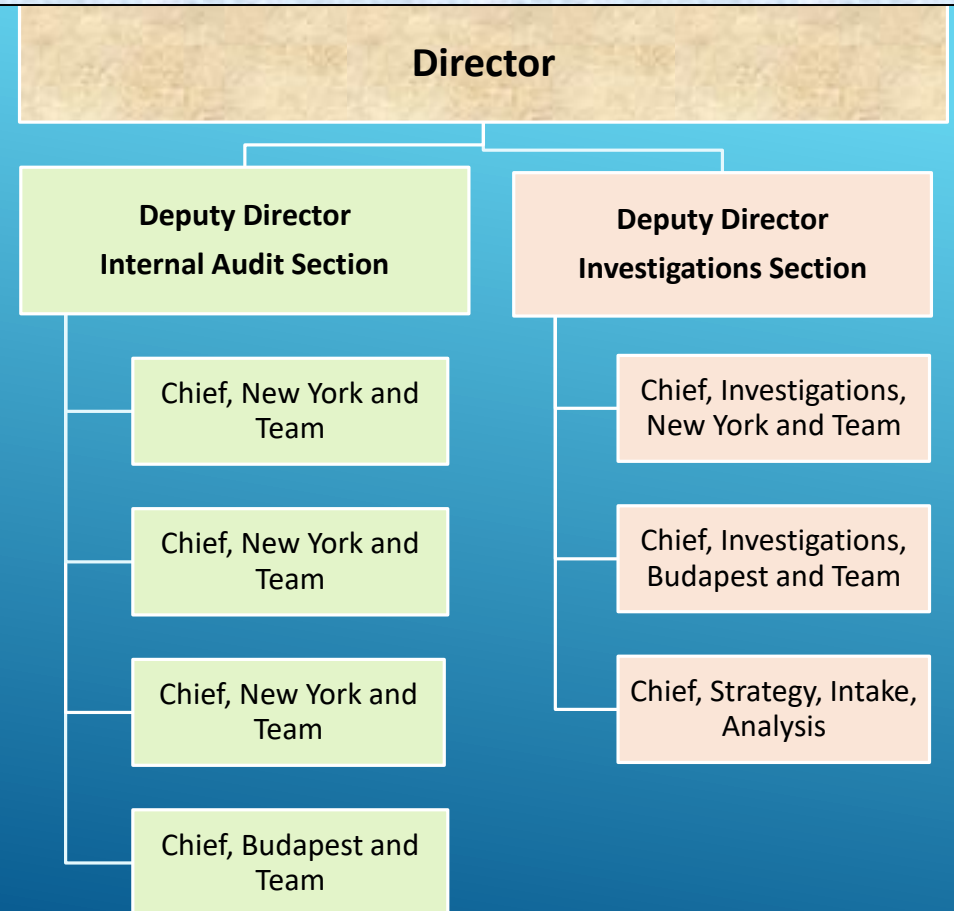
OIAI received the top rating of “general conformance” with the International Standards for the Professional Practice of Internal Auditing and with the Institute of Internal Auditors’ Code of Ethics.

RESOURCES

HIGHLIGHTS

- ✓ Approved resources effectively deployed in 2019
- ✓ 49 approved posts in December 2019 (41 in 2018)
- ✓ Decentralization
- ✓ Implemented most approved staffing changes for Investigations Section
- ✓ Restructuring of Internal Audit staff and strategy but no growth in over a decade
- ✓ OIAI will submit resource plan to Board for 2021+

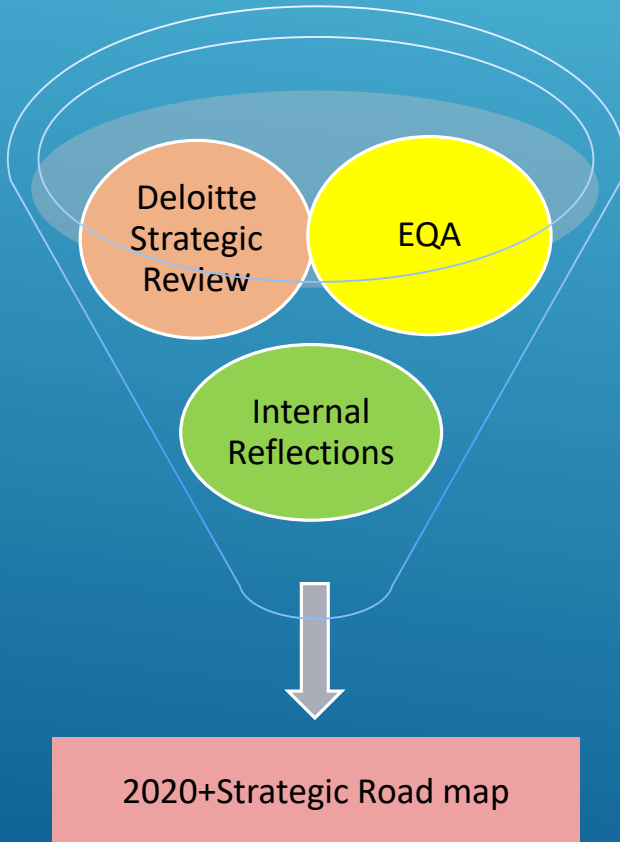
OIAI Organigram for 2021





STRATEGIC ROAD MAP

CATALYST FOR CHANGE AND TRUSTED ADVISOR



- Response to COVID-19
 - Revised workplan with increased focus on emerging risks, and demand for advisory services and peer reviews
 - Remote Auditing
- Reorganize and decentralize Internal Audit, and seek increase in staffing to levels recommended by external review
- Ramp up use of technology and data analytics
- Emphasis on continuous risk planning, considering emerging risks
- Proactive investigations and increased focus on fraud risk

Thank you.