

Report on the Internal Audit of
TRAVEL MANAGEMENT

UNICEF OFFICE OF INTERNAL AUDIT AND INVESTIGATIONS

MARCH 2026

Report 2026/09

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EXECUTIVE SUMMARY

The Office of Internal Audit and Investigations (OIAI) conducted an audit of travel management, covering the period from January to December 2024. The audit was conducted from April to July 2025 in conformance with the Institute of Internal Auditors' Global Internal Audit Standards. The objective of the audit of travel management was to assess the adequacy and effectiveness of the governance, risk management and control processes related to the following risk areas: policy framework; governance structure; oversight and monitoring; controls, including information technology (IT) controls; and vendor management and value for money. The specific risks evaluated are set out in the Audit Objectives, Scope and Approach section of this report.

UNICEF has more than 17,000 employees and operates across over 190 countries and territories, with an important mandate to protect the rights of every child, no matter who they are or where they live. As a global organization, travel is fundamental to UNICEF in achieving its objectives and planned results in support of its mandate. Staff, consultants and implementing partners travel on behalf of UNICEF. There are several categories of travel, each with its own requirements and business owner. The categories include staff duty travel (Division of Financial and Administrative Management [DFAM]), implementing partner travel (Division of Data, Analytics, Planning and Monitoring [DAPM]), and entitlement travel¹ and stretch assignments (Division of People and Culture [DPC]) and consultants (DFAM). The two main reasons why UNICEF staff members travel are duty travel and entitlement travel. In 2024, approximately 169,000 trips were completed in support of UNICEF's work. The organization spent approximately US\$392 million on travel, of which US\$186 million was for duty and entitlement travel taken by staff, approximately US\$187 million for travel undertaken by implementing partners, and nearly US\$19 million for various travel managed through the procurement process, which includes travel costs for consultants and other non-staff.² In the 18 months preceding this audit, various strengthening measures have been implemented at UNICEF to enhance control over travel processes and improve efforts to keep systems, tools, processes and policies relevant and suitable for their intended purposes. Amongst these efforts was the DFAM's launch of the e-Travel application to streamline the travel administration process.

During the planning phase of this audit, the audit team identified several risks related to the management of travel within UNICEF, including a complex and at the same time fragmented policy framework and governance structure; incomplete information for decision-making and reporting; weaknesses in oversight, monitoring and risk management; insufficient controls, including IT travel controls; and inadequate due diligence concerning travel vendor management and value for money. Thus, the audit sought to determine whether and how UNICEF has managed those risks.

¹ United Nations Staff Regulations and Staff Rules, Rule 4.5.(a): "Depending on their type of appointment, the allowances and benefits available to internationally recruited staff members, may include: payment of travel expenses upon initial appointment."

² Non-staff who travel on behalf of UNICEF include consultants, individual contractors and institutional contractors, implementing partners (government officials, non-governmental organizations and other organizations), Goodwill Ambassadors and UNICEF Executive Board members.

Overall Conclusion

Based on the audit work performed, OIAI concluded that the assessed governance, risk management, or control processes were partially satisfactory, major improvement needed, meaning that the weaknesses or deficiencies identified could have a materially negative impact on the performance of the audited entity, area, activity or process. (See the Appendix for [definitions of the conclusion ratings.](#))

	Satisfactory
	<i>Partially Satisfactory, Improvement Needed</i>
	<i>Partially Satisfactory, Major Improvement Needed</i>
	Unsatisfactory

Summary of Observations and Agreed Actions

OIAI noted the following practices that were innovative or exceeded expected levels of control:

- **Roll out of the e-Travel application:** The Division of Financial and Administrative Management (DFAM) launched the e-Travel application in July 2024 to streamline the travel administration process. Disaggregated travel data is available to enhance visibility, improve reporting and inform decision-making across UNICEF.
- **Roll out of the lump sum airfare database:** DFAM rolled out the lump sum airfare (AIRINC) database in December 2024 to provide lump sum airfare quotes to improve transparency and speed up the administrative process for travel. The database provides eligible staff members with advanced knowledge of the lump sum quote, enabling them to choose the most suitable option.
- **Unused tickets:** In late 2024, the comptroller changed the purchase of all New York Headquarters tickets to refundable, reducing UNICEF's spending on costly change and cancellation fees. During the fieldwork for this audit, DFAM's Travel Unit and the Global Shared Services Centre (GSSC) worked in unison with the travel management company to raise travellers' awareness of available tickets. As a result, some tickets were reused or reissued.

The audit team also made several [observations](#) related to the management of the key risks evaluated. In particular, OIAI noted:

- **Governance structure:** UNICEF's governance structure for managing travel included duplicate and overlapping efforts and gaps, particularly regarding accountabilities for monitoring and oversight of travel. These weaknesses impede UNICEF's ability to manage and improve travel effectively, thereby hindering effective management, cost control and oversight of travel across UNICEF's global operations.

- **Policy framework:** There are duplications, gaps and inconsistencies in the 13 key documents that UNICEF uses to manage travel, underscoring the need to assess them to ensure the procedures are relevant and current, and that they support UNICEF's business and strategic objectives. Despite a recent renewed effort, as per UNICEF's Regulatory Framework, to ensure these documents are reviewed and updated, none of the target dates for review were met for 12 of 13 UNICEF's key travel-related procedures and guidance notes.
- **Risk management:** UNICEF does not specifically assess the risk of fraud associated with travel. Where travel-related control weaknesses are identified through risk assessment, they are not effectively used to manage risk across the organization. The risk registers prepared by key stakeholder divisions and offices do not include travel-related fraud risks. Travel-related risks are not adequately assessed or managed, despite UNICEF having a complex and confusing policy framework as well as inadequate oversight and monitoring and allocating nearly 5 per cent of its total annual spending to travel.
- **Information for decision-making:** The advanced trip balance indicated in UNICEF's travel dashboard did not reconcile with the comparative balance in VISION. The discrepancy resulted from travel agent payments not being included in the calculation. It was corrected during fieldwork. The use of unreliable, incomplete or inaccurate data hinders effective travel management, leaving managers unable to make informed decisions about travel and its costs. These decisions can have significant adverse consequences, particularly in the current period of fiscal restraint.
- **Oversight and monitoring:** UNICEF has insufficient assurance that the funds being spent on travel are correct and for the intended purposes. Most travel transactions in UNICEF are not subject to any secondary review or monitoring. Inadequate oversight and monitoring of travel transactions expose UNICEF to increased risk of travel-related fraud and misuse of resources.
- **Control weaknesses:** Several travel control weaknesses were noted, including inadequate travel planning, unclear budget owner responsibilities in travel procedures and guidance notes, and weak controls for approving head of office travel. Although various strengthening measures have been implemented in the 18 months preceding this audit, including DFAM's launch of the e-Travel application and the provision of training to staff in regional offices on it, inconsistent use of the application persists. While a comprehensive review of travel role assignments was initiated in late 2024, implementation remains uneven across regions, highlighting gaps in oversight and responsiveness to travel risks. These control weaknesses expose UNICEF to an elevated risk of travel-related fraud and misuse of funds.

- **Vendor management and value for money:** Although Headquarters independently assessed value for money from its travel management company and regularly monitored its performance, this was not the case for the more than 300 travel agents used by regional and country offices. This was particularly concerning given that travel from these offices accounted for 91 per cent of all UNICEF travel expenditures. Despite implementing cost-saving initiatives such as advanced trip planning, 50 per cent of travel was not planned, resulting in higher travel costs. Recoveries persist, with US\$1.1 million payable to UNICEF from staff and third-party sources. The decision to purchase refundable tickets for all New York Headquarters air travel provided more flexibility for changing itineraries and reducing cancellation fees.

The table below summarizes the actions management has agreed to take to address the residual risks identified and OIAI’s assessment of the ratings of those risks (see the [definitions of the observation ratings](#) in the Appendix). For all other areas within the audit scope, no deficiencies in the governance, risk management, or control processes evaluated warrant reporting.

RECOMMENDATIONS & AUDIT RATINGS	
Governance structure (Observation 1): The Division of Financial and Administrative Management should, in consultation with all relevant stakeholders, strengthen the governance structure by identifying an enterprise-wide process owner for travel management and clarifying the roles and accountabilities for all relevant stakeholders.	High
Policy framework (Observation 2): The Division of Financial and Administrative Management and the Division of People and Culture, in collaboration with the Regulatory Framework Secretariat, should: Agree on a timeline to identify all obsolete policies, procedures and guidance related to the management of travel and remove them from the regulatory framework; agree on a timeline and mechanisms to timely review, update and revise as necessary all procedures and guidance notes related to the management of travel to rationalize the travel policy framework, including the identification of gaps, inconsistencies and overlapping responsibilities; and review UNICEF’s guidance notes on stretch assignments to ensure appropriate travel-cost controls are included and regular monitoring of associated travel costs is also conducted at a more central level, outside the responsible offices.	High
Risk management (Observation 3): The Division of Financial and Administrative Management, after consultation with the Division of People and Culture, the Division of Data, Analytics, Planning and Monitoring, and the chief risk officer, should raise awareness and assessments of travel-related risks, including fraud, at the enterprise level.	Medium

<p>Information for decision-making (Observation 4): The Division of Financial and Administrative Management should collaborate with the Digital Impact Division³ (DID) to ensure regular monitoring of the accuracy and completeness of information on the travel dashboard, to support improved decision-making.</p>	<p>Medium</p>
<p>Oversight and monitoring (Observation 5): The Division of Financial and Administrative Management, together with the Global Shared Services Centre, should: clarify the points of checks and balances, and procedures to support oversight accountability in the travel procedures; ensure due diligence is conducted on all one-time vendors; and in collaboration with the Division of Data, Analytics, Planning and Monitoring, assess and revise as necessary controls to address the risk of duplicate payments from the processing of payment requests for non-staff travellers through the invoice process. The Global Shared Services Centre should review its monitoring structure to ensure it completes risk-based transaction-level monitoring that adequately covers travel transactions. The Division of People and Culture and the Division of Financial and Administrative Management should coordinate with the Global Shared Services Centre to confirm the adequacy of oversight, and more clearly define accountability and responsibility in the travel procedures under their purview.</p>	<p>High</p>
<p>Control weaknesses (Observation 6): The Division of Financial and Administrative Management, in collaboration with relevant offices, should: clarify the budget owner’s responsibilities in the relevant travel procedures; ensure heads of offices’ travel requests are approved by the relevant approving authority or their delegate to ensure transparency and objectivity (ideally, the proposed workflow should be integrated into the travel module); amend the travel procedures to ensure that security clearance is obtained prior to travel; to the extent possible, develop an interface between the security clearance application and the travel module to automatically display the status of clearances for the budget owner and the travel administrator, making verification easier; develop an interface between the lump sum airfare database and the travel module to ensure automatic use of its quotes; perform periodic reviews of travel expenses to ensure they are correctly recorded; monitor the implementation of additional controls; enforce the travel roles assignment model, including delegation protocols, and exception handling procedures to accommodate unique office structures or workloads; develop and proactively roll out a profile for the travel administrator role, outlining the expected level or stature, relevant background, minimum qualifications, core competencies</p>	<p>Medium</p>

³ Effective 1 January 2026, the Information and Communication Technology Division became the Digital Impact Division. Although the audit fieldwork was completed prior to this name change, for clarity the new name will be used throughout this report.

and detailed responsibilities; ensure that staff assigned the travel administrator role meet the profile; finalize the travel role clean-up and integrate monitoring of the assignment and usage of the travel administrator role into routine internal controls monitoring frameworks.

Vendor management and value for money (Observation 7): The Division of Financial and Administrative Management should: ensure all daily subsistence allowance calculations are performed in the travel module and that any amendments to the travel are made to the original travel authorization to facilitate monitoring and review; oversee that the recovery of payables from travel agent vendors and individual consultants is completed; put in place appropriate systems or source external services to regularly review and provide assurance to UNICEF that airfare quotations provided by the travel agents outside Headquarters are in accordance with UNICEF travel procedures; strengthen knowledge sharing and cost-saving practices with country and regional offices; ensure that the performance of travel agents, both within and outside Headquarters, is assessed.

High

Management is responsible for establishing and maintaining appropriate governance, risk management and control processes and implementing the actions agreed following this audit. The role of OIAI is to provide an independent assessment of those governance, risk management and control processes.

Eva Mavroeidi

Eva Mavroeidi
Deputy Director, Internal Audit
Office of Internal Audit and Investigations

UNICEF has more than 17,000 employees and operates across over 190 countries and territories, with a critical mandate to protect the rights of every child, no matter who they are or where they live. Travel is fundamental to UNICEF in achieving its objectives and planned results in support of its mandate. In 2024, UNICEF spent approximately US\$392 million on travel. Approximately 169,000 trips were completed by UNICEF staff, implementing partners and consultants. Therefore, effective travel management is crucial for UNICEF to ensure efficient, cost-effective travel while maintaining the safety and security of those travelling to deliver on its important work.

Reasons for travel

There are several reasons why UNICEF staff, consultants and implementing partners must travel on behalf of the organization. The two main reasons why UNICEF staff members travel are duty travel and entitlement travel. Duty travel refers to situations in which staff members are required to travel and work on official business outside their designated duty station. Entitlement travel refers to specific types of travel that UNICEF staff members are entitled to under certain conditions. This includes home leave, family visits, education grant, rest and recuperation, appointment, reassignment, repatriation and medical evacuation. There are many modes of transportation available for duty and entitlement travel including, air, trains, automobiles⁴ and waterborne transport.

Consultants and implementing partners⁵ also undertake travel in support of UNICEF's business. Consultants can incur duty travel expenses when their work cannot be performed remotely. For implementing partners, the travel procedures apply to partners from government, non-governmental organizations, civil society organizations or other organizations whose travel is sponsored either directly or indirectly by UNICEF.

Travel expenditures

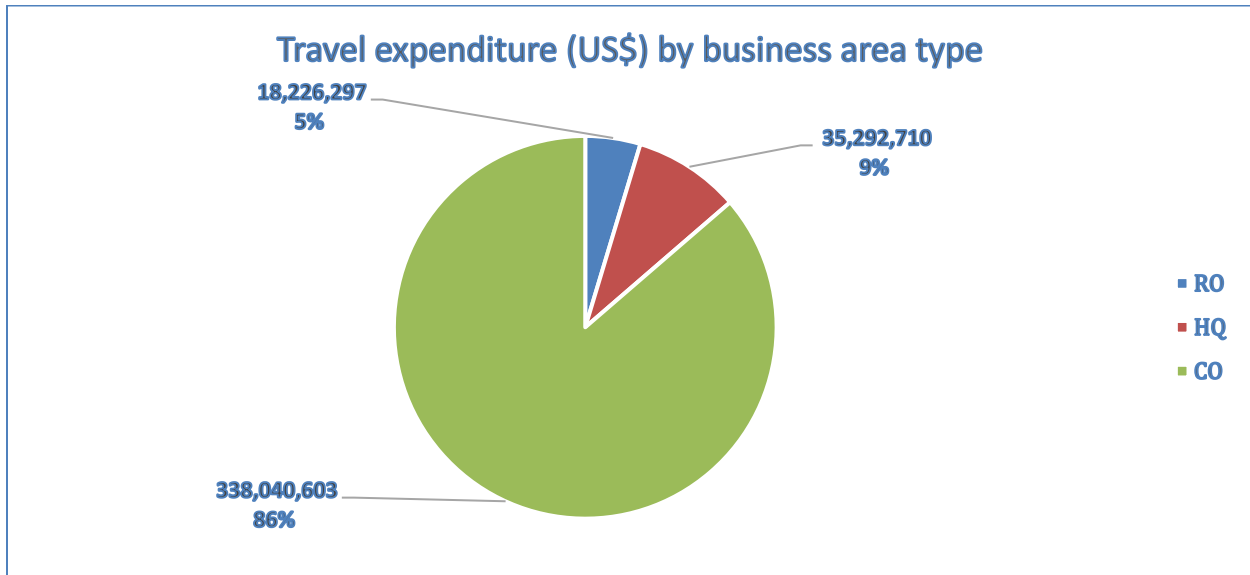
In 2024, UNICEF spent approximately US\$392 million on travel, of which US\$186 million was for duty and entitlement travel taken by staff, and approximately US\$187 million was for travel undertaken by implementing partners. Nearly US\$19 million was for various travel managed through the procurement process, which includes travel costs for consultants and other non-staff.

Most UNICEF travel is initiated at the country office level (Figure 1). In 2024, this amounted to approximately US\$338 million or 86 per cent of all travel. During the same period, Headquarters and regional office travel accounted for almost US\$35 million and US\$18 million, or 9 per cent and 5 per cent, of all travel, respectively.

⁴ UNICEF-owned vehicle or privately-owned automobile

⁵ An implementing partner is defined as an entity to which UNICEF has entrusted the implementation of a programme specified in a signed partnership document. This includes the assumption of responsibility and accountability for the effective use of resources and the delivery of results. Implementing partners are categorized into several types: government, United Nations agency, non-United Nations inter-governmental organization and civil society organization.

Figure 1: Travel expenditure by business area – January 2024 to December 2024



RO: regional office; HQ: Headquarters; CO: country office

Figure 2: Staff travel expenditure by reason for travel in US\$ million – January 2024 to December 2024

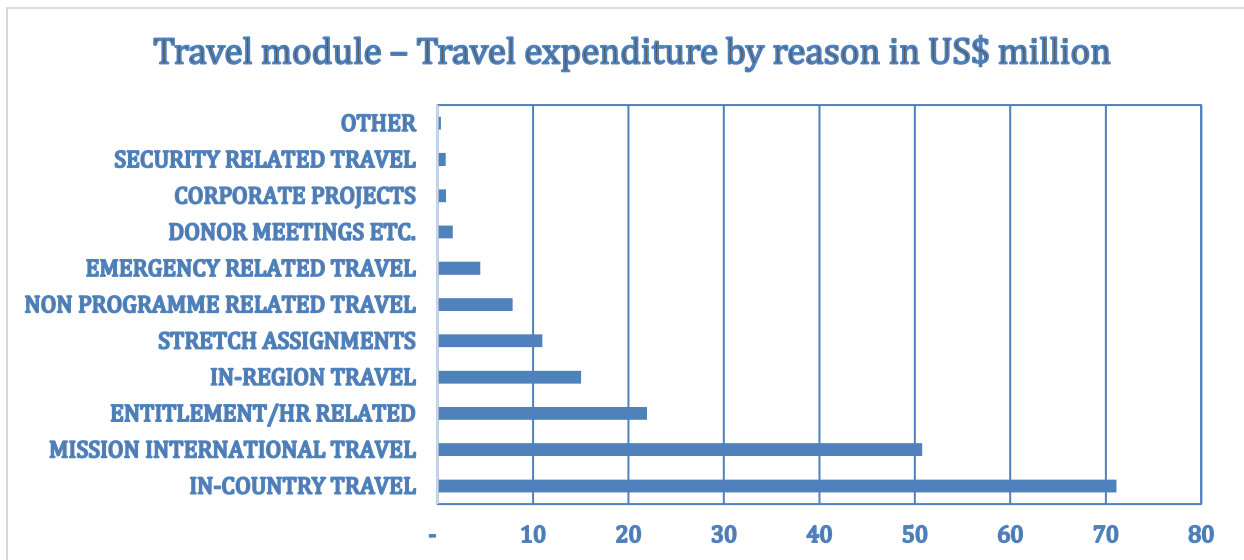
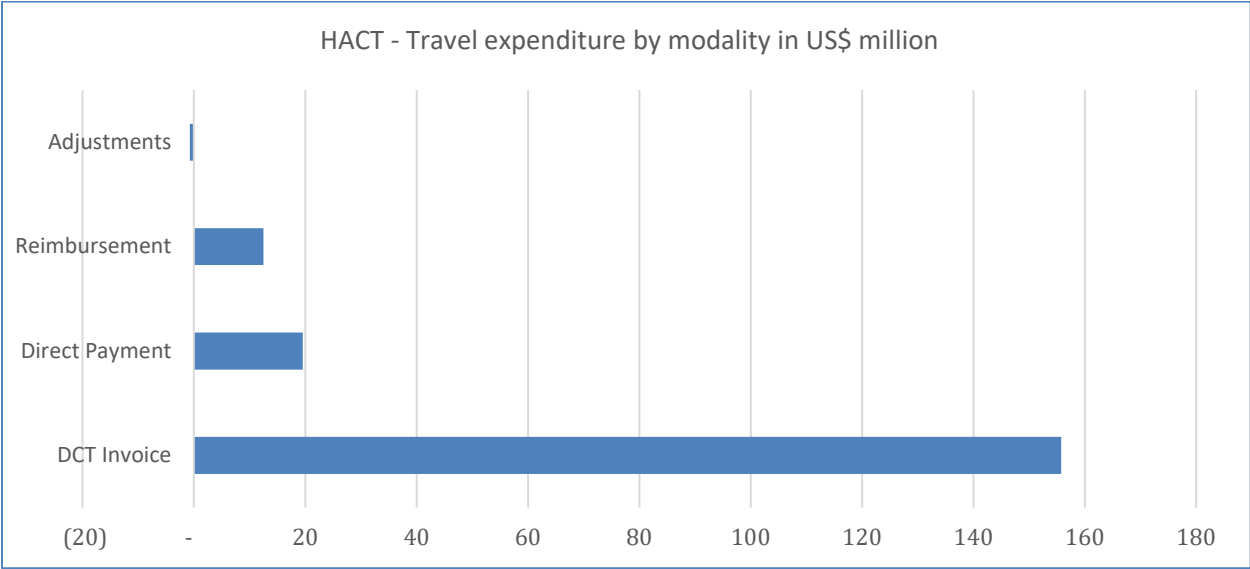


Figure 3: Harmonized approach to cash transfers (HACT) – Travel expenditure by modality in US\$ million – January 2024 to December 2024



DCT: direct cash transfer

Figure 4: Procurement – Travel expenditure by type in US\$ million – January 2024 to December 2024

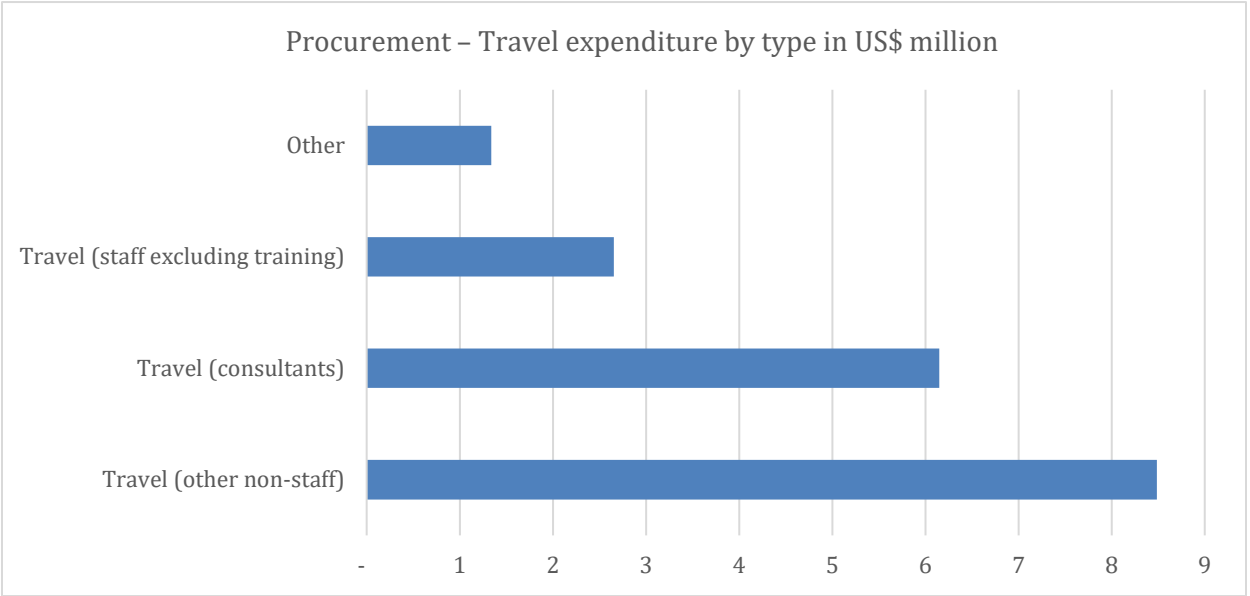


Table 1: Key UNICEF procedures and guidance related to travel

	Division ⁶	Document title	Type	Effective date (dd-mm-yy)	Review date (dd-mm-yy)
1	DFAM	UNICEF Procedures on Travel	Procedure	19-Aug-16	18-Aug-18
2	DPC	UNICEF Procedure on Duty Travel ⁷	Procedure	1-Dec-17	1-Dec-22
	DPC	UNICEF Procedure on Duty Travel	Procedure	3-Jul-23	2-Jul-25
3	DPC	UNICEF Procedure on Entitlement Travels: Home Leave, Family Visit and Education Grant Travel	Procedure	18-Jul-18	31-Dec-23
4	DFAM	UNICEF Procedure on the Use of Passenger Air Carriers not on Commercial Air Travel Safety Unit (CATSU) Recommended/Booking List	Procedure	19-Jan-24	28-Feb-26
5	DPC	Appointment Reassignment and Repatriation Travel	Pre-RF ⁸	1-Oct-14	15-Apr-21
6	DPC	Medical Evacuation Travel	Pre-RF	19-Aug-09	15-Apr-21
7	DPC	Security Evacuation Travel and Security Relocation Travel Locally Recruited Staff Members	Pre-RF	12-Jan-01	15-Apr-21
8	DPC	Travel: UN Travel documents –Visas – Medical Requirements for Travel Security and Travel	Pre-RF	1-Aug-04	15-Apr-21
9	DPC	Security: Security Clearance for Travel	Pre-RF	13-Jan-05	15-Apr-21
10	DPC	Travel: Shipment of Privately-owned Automobiles – Shipping Procedures – Shipment Insurance	Pre-RF	1-Aug-04	15-Apr-21
11	DPC	Guidance note on Inter-Agency Games Leave/Travel	Guidance	5-Apr-18	5-Apr-22
12	DPC	Travel: Shipment Insurance	Pre-RF	29-Jun-04	29-Jun-21
13	DPC	Travel: Unaccompanied Shipments	Pre-RF	29-Jun-14	29-Jun-21

Applications and process workflows

E-Travel application: DFAM introduced the new e-Travel application in July 2024 to enhance travel controls and management. Further enhancements to the application, including the

⁶ According to the Policy on the Regulatory Framework, a Business Owner is a headquarters Division Director or Head of Independent Office who is responsible for developing, recommending, disseminating, and administering a Policy, Procedure or Guidance pertaining to the functional area for which such person is responsible and accountable. Where Regulatory Framework Documents pertain to several functional areas and include cross-functional content, there may be more than one Business Owner.

⁷ This document was made obsolete in November 2025 and is superseded by the 2023 UNICEF Procedure on Duty Travel.

⁸ Pre-Regulatory Framework (RF) refers to documents issued prior to 2021 when UNICEF did not have its current RF to manage corporate information. The current RF was established in 2021.

strengthening of system controls, were made in June 2025. UNICEF managed approximately US\$186 million in duty and entitlement travel expenses through the e-Travel application in 2024. The e-Travel application captures many reasons for duty and entitlement travel (Figure 2). The most significant expenditure for the period was approximately US\$86 million for in-country or in-region travel. An additional US\$51 million and US\$22 million were spent on international mission travel and entitlement-related travel, respectively. Other reasons captured include stretch assignments, emergency-related travel and non-programme-related travel.

Duty and entitlement travel process workflows: Travel management is a shared responsibility in UNICEF. Heads of offices, or their delegates, play a critical role in the overall management of travel in their offices. In terms of duty and entitlement travel, heads of offices or their delegates are responsible for planning, approving and authorizing travel, ensuring compliance, documenting travel and overseeing travel management within their respective offices. There are four main steps in the duty and entitlement travel processes. They are as follows:

- Planning – the decision to travel is made, and costs are assessed
- Approval – budget owner responsibilities
- Posting – travel administrator responsibilities
- Certification – traveller or automated certification of trip and claims

Implementing partners' travel through HACT: During the period under audit, approximately US\$187 million in travel expenses for implementing partners was managed through the harmonized approach to cash transfers (HACT) (Figure 3).⁹ This travel is not captured through the e-Travel application, but rather through HACT transfer modalities (direct cash transfers, direct payments, reimbursements) to government or non-governmental partners to support UNICEF-sponsored travel in all situations, including emergencies and crises.

Travel through procurement: Some staff and non-staff travel, such as consultants' travel, is processed through the procurement process. In 2024, this amounted to approximately US\$19 million (Figure 4).

Policy framework, business and process owners

The organization uses 13 key documents to manage travel, including procedures for travel, duty travel and entitlement travel (Table 1). The 2024 UNICEF Policy on the Regulatory Framework assigns accountability for implementing a policy or procedure to

⁹ HACT is a framework used by several United Nations organizations to manage cash transfer to implementing partners. It involves a systematic assessment of the risk level associated with specific implementing partners and adjusts funding and assurance practices accordingly.

its business owner. The two main business owners¹⁰ responsible for these key policies, procedures and guidance within UNICEF, including their outcomes across the entire organization, are DFAM and DPC.¹¹ With respect to its responsibilities for the HACT framework, the Division of Data, Analytics, Planning and Monitoring (DAPM) is the business owner for implementing partner travel.

In addition to its business owner responsibilities, DFAM is the primary travel process owner in UNICEF. It has established key teams to support the management, oversight and monitoring of travel. DFAM has delegated much of its travel processing and monitoring responsibilities to the GSSC in Budapest, Hungary. The delegated work includes processing travel claims and payments for all duty and entitlement travel taken by staff, as well as some travel undertaken by implementing partners. The following is a quick overview of some key responsibilities of the DFAM teams and the GSSC:

- **Travel Unit (DFAM).** The unit provides technical guidance on travel administration and manages in-country travel for all New York Headquarters staff, outposted staff and other Headquarters divisions.
- **Oversight and Internal Controls Unit (DFAM).** The unit's key responsibility includes reviewing all organization-wide internal controls, including travel controls. The unit also focuses on providing guidance to offices and promoting the translation of oversight efforts into organizational improvement.
- **Travel team (GSSC).** The team is responsible for managing international travel for all Headquarters divisions through the GSSC Travel Hub.
- **Invoice processing and payments teams (GSSC).** The Invoice Processing team performs quality checks on invoices and reviews payments made to travellers above US\$20,000. The Payments Team supports country operations by processing vendor and payroll payments for all UNICEF offices.
- **Quality Assurance (QA) team (GSSC).** The QA team gathers and analyses performance data and customer feedback, including travel transactions, to identify issues and areas for improvement.

Country and regional offices manage their own travel under the authority of the head of office or their designate (and the regional office).

Efforts to strengthen control over travel processes

OIAI last audited travel management in 2019 and issued the Internal Audit of Travel Management report in December of that year. The scope of that audit covered the travel management companies providing service to the New York Headquarters and did not

¹¹ The Division of Human Resources was renamed to the Division of People and Culture in September 2024. For the remainder of this report, regardless of the time frame specified, the term DPC will be used.

cover similar arrangements outside of the Headquarters. The key recommendations included improving cost-effectiveness and contract management with the vendor, as well as the prompt recovery of amounts paid to staff for travel expenses. All eight agreed actions stemming from the audit were implemented and closed.

In the 18 months preceding the most recent audit, various strengthening measures and tools have been implemented at UNICEF to enhance control over travel processes and improve efforts to keep systems, tools, processes and policies relevant and suitable for their intended purposes. One such example was the e-Travel application implemented by DFAM in July 2024, and another was the relocation of international travel processing (including entitlement travel) for all Headquarters divisions to the GSSC in Budapest in 2023.

UNICEF's Future Focus Initiative

In early 2025, UNICEF launched the Future Focus Initiative, a global effort to remain fit for purpose by identifying strategic shifts and reducing costs to enhance further effectiveness, efficiency, agility and overall readiness. Concerning the management of staff travel, it is anticipated that this will lead to restructuring and further consolidation of travel transactions into the GSSC and common service centres, with the aim of achieving higher efficiency and enhanced oversight.

AUDIT OBJECTIVES, SCOPE AND APPROACH

The objective of the audit of travel management was to assess the adequacy and effectiveness of the governance, risk management and control processes related to the following risk areas: management structure; oversight and monitoring; value for money; and controls, including IT controls.

The audit scope was determined during the audit planning process based on an assessment of the inherent risks¹² of the travel management process and included the following areas:

- Policy framework
- Governance structure
- Risk management
- Information for decision-making and reporting
- Oversight and monitoring
- Controls, including IT controls
- Vendor management and value for money

Specifically, the review focused on the five most significant reasons for UNICEF travel. Four reasons relate to duty travel (in-country travel, mission international travel, in-region travel and stretch assignment travel). The fifth reason related to entitlement travel (entitlement/human resources-related travel), for which the review focused on home leave, reassignment/assignment and rest and recuperation. The travel costs for these five reasons for staff travel amounted to approximately US\$170 million during the period under review, representing 91 per cent of the total duty and entitlement travel costs of US\$186 million in the travel module (Figure 2).

The review also assessed travel transactions processed through the procurement process (Figure 4). Finally, the review drew on OIAI's systemic conclusions from its recurrent audits regarding oversight and monitoring of the Fund Authorization and Certificate of Expenditures form review process, as well as HACT assurance activities related to travel (Figure 3).

The audit fieldwork was conducted from April 2025 to July 2025 in conformance with the Institute of Internal Auditors' Global Internal Audit Standards. For the purpose of audit testing, the audit covered the period from 1 January 2024 to 31 December 2024. The audit involved a combination of methods, tools and techniques, including interviews, data analytics, document review, transaction tests, evaluations and validation of preliminary observations.

¹² Inherent risk refers to the potential adverse event that could occur if management takes no actions, including internal control activities. The higher the likelihood of the event occurring and the more serious the impact would be should the adverse event occur, the stronger the need for adequate and effective risk management and control processes.

The key areas where actions are needed are summarized below.

1. Governance structure

High

UNICEF's governance structure for managing travel included duplicate and overlapping efforts and gaps, particularly regarding accountabilities for monitoring and oversight of travel. These weaknesses impede UNICEF's ability to manage and improve travel effectively, thereby hindering effective management, cost control and oversight of travel across UNICEF's global operations.

A global organization like UNICEF must have a robust governance structure in place for travel management to ensure the consistent application of policies and procedures. It also helps maximize the efficient use of resources while mitigating fraud risk through continuous monitoring. A robust structure reduces the administrative burden, allowing staff and managers to focus on delivering on UNICEF's important mandate, improving business processes, strategic planning, and reporting to stakeholders and the public. Further, it supports UNICEF in meeting its strategic goals, including progress towards the United Nations Sustainable Development Goals, particularly Sustainable Development Goal 13, which commits to halving greenhouse gas emissions, mainly through transportation, by 2030.

The audit team examined the governance structure for travel management at UNICEF to determine whether the roles, responsibilities and accountabilities are logical and well-defined. The team also examined whether the governance structure supports the organization in achieving its key mission and strategic objectives. Of particular attention to the team was the span of control concerning the governance structure. Specifically, the team focused on whether UNICEF had identified a global process owner for travel management. The global process owner would be entrusted by UNICEF to oversee the performance and outcomes of the travel management process, specifically by providing cross-functional coordination of the various types of travel undertaken at UNICEF.

Inadequate governance structure to support effective management and oversight of travel: There are several different categories of travel in UNICEF, and each has its own business owner. DPC is the business owner for UNICEF Procedure on Duty Travel, while DFAM is the business owner for the implementation of the UNICEF Procedure on Travel. Key stakeholders include the DAPM, GSSC, regional and country offices, and divisions. There is an overlap in responsibilities between the business owners, making it difficult to assign accountability. For example, both DFAM and DPC have issued procedures covering duty travel, which meant that offices could choose the procedure that best fit their needs to process the travel. This creates confusion, inconsistent application, and a potential for fraud, misuse and abuse.

DFAM developed the travel strategy in 2018 after a third-party study and analysis to determine the best way to centralize travel. In 2019, DFAM developed and implemented the travel reform as an extension of the travel strategy aimed at reducing travel costs. The travel reform document defined its objectives and the roles and responsibilities of each office across UNICEF's global network. Despite these efforts, DFAM lacks enterprise-wide visibility to support travel management within UNICEF.

In 2025, as part of the Future Focus Initiative, senior management proposed transferring international travel transactions from country and regional offices to the GSSC to reduce global staff and administrative costs further. The audit reviewed the Global Programme Budget Review (PBR) submission for the Travel hub in the GSSC, noting that the business case only outlined a transition of travel administration for regional offices and other Headquarters locations to the GSSC. It did not include country offices due to a lack of resources, given the recent global funding cuts. The Board's decision is expected in late 2025.

Root cause(s): The lack of clarity over business ownership and monitoring responsibilities resulted in a lack of accountability, confusion, and inconsistent application. The absence of a designated single enterprise-wide process to oversee the management and performance of travel across the organization.

RECOMMENDED ACTION 1

The Division of Financial and Administrative Management should, in consultation with all relevant stakeholders, strengthen the governance structure by identifying an enterprise-wide process owner for travel management and clarifying the roles and accountabilities for all relevant stakeholders.

Staff Responsible: Administrative Manager Travel & General Services Unit

Implementation Date: 30 June 2027

2. Policy framework

High

There are duplications, gaps and inconsistencies in the 13 key documents that UNICEF uses to manage travel, underscoring the need to assess them to ensure the procedures are relevant and current, and that they support UNICEF's business and strategic objectives. Despite a recent renewed effort, as per UNICEF's Regulatory Framework, to ensure these documents are reviewed and updated, none of the target dates for review were met for 12 of 13 UNICEF's key travel-related procedures and guidance notes.

A global organization like UNICEF requires a well-organized and effective travel management policy framework to help it control travel-related activities, manage the related risk and achieve its goals and strategic objectives. It is of the utmost importance today, as the organization faces one of its most significant funding cuts in its history, which is impacting its operations worldwide. Travel costs within the organization are not immaterial. In 2024, travel expenses accounted for approximately 5 per cent of all UNICEF expenditures. For this reason, UNICEF must have a robust unified and clear policy framework to manage its worldwide travel. Specifically, the framework would define roles, responsibilities and accountabilities, support their consistent application, reduce the potential for confusion, misinterpretation and violation, and foster trust among stakeholders. It would also help to reduce the administrative burden, allowing staff and managers to focus on adhering to their budget and delivering on UNICEF's important mandate.

The audit team reviewed UNICEF's travel management policy framework to determine whether it ensures that roles, responsibilities and accountabilities around the management of travel in the organization are explicitly defined, in particular those of the business owners, DFAM and DPC, and other key stakeholders like DAPM and the GSSC, regional and country offices, and divisions. The team also examined whether the travel management policies, procedures and guidance are up to date, consistent, user-friendly and aligned with organizational goals. The team looked for inconsistencies, gaps and overlaps in roles, responsibilities and accountabilities, particularly in relation to core policies, procedures and guidance (Regulatory Framework documents). Finally, the team verified that the Regulatory Framework documents had been reviewed to ensure they remained relevant and suitable for their specific purpose.

Dated and obsolete policies, procedures and guidance: Through a search of UNICEF's Regulatory Framework Library¹³, the audit team identified 13 key documents that primarily govern travel management within UNICEF, including, but not limited to, duty and entitlement travel, travel-related safety and security, visas and medical evacuation. Table 1 lists key travel-related documents by type, their owners, effective dates and expected review dates. Twelve of these key travel documents were past their review date, and the examination of one critical document, the UNICEF Procedures on Travel, had been overdue for eight years. During the audit fieldwork, DFAM informed the audit team that it was in the process of updating this procedure.

Travel-related policies, procedures and guidance that have not been reviewed, updated or decommissioned, creates confusion and expose UNICEF to an increased risk of fraud, misuse or abuse.

¹³ The Regulatory Framework Library constitutes the exclusive official record and source of (i) Regulatory Framework documents; and (ii) Legacy documents.

The observations presented in this section concerning dated and obsolete policies, procedures and guidance were raised in OIAI's 2023 Report on the Internal Audit of the UNICEF Regulatory Framework. In that report, OIAI recommended that all documents in the regulatory library be periodically reviewed and updated to align with current organizational risks and needs. The persistence of overdue or obsolete policy instruments at UNICEF for nearly two years after the issuance of the audit report is a concern.

Inconsistencies and gaps in policies, procedures and guidance used to manage travel:

- **Inconsistencies:** There is an inconsistency within the UNICEF Procedure on Duty Travel, effective date 3 July 2023. It states in section 9 that "staff members must start their travel arrangements as early as possible and at least 14 calendar days before the anticipated travel date". However, the risk management mitigation measure indicator in the same document states that "staff members are advised to arrange their travel as early as possible, at least 21 calendar days before the anticipated travel date". Additional inconsistencies were also identified in procedures regarding travel authorization, certification deadlines, travel by private vehicle and emergency travel. For example, the UNICEF Procedure on Duty Travel (see Table 1) states that "no official travel shall commence before approval of a travel authorization". Yet the UNICEF Procedures on Travel state that surface travel valued at less than US\$500, with a duration of less than 72 hours, do not need to be recorded in VISION while, it must still be approved by the Authorizing Officer. Moreover, the Procedure on Consultants specifies that "the travel should be specified in the contract and the Consultant's travel costs (including, but not limited to the costs for obtaining visas and travel insurance) set out in the contract." Therefore, it is expected that the consultant's travel is to be managed through the procurement process. Yet the Procedures on Travel state, "when consultant travel is not included in the contract terms, all travel must be arranged through the UNICEF Travel Administrator." This led a country office representative to instruct staff to continue administering consultant travel through the travel module, creating a significant risk of double payment of consultant travel expenses both under the contract (lump sum) and through the travel module.

In 2024, UNICEF processed consultant travel expenses through the travel module, totalling US\$4.4 million, despite the Procedure on Consultants specifying that this travel should be included in the contract terms. Key stakeholders, including DFAM and the GSSC Invoice Processing team, raised concerns about the risk of duplicate payment. They advised the audit team that they are aware of this issue; however, the problem persists, and the risk to UNICEF remains.
- **Gaps:** In reviewing the 13 key documents on travel, the audit team noted some gaps that could create confusion for the user of the documents. For example, the UNICEF Procedures on Travel, which became effective in August 2016, do not incorporate the new e-Travel application (e.g., the automatic trip closure feature).

Additionally, global communications recommend monthly reconciliation of payable accounts with travel agents; however, this control measure has not been incorporated into the travel procedures, resulting in inconsistent implementation. This is particularly concerning given that the UNICEF Regulatory Framework Policy requires that policies and procedures be periodically reviewed and revised to ensure they remain current, fit for purpose, and effective in enabling UNICEF to meet its institutional needs and goals.

These inconsistencies and gaps can create confusion for users, leading to differing interpretations and unpredictable implementation, with financial, operational and compliance consequences for UNICEF.

Root cause(s): OIAI recognizes the Covid-19 pandemic, and operational realities such as organizational priorities, resource availability and other competing factors that have contributed to delays by all divisions in reviewing policies, procedures and guidance notes. The inconsistencies, gaps, and obsolete elements in the policies, procedures and guidance are primarily due to some business owners failing to monitor and revise outdated or inconsistent policies in a timely manner. For those business owners who have monitored policies for which they are responsible, some have indicated that they did not have the necessary resources required to update, in particular those policies, procedures and guidance notes requiring extensive consultations. In addition, the Regulatory Framework Secretariat does not have the capacity or authority to clean up the volume of policies and procedures with travel-related references to identify relevance, overlaps, links and inconsistencies.

Guidance on travel related to stretch assignments is inadequate to bolster control: In 2024, UNICEF spent approximately US\$11 million on travel costs (e.g., Daily Subsistence Allowance (DSA), transportation and terminal expenses) associated with 993 stretch assignments.¹⁴ The average length of a stretch assignment during this period was 74 days, and the average cost of travel for an assignment was US\$11,056. In nine of the 993 stretch assignments, the cost of related travel, including DSA, exceeded US\$50,000, and eight assignments lasted more than six months.

The only reference document specifically addressing the management of stretch assignments, including travel-related costs, is "Stretch Assignments: A Guide for Staff" (the guide), which was developed by DPC. The undated guide is available to all staff on DPC's intranet site. It states that travel-related decisions concerning stretch assignments "are made at the local level".

The audit team examined how this discretion concerning travel related to stretch assignments was being applied at the "local" country office level. The audit team reviewed the standard operating procedures (SOPs) for stretch assignments for the five country

¹⁴ A stretch assignment is a developmental opportunity designed to help staff grow their skills and gain exposure to different roles and functions.

offices with the highest travel expenditures in 2024. The team specifically examined the allocation of DSA for stretch assignments and found that the SOPs for the five country offices differed in their eligibility criteria. Moreover, the team noted that in three cases, the SOPs left the allocation of DSA to the discretion of the receiving office when a staff member was going for a stretch assignment; however, in each case, the SOP indicated a 50 per cent DSA for the duration of the assignment when the office was receiving a staff member for a stretch assignment. In the other two SOPs, the DSA amount was to be 100 per cent for the first two weeks of the assignment and 50 per cent thereafter when the office received or sent a staff member on a stretch assignment. The audit team consulted three other United Nations organizations to determine how they addressed DSA allocation during stretch assignments. Notably, in all three organizations, the DSA allocation was not discretionary but rather based on the International Civil Service Commission's DSA circular; as a result, the varying levels of DSA payment for stretch assignments were not an issue.

UNICEF's guidance on managing stretch assignments, including travel-related costs, provides local offices with significant discretion, particularly in allocating DSA, which can result in inconsistent application across UNICEF's operations and substantial additional costs. Moreover, it could lead to perceptions of unfairness, inequity and a lack of transparency in the management of stretch assignments, impairing staff morale and increasing exposure to misuse, abuse and fraud.

No monitoring of stretch assignments: There is no indication that stretch assignments are monitored, in particular, the reasonableness of the associated travel costs and DSA. DPC advised the audit team that each office is responsible for the monitoring of stretch assignments, including any associated travel costs. The audit team reviewed documentation (e.g., travel authorizations, stretch assignment reports) for the five stretch assignments with the highest travel-related costs in 2024. The audit team noted that in four out of the five travel authorizations, there was no evidence of an airfare quotation, and no ticket was included in the travel module. Also, in four out of the five travel authorizations reviewed, there was a reference to the stretch assignment in the staff member's end-of-period performance evaluation. In one case, where the stretch assignment was not included in the staff member's performance evaluation, a stretch assignment report was not prepared. In this instance, the stretch assignment lasted over a year, and its total travel-related costs amounted to approximately US\$74,000. The audit team's review raises questions about the assignment's actual purpose, given the organization's travel-related expenses.

Root cause(s): The guidance regarding travel related to stretch assignments grants local offices discretion over the amount of travel costs, particularly the DSA portion. As a result, travel costs associated with these assignments can vary significantly from office to office and reach thresholds that appear unreasonable, particularly given the current financial crisis the organization is facing. There is no monitoring of the application of the guidance

on stretch assignments, as required by the UNICEF Procedure on the Regulatory Framework.

RECOMMENDED ACTIONS 2

The Division of Financial and Administrative Management and the Division of People and Culture, in collaboration with the Regulatory Framework Secretariat, should:

- i. Agree on a timeline to identify all obsolete procedures and guidance related to the management of travel and remove them from the regulatory framework.
- ii. Agree on a timeline and mechanisms to timely review, update and revise as necessary all procedures and guidance notes related to the management of travel to rationalize the travel policy framework, including the identification of gaps, inconsistencies and overlapping responsibilities.
- iii. Review UNICEF's guidance notes on stretch assignments to ensure appropriate travel-cost controls are included, and regular monitoring of associated travel costs is also conducted at a more central level, outside the responsible offices.

Staff Responsible: Administrative Manager Travel & General Services Unit (DFAM) and Chief Human Resources (DPC)

Implementation Date: 30 June 2027

3. Risk management

Medium

UNICEF does not specifically assess the risk of fraud associated with travel. Where travel-related control weaknesses are identified through risk assessment, they are not effectively used to manage risk across the organization. The risk registers prepared by key stakeholder divisions and offices do not include travel-related fraud risks. Travel-related risks are not adequately assessed or managed, despite UNICEF having a complex and confusing policy framework as well as inadequate oversight and monitoring and allocating nearly 5 per cent of its total annual spending to travel.

To reduce the potential for loss, it is crucial that the organization have a rigorous fraud risk management process in place and make extra efforts to identify, assess and mitigate the risk of fraudulent activities. This is particularly important given that the organization spends nearly 5 per cent of its annual budget on travel and is facing an unprecedented period of financial restraint.

The audit team reviewed the 2024 risk registers of DFAM, DPC, the GSSC and DAPM, as well as those of five country and two regional offices, to assess the completeness and quality of these assessments and to determine whether travel-related fraud risks were identified, evaluated and mitigated. In completing its assessments in this section, the

audit team drew on observations made in OIAI's Fraud Advisory report, issued in 2025. The report identified weaknesses in the completion rates of annual fraud risk assessments.

Weaknesses in travel-related fraud risk management. During the current audit period, although all 2024 risk registers reviewed by the audit team included fraud risk assessments, none identified specific travel-related fraud risks. Moreover, there was no central instrument to gather organization-wide data on fraud, including travel fraud, misuse or abuse. There also was no repository of knowledge on travel-related fraud risks and controls. This limits UNICEF's ability to identify and monitor, over time across the enterprise, trends and potential indicators of fraud, including travel-related fraud. These weaknesses result in limited identification, assessment and mitigation of travel-related fraud risks within and across the organization. OIAI had identified this same issue in its 2025 Fraud Advisory report.

Root cause(s): Insufficient awareness of, and consideration of, travel-related fraud risks at the office and enterprise-wide level.

RECOMMENDED ACTION 3

The Division of Financial and Administrative Management, after consultation with the Division of People and Culture, the Division of Data, Analytics, Planning and Monitoring, and the chief risk officer, should raise awareness and assessments of travel-related risks, including fraud, at the enterprise level.

Staff Responsible: Administrative Manager Travel & General Services Unit (DFAM)

Implementation Date: 31 March 2027

4. Information for decision-making

Medium

The advanced trip balance indicated in UNICEF's travel dashboard did not reconcile with the comparative balance in VISION. The discrepancy resulted from travel agent payments not being included in the calculation. It was corrected during fieldwork. The use of unreliable, incomplete or inaccurate data hinders effective travel management, leaving managers unable to make informed decisions about travel and its costs. These decisions can have significant adverse consequences, particularly in the current period of fiscal restraint.

Timely, accurate and complete information supports informed decision-making. Reliable information enables managers to assess and manage risk effectively, respond promptly to urgent situations, and allocate resources efficiently. It also ensures that reporting to stakeholders, including donors, beneficiaries and the public, is credible and consistent, reinforcing trust and accountability.

DFAM's Travel Unit developed a travel dashboard and related travel reports to provide travel data to offices for monitoring and informed decision-making. The dashboard captured travel data by reason, status, trip year and business area. The audit team reviewed 2024 data from the DFAM's Travel Unit dashboard to assess the accuracy, completeness and timeliness of the data and information used by UNICEF managers for decision-making and monitoring purposes. New e-Travel reports were created in the e-Travel application to assist country and regional office operations managers and relevant business managers to properly monitor their travel expenditures on a routine basis. However, the audit team did not review these reports, as they were only implemented at the end of fieldwork.

Inaccuracies concerning travel data are hindering decision-making. The travel dashboard data was developed in collaboration with the Digital Impact Division. It has several inaccuracies. For example, the travel dashboard indicated total travel expenditure of US\$139 million in 2024, while the comparative balance in VISION was reported at US\$186 million. The audit team reviewed the variance and found that the discrepancy was due to payments made to travel agents, totalling US\$47 million. This issue was corrected during the audit fieldwork. The audit also identified an error in the travel dashboard's calculation of advanced trip planning. Specifically, the dashboard presented the calculation as the total number of days between the trip's start date and its closure date. However, the calculation should have shown the number of days from the date of the budget owner's approval of the travel authorization to the actual departure date. As a result of these inaccuracies, an office could erroneously conclude, based on the travel dashboard, that it was saving on travel costs, or that trips had been planned well in advance of the actual departure, when in fact they had not. Given concerns about the reliability of the data management uses for decision-making, there is an increased risk that senior management could make decisions based on inaccurate data.

Root cause(s): Insufficient capacity in the Travel Unit to monitor the accuracy of the information. Another root cause is ineffective collaboration between the DFAM Travel Unit and the DID, particularly the DFAM Travel Unit's inadequate monitoring of the dashboard's outputs and its failure to communicate this to the DID.

RECOMMENDED ACTION 4

The Division of Financial and Administrative Management should collaborate with the Digital Impact Division to ensure regular monitoring of the accuracy and completeness of information on the travel dashboard, to support improved decision-making.

Staff Responsible: Administrative Manager Travel & General Services Unit (DFAM)

Implementation Date: 31 March 2027

UNICEF has insufficient assurance that the funds being spent on travel are correct and for the intended purposes. Most travel transactions in UNICEF are not subject to any secondary review or monitoring. Inadequate oversight and monitoring of travel transactions expose UNICEF to increased risk of travel-related fraud and misuse of resources.

UNICEF needs effective monitoring and oversight of travel and related costs to ensure that its travel processes are efficient, expenditures are kept at reasonable levels, and the safety and security of travellers are optimized. Travel monitoring needs to be an ongoing activity. It should also include regular management and supervisory activities, as well as general awareness among staff members of their duties.¹⁵ Effective monitoring ensures that UNICEF's travel is compliant with organizational objectives and financial policies and that travel expenses are reasonable and supported by receipts and invoices. Oversight is a higher-level, periodic review to ensure accountability, strategic alignment and compliance of travel. At UNICEF, oversight of travel is intended to help ensure the organization can respond to travellers' safety and security concerns, optimize budgets and support strategic outcomes.

Through interviews with key staff in each office and document reviews, the audit team assessed the oversight and monitoring responsibilities outlined in UNICEF's 13 key travel-related documents. It examined the extent and quality of oversight and monitoring implemented by DFAM and DPC, as the two main business owners, and by DAPM concerning travel expenditures related to HACT. The audit team also examined the extent and quality of the GSSC's Invoice Processing and Payments, and the Quality Assurance teams' delegated monitoring responsibilities, and the oversight and monitoring of travel activities conducted at the regional office level. Specific attention was given to the delegation of authority and the controls surrounding one-time travel vendors for consultants. Finally, the team assessed the implementation of the additional controls announced in a global communiqué issued by DFAM on 21 October 2024 titled "Strengthening Travel Controls". In completing its assessments in this section, the audit team drew upon observations from OIAI's country office internal audit reports issued in 2024, and a Fraud Advisory report issued in 2025. These reports identified weaknesses in the HACT assurance activities, including failures to complete the minimum required assurance activities and to track and follow up on action points. Recommendations were made in the respective audit reports. Additionally, they raised concerns about anti-fraud controls related to travel at UNICEF.

Inadequate oversight of travel:

- **DFAM oversight:** DFAM has primary responsibility for oversight and monitoring associated with the UNICEF Procedures on Travel. However, DFAM has delegated

¹⁵ UNICEF Financial and Administrative Policy 1: Internal Controls – Oversight, page 7

much of its travel processing and monitoring responsibilities for international travel initiated at all Headquarters divisions to the GSSC. The DFAM's Oversight and Internal Controls Unit only follows up with specific country offices on discrete travel-related irregularities identified through transaction-level monitoring performed by the GSSC. During the period under audit, DFAM issued several global communications, including new controls, to strengthen the travel process. The audit noted that the Unit did not monitor whether country offices, either individually or systematically, implemented the controls. Finally, DFAM, in collaboration with the GSSC, launched a comprehensive review of role assignments, including travel-related roles, in the corporate system. (See the Controls section below for more information.)

- **DPC oversight:** DPC issued 12 out of the 13 key travel-related regulatory framework documents. This included the UNICEF Procedure on Duty Travel, the Procedure on Entitlement Travels: Home Leave, Family Visit and Education Grant Travel, the Procedure on Rest and Recuperation, and the Administrative Instruction on Appointment, Reassignment and Repatriation Travel. The audit noted that the DPC travel-related documents do not specify official oversight responsibilities, despite DPC being the business owner of these 12 documents and therefore responsible for ensuring that the principles, standards and requirements outlined in them are respected and properly applied. Consequently, the audit noted that DPC staff did not monitor the implementation and use of the lump sum airfare database, specifically as it pertains to entitlement travel (See "Monitoring of airfare portal" in section 6). Through discussions with DPC staff, the division informed the audit team that it is not involved in the oversight or monitoring of entitlement travel; however, human resources partners at the country office level undertake this responsibility.
- **DAPM oversight:** During the period under audit, HACT's travel activities totalled US\$187 million, accounting for 48 per cent of UNICEF's total travel expenditures. Expenditures related to implementing partnerships, including travel costs, are to be monitored through HACT assurance activities. DAPM's role is to ensure effective monitoring and compliance with HACT procedures. The audit team was advised that it is possible that a payment request for a non-staff traveller, submitted through the invoice process, can also be processed through the HACT process, with a risk that UNICEF is making double payments. The audit team could find no evidence that this risk was being monitored in UNICEF.
- **Regional office oversight:** Regional offices have specific responsibilities concerning oversight of travel, including monitoring travel reports from VISION activity related to their regions to ensure compliance with established procedures. Regional offices monitor the key performance indicators, including travel, and conduct peer reviews. The audit team interviewed staff from two regional offices. Both regional offices had provided guidance and clarification to the country offices in their regions regarding the new enhancements to strengthen travel controls for

duty travel introduced by DFAM in July 2024. One regional office surveyed with country offices in its region to gather feedback on how they had implemented the new controls. Despite guidance and the survey, the audit team noted that neither of the two regional offices interviewed had assessed the actual implementation of the new controls. For example, neither verified whether country offices were preparing monthly reconciliations of payable accounts with travel agents, nor did they assess the quality of these reconciliations. Moreover, the audit team noted that those reconciliations performed were inadequate. A 2025 OIAI Fraud Advisory note identified gaps in regional offices' anti-fraud controls, resulting in inconsistent implementation. The 2025 Middle East and North Africa Regional Office audit report also highlighted the need for stronger coordination between the regional office and other corporate monitoring tools and activities to enhance the efficiency and effectiveness of country office oversight. The 2025 advisory note on evidence-based insights for future focus also suggested a move from procedural oversight to principles-based accountability by developing lighter, context-driven assurance frameworks that reduce administrative complexity while preserving standards. This will give country offices greater flexibility to adapt within agreed guardrails, supported by strong monitoring and evaluation systems that promote real-time learning and transparency. Regional offices are in the process of reorganization due to the Future Focus Initiative. No recommendation will be made in this report.

Transaction-level monitoring: The GSSC's transaction-level monitoring is currently limited and fragmented. Currently, the Quality Assurance team in the GSSC does not have dedicated resources for travel monitoring. In 2024, the team conducted an ad hoc analysis of international travel transactions to identify anomalies. The flagged results from the analysis were shared with DFAM's Oversight and Internal Controls Unit for further review and follow-up. DFAM's review was completed, documented, and the root causes of the flagged transaction were analysed. During the same period, the QA team identified additional cases that were not shared for follow-up or further review. The audit team was informed that this was mainly due to limited capacity at DFAM. Consequently, the QA team conducted limited sample testing of international travel authorizations processed by the GSSC. In 2024, the QA team consisted of eight staff members, one of whom was dedicated to monitoring travel transactions. Recently, two posts were abolished to meet the Future Focus Initiative's budget reduction target.

The GSSC Payments team only reviews individual payments from the travel module that exceed US\$20,000 and are disbursed directly to the traveller. In 2024, there were 45 transactions out of over 144,000 that met the threshold. All 45 transactions were reviewed and flagged results were shared with DFAM's Oversight and Internal Controls Unit for further review. Transactions that exceeded the US\$20,000 threshold but were not disbursed directly to the traveller were not systematically monitored. For example, an airfare amounting to US\$40,000 resulting from the traveller's personal deviation was not flagged for further review. In this case, the traveller did not reimburse UNICEF for the

excess cost due to the personal deviation. Following the audit fieldwork, pertinent information was provided to DFAM for their review and action.

Lack of due diligence for one-time vendors: As noted in the relevant section, during the period under audit, UNICEF spent approximately US\$19 million on consultants' travel, which was managed through the procurement process. The GSSC Invoice Processing team is responsible for monitoring the use of one-time vendors¹⁶ and enforcing the requirements for these vendors. The Invoice Processing team conducted monthly reviews of one-time account usage to ensure that the vendor did not already exist, that the US\$10,000 threshold was respected, and that no earlier payment had been made to the vendor. During the period under audit, 47 offices used this vendor category to process 87 invoices, totalling US\$400,000 in travel costs. Relevant traveller information – specifically the names of the travellers – was not available in the data download, so the audit team could not assess whether the review conducted by the Invoice Processing team was adequate. The audit also noted that one-time vendors did not undergo the due diligence process outlined in the UNICEF Procedure on Financial Vendor Master Data Management. This elevated the risk of payments to unauthorized individuals, therefore increasing reputational risk and vulnerability to fraud.

Root cause(s): Unclear roles and responsibilities in the travel-related procedures for budget owners and travel administrators. The travel administrator's role is not included in the travel authority for country offices. Insufficient monitoring of travel-related transactions is linked to a lack of dedicated checks and balances at the various levels of the organization. This is especially noticeable at the regional office level. Insufficient monitoring and verification were further hindered by unclear responsibilities and accountabilities for monitoring and oversight by relevant offices under the UNICEF travel-related policies, procedures and guidance. The limited scope of HACT assurance activities was due to inadequate oversight at the country office level.

RECOMMENDED ACTIONS 5

To improve oversight in the travel process, the Division of Financial and Administrative Management, together with the Global Shared Services Centre, should:

- i. Clarify the points of checks and balances, and procedures to support oversight accountability in the travel procedures.
- ii. Ensure due diligence is conducted on all one-time vendors.
- iii. In collaboration with the Division of Data, Analytics, Planning and Monitoring, assess and revise as necessary controls to address the risk of duplicate payments from the processing of payment requests for non-staff travellers through the invoice process.

¹⁶ UNICEF limits the use of one-time vendors to mitigate risks associated with fraudulent activities and to ensure proper financial management.

The Global Shared Services Centre should review its monitoring structure to ensure it completes risk-based transaction-level monitoring that adequately covers travel transactions.

The Division of People and Culture and the Division of Financial and Administrative Management should coordinate with the Global Shared Services Centre to confirm the adequacy of oversight, and more clearly define accountability and responsibility in the travel procedures under their purview.

Staff Responsible: Administrative Manager Travel & General Services Unit (DFAM), Chief Human Resources (DPC) and Chief of Finance (GSSC)

Implementation Date: 31 March 2027

6. Control weaknesses

High

Several travel control weaknesses were noted, including inadequate travel planning, unclear budget owner responsibilities in the travel procedures and guidance notes, and weak controls for approving head of office travel. Although various strengthening measures have been implemented in the 18 months preceding this audit, including DFAM's launch of the e-Travel application and the provision of training to staff in regional offices on it, inconsistent use of the application persists. While a comprehensive review of travel role assignments was initiated in late 2024, implementation remains uneven across regions, highlighting gaps in oversight and responsiveness to travel risks. These control weaknesses expose UNICEF to an elevated risk of travel-related fraud and misuse of funds.

Strong controls, especially IT-enabled controls, help ensure that travel is managed efficiently, with attention to costs and security, and in compliance with policies, procedures and guidance. These controls also help identify potentially risky transactions, safeguard sensitive data accessed abroad, and support the organization in meeting legal requirements across various jurisdictions. Ultimately, strong controls, including IT controls, help protect the organization's financial health and reputation while ensuring a seamless, secure travel experience for its staff and non-staff travellers.

The audit team assessed the travel management and IT controls across the entire process, from travel planning to travel certification. The team reviewed how additional controls were implemented, as well as segregation of duties, system roles and responsibilities, and system activity monitoring capabilities. The audit team also interviewed DFAM, DPC and DID, as well as management in the five country offices with the highest travel spending and two regional offices, to determine whether controls were in place and implemented as designed.

To assess the controls surrounding travel, the audit team selected a random sample of 33 travel authorizations from the travel module data for the period from January 2024 to May 2025 for review. The data was assessed to identify travel authorizations lacking supporting evidence. From the results of this analysis, 23 travel authorizations, totalling US\$205,800, were selected for further review. The audit team noted that staff entitlement expenses were categorized as duty travel. The team selected 10 of the 33 travel authorizations, totalling US\$215,245, for further review. The audit team ensured that the sample included predominantly country office transactions, which accounted for 86 per cent of the total travel expenditure. The following was noted:

- **Travel planning was lacking:** Of the five country offices that the team audited, three had developed and used travel plans to manage and monitor travel within their offices. The remaining two country offices confirmed that travel planning was not completed or implemented across those offices. Of the two regional offices included in the scope of this audit, one requested that sections develop quarterly travel plans. In contrast, the other regional office did not have a travel plan. It stated that it was difficult to adhere to travel plans due to regional factors, leading to significant emergency travel and limited flight options.

The UNICEF Procedure on Duty Travel states that staff members “must start their travel arrangements as early as possible and at least 14 calendar days prior to the anticipated travel date”. In 2024, only 50 per cent of travel authorizations were approved within the 14-day deadline, while 28 per cent were approved after the deadline and 22 per cent were approved after the trip had started, despite the Procedure stating that “[n]o official travel shall commence prior to approval of a travel authorization.” Early planning and approval of travel allow for sufficient time for planning and adherence to administrative processes, ensuring that the necessary clearances and visas are obtained on time. Moreover, by starting travel arrangements early, UNICEF can optimize airfare savings, as booking travel less than 21 days before a mission can potentially increase costs by 15 to 40 per cent.

- **Inconsistent use of the e-Travel application:** Since its introduction in July 2024, the e-Travel application has experienced inconsistent use. Travellers are expected to initiate their own travel authorizations in the e-Travel application. In some cases, other staff members with a “travel on behalf” role can raise a traveller’s travel authorization. During the audit period, the application's use varied across country offices. In three of the five country offices selected for review, travellers raised their own travel authorizations, while in the remaining two, they were raised by staff with travel on behalf roles. The inconsistent use of the e-Travel application made the travel authorization process more time-consuming, resulting in only partial achievement of the planned results and increased travel costs.

Root cause(s): Inadequate travel planning and inconsistent use of the e-Travel application were due to insufficient oversight and inadequate monitoring at the country and regional office levels.

- **Lack of clear guidance for the budget owners approving travel:** Neither the DFAM Procedures on Travel nor the UNICEF Procedure on Duty Travel clearly articulates what documentation or information the budget owner is required to review, and what is expected from this review, before approving a travel authorization for duty travel. This is a key control in the process, as it initiates the process of financially obligating funds. The audit team noted that this review was often just a tick-the-box exercise in some offices. In many cases, the programme assistants or travel focal points raised the travel authorizations, and the budget owners approved them in the e-Travel application without review. The lack of a thorough review by the budget owner increases UNICEF's exposure to fraud, waste and misuse of funds.

Root cause(s): The relevant travel procedures do not include the specific responsibilities for the budget owner to undertake in their review prior to approving a travel authorization for duty travel. Inadequate oversight is a contributing factor.

- **Weak controls concerning approvals of heads of offices' travel authorizations:** Duty travel must be authorized in writing by the designated approving authority, typically the head of office or their delegate. For heads of offices' duty travel, the approving authority is their respective regional director. However, this requirement is not explicitly outlined for entitlement travel. During the period under audit, there were 132 heads of country offices and seven regional directors. The audit confirmed that the regional director issued approvals for head of office travel via email correspondence but noted that these primarily related to international travel. This meant that the regional director did not approve all other types of travel. Additionally, the approval and posting of the head of office's travel authorization are handled by their direct reports in the travel module. This created undue pressure on them. For example, one head of office requested an amendment to their travel authorization for home leave, totalling US\$26,000. Further review revealed that the country office had incorrectly purchased economy premium tickets for the head of office and their eligible accompanying family members, despite being entitled only to economy-class travel under the procedure. The amended travel authorization was still approved and posted by the relevant staff in the country office. The audit team did not find any supporting evidence that the amendment was for official purposes, indicating it was a personal deviation. The Procedure on Entitlement Travel requires a staff member to pay the difference between the new fare and the original fare from the organization's initial booking for personal deviations. There was no evidence that the head of office had reimbursed the organization. This increased the risk of fund misuse and fraud.

Root cause(s): Inadequate design of the controls related to the travel approval for the heads of offices.

- **Medical and security clearances were not consistently completed:** Staff safety and security are primary considerations when assessing the need for travel. The audit noted that medical and security clearances were not consistently obtained before the budget owner's approval of a travel authorization, as required. The selected country offices explained that it was not practical to obtain a security clearance before approval of a travel authorization, as an approved travel authorization was necessary to book a ticket, which is then used to get the security clearance. Two out of the five selected country offices stated that the clearances were obtained before travel authorization approval. The remaining three confirmed that clearances were not consistently checked before approval of the travel authorization. Consequently, some staff were travelling on official duty without the required clearances. For example, three of 23 travel authorizations with no attached documentation were for travel to countries classified as hardship level E (i.e., the highest level). This increased the country offices' liability and reputational risk, as well as potential risk to staff.

Root cause(s): Inadequate design of the controls and insufficient and inconsistent monitoring and oversight.

- **Monitoring of airfare portal:** On 24 December 2024, DFAM launched the lump sum airfare database. The AIRINC Airfare Portal is an online database that provides lump sum airfare quotes for home leave, assignment, reassignment and separation travel. During discussions with the selected five country offices and two regional offices, the audit team observed that six of the seven offices used the database to determine travel costs when the lump sum option was selected. Despite this uptake, the audit team noted that DFAM did not monitor the tool's adoption across the organization. Moreover, of the 23 travel authorizations reviewed, four were related to entitlement travel and lacked evidence of the entitlement calculation or the use of AIRINC. This should have been identified by DPC staff. In one instance, this resulted in an overpayment of US\$2,300 for a staff reassignment.

Root cause(s): Inadequate monitoring at offices and insufficient monitoring and oversight outside of the country office level.

- **Incorrect reporting of travel expenses and lack of evidence to support transactions:** The audit identified issues related to a lack of supporting evidence in the travel module and improper recording of travel expenses in the general ledger (GL) accounts. The team reviewed 10 travel authorizations related to security evacuations and identified significant issues. According to the United Nations Department of Safety and Security's Security Policy Manual,¹⁷ in the event of authorized security relocation,

¹⁷ Chapter VI: Administrative and Logistic Support for Security Operations

the lump sum amount should be disbursed against evidence of relocation provided by the staff member. Travel administrators are expected to verify that the itinerary and travel arrangements comply with the travel procedures, following approval by the budget owner. There was insufficient evidence attached to the transactions in the travel module. Of the total 33 travel authorizations, 23 were for trips for which a quotation should have been obtained, yet no documentation was attached. As a result, the audit team was unable to determine whether the most economical route had been selected. Of the remaining 10 travel authorizations, for which no quotation was required because they were related to security evacuations, there was no evidence of relocation. The lack of supporting evidence increased the risk of fraud.

Travel authorizations are expected to contain valid and accurate data and should be verified by budget owners, travel administrators and division/office operations officers. There is a travel GL mapping that includes travel type, travel subtype, trip activity name, GL account number and GL account description, facilitating accurate transaction recording. Travel administrators are expected to ensure that travel expenses are entered accurately in the travel module before posting. The audit noted instances where travel expenses were recorded in the wrong GL accounts. For example, in 2024, UNICEF recorded in-country travel totalling US\$71 million, which included US\$22 million in international mission travel. During the same period, US\$51 million was recorded for international mission travel, including in-country travel of US\$2 million. Finally, US\$22 million in entitlement travel/human resources-related expenses included in-country duty travel expenses of US\$135,000 and international mission travel of US\$125,000.

Root cause(s): Inadequate monitoring by travel administrators at offices and insufficient monitoring and oversight by office operations officers and relevant divisions.

- **Inaccurate recording of transactions:** The audit team reviewed a sample of travel authorizations and confirmed the improper recording of travel expenses in the GL accounts. One travel authorization for in-country travel of a representative also included international destinations. All 10 security relocation travel authorizations were recorded under in-country duty travel when they should have been recorded in the general ledger for security evacuation purposes. The audit team noted that the general ledger mapping in the travel module did not include security evacuation. Incorrect or inaccurate recording of travel expenditures can lead to poor decision-making by senior managers and loss of donor confidence.

Root cause(s): Inadequate monitoring at offices and insufficient monitoring and oversight by the relevant divisions.

- **Lack of information to support home leave travel:** The audit identified issues related to a lack of supporting evidence after the automatic closure of travel

authorizations pertaining to home leave travel. Staff members who have opted for a lump sum payment for home leave are required to submit documentary evidence that the entitlement travel took place for each authorized traveller. The travel module automatically closes the travel authorization 60 days after the travel date. Human resources staff are expected to verify travel evidence. In 2024, home leave expenses totalled approximately US\$7 million, with most travellers opting for the lump sum payment. All seven offices reviewed confirmed that this was not consistently done. The audit team reviewed three travel authorizations from these offices related to home leave and noted that none had evidence of travel attached in the travel module. With the auto-closure of travel authorizations, the lack of consistent verification of home leave supporting evidence could result in payment for travel that was not completed.

Root cause(s): Inadequate monitoring at offices and insufficient monitoring and oversight by the relevant divisions.

- **Recovery of funds for in-country travel not taken is unlikely:** The introduction of the travel module allows UNICEF to disaggregate travel data by mode of transportation. It also implements automatic travel authorization closure 60 days after the travel date. The UNICEF Procedure on Fleet Management (2020) requires that logbooks be completed for all trips undertaken and regularly monitored to ensure that usage and operating costs are reported accurately by the drivers and have been appropriately authorized. Vehicle tracking systems are used to collect data on utilization, time and distance covered. This information is to be used to reconcile the travel taken. In 2024, in-country travel amounted to US\$71 million. The audit noted that there is a risk that funds disbursed in advance could be lost if the travel is not undertaken and not reported by the traveller in the case of surface travel. One out of the five selected country offices confirmed that its vehicle logs were not reconciled against the travel plan. One regional office also confirmed that drivers in most regions were not consistently using vehicle tracking systems due to resistance and a lack of knowledge. This meant that travel not undertaken might go unnoticed, and funds might not be recovered. This issue was highlighted as a control gap in a UNICEF special audit, in which almost US\$1 million in overpayment was attributed to a lack of GPS data and incomplete logbooks.

Root cause(s): Insufficient oversight and monitoring to temporarily mitigate the identified control weaknesses and gaps until they can be thoroughly addressed.

- **Implementation of additional controls:** DFAM's Travel Unit provided training to regional office staff on the e-Travel application in July 2024. During the audit fieldwork, the unit organized a series of webinars on enhancements to the e-Travel platform and new travel controls. The audit team assessed whether the additional controls outlined in DFAM's global communications notice, issued in late 2024, had been implemented. Through discussion with select country offices, the audit team noted the following:

- **International travel payments must not be processed as direct invoices through funds commitment:** During the audit fieldwork in 2025, this was still occurring, amounting to US\$1.3 million.
- **Monthly reconciliations are not consistently completed:** Accurate reconciliation is necessary to ensure financial accuracy, improve cash flow management, support accurate reporting and prevent overpayment. Country offices are expected to perform monthly reconciliations of payable accounts with travel agents. One of the five country offices reviewed had not started implementing this requirement at the time of the audit fieldwork. Another office had not completed the required reconciliations, as only the travel agents' invoices were listed. In the remaining three country offices, two performed monthly reconciliations and one performed quarterly reconciliations. The audit team found that one reconciliation contained errors. The regional offices confirmed that they did not review the quality of the reconciliations completed by the country offices. This meant the control was not consistently applied to identify mistakes in travel agents' reporting, which could result in overpayment of travel expenses. The audit team was unable to determine whether the selected regional offices performed the reconciliations based on the documentation provided.
- **Roles management and system controls:** UNICEF's Financial and Administrative Policy Supplement 1: Internal Controls and the User Access Management Guidelines states that the travel administrator role should only be assigned to staff responsible for processing travel authorizations and travel claims, and for ensuring compliance with travel requirements. This was emphasized in the global communications issued by DFAM in late 2024. During fieldwork, the audit team analysed the list of staff with the travel administrator role in the system and noted that some functions did not align with the role. For example, at least eight representatives and 33 staff from programme sections were assigned the travel administrator role despite not meeting the requirements. Gaps in role assignment can lead to segregation-of-duties violations, increasing the risk of unauthorized actions and fraud.

The audit also noted inconsistencies in the description and interpretation of the requirements for the travel administrator role, as well as in the assignment of this role to Headquarters divisions, regional offices and country offices. UNICEF's Financial and Administrative Policy Supplement 1: Internal Controls was issued in March 2012 and was overdue for revision. The policy broadly defines the role of the travel administrator but does not outline assignment criteria or detailed responsibilities. The User Access Management Guidelines were updated in 2021. This document provides examples of staff who can be assigned a travel administrator role. One of the regional offices in this

audit had issued additional guidance to country offices in its region. The audit team found that the three documents provided overlapping but not fully aligned descriptions of the scope and assignment criteria for the role.

DFAM's global communications in late 2024 provides that the travel administrator must be a qualified staff member with competence, authority and experience. To help country offices identify travel administrators from this broad description, the GSSC and one regional office communicated the scope of responsibilities for staff members involved in travel authorization processing, outlining their roles in the process.

In addition to the travel administrator's responsibilities, there were differing interpretations of the travel administrator's level within the office structure. For example, some offices expected the role to be filled by administrative staff at the officer level, meaning an international or national professional. Yet, the UNICEF Financial and Administrative Policy 1: Internal Controls states that "Officer" need not be an international or national professional to perform the functions. The lack of a clear description and responsibilities for the travel administrator role has led to inconsistent assignments across UNICEF offices. During fieldwork, the audit team noted that 746 personnel were assigned the travel administrator role across UNICEF. This ultimately reduced accountability for travel authorizations and increased the risk of unauthorized actions and fraud.

- **Clean-up and implementation recommendations are not a priority:** To enhance operational efficiency, strengthen internal controls and reinforce accountability, DFAM, in collaboration with the GSSC, initiated a comprehensive review of travel role assignments and administration in November 2024. The clean-up process for travel roles was scheduled to be completed in February 2026. During fieldwork, at least two out of seven regions completed a review of the travel administrator role and were in the process of cleaning up the travel on behalf role assigned to 3,696 staff across the organization. The cleanup and implementation of recommended actions from a special audit were not prioritized in some regional offices, despite DFAM reminders. This meant the offices remained vulnerable to the identified gaps, increasing the risk of fraud and misuse of funds.

Root cause(s): Inadequate and insufficient oversight and monitoring, which derive from a lack of clarity on accountabilities in the policy framework and procedures, and the lack of established regular checks and balances.

RECOMMENDED ACTIONS 6

The Division of Financial and Administrative Management, in collaboration with relevant offices, should:

- i. Clarify the budget owner's responsibilities in the relevant travel procedures.
- ii. Ensure heads of offices' travel requests are approved by the relevant approving authority or their delegate to ensure transparency and objectivity. Ideally, the proposed workflow should be integrated into the travel module.
- iii. Amend the travel procedures to ensure that security clearance is obtained prior to travel. To the extent possible, develop an interface between the security clearance application and the travel module to automatically display the status of clearances for the budget owner and the travel administrator, making verification easier.
- iv. Develop an interface between the lump sum airfare database and the travel module to ensure automatic use of its quotes.
- v. Perform periodic reviews of travel expenses to ensure they are correctly recorded.
- vi. Monitor the implementation of additional controls.
- vii. Enforce the travel roles assignment model, including delegation protocols, and exception handling procedures to accommodate unique office structures or workloads.
- viii. Develop and proactively roll out a profile for the travel administrator role, outlining the expected level or stature, relevant background, minimum qualifications, core competencies and detailed responsibilities.
- ix. Ensure that staff assigned the travel administrator role meet the profile.
- x. Finalize the travel role clean-up and integrate monitoring of the assignment and usage of the travel administrator role into routine internal controls monitoring frameworks.

Staff Responsible: Administrative Manager Travel & General Services Unit (DFAM)

Implementation Date: 30 September 2027

7. Vendor management and value for money

High

Although Headquarters independently assessed value for money from its travel management company and regularly monitored its performance, this was not the case for the more than 300 travel agents used by regional and country offices. This was particularly concerning given that travel from these offices accounted for 91 per cent of all UNICEF travel expenditures. Despite the implementation of cost-saving initiatives such as advanced trip planning, 50 per cent of travel was not planned, resulting in higher travel costs. Recoveries persist, with US\$1.1 million payable to UNICEF from staff and third-party sources. The decision to purchase refundable tickets for all New York Headquarters air travel provided more flexibility for changing itineraries and reducing cancellation fees.

The usual route for all official travel should be the most economical. In 2018, DFAM developed a travel strategy based on a third-party study and analysis to determine the

most effective way to centralize travel management. The strategy could not be fully implemented due to insufficient funding. In 2019, the travel reform was developed and implemented as an extension of the travel strategy. Two of the reform's objectives were: (i) promoting travel cost efficiency and savings at all UNICEF locations where travel is initiated and (ii) using technology within the travel industry and moving effectively and gaining economies of scale. This led to the relocation of international travel processing (including entitlement travel) for all Headquarters divisions and their outposted offices to the GSSC. UNICEF is undergoing a reorganization due to the Future Focus Initiative resulting from significant global funding cuts.

In 2024, total travel expenditure was approximately US\$392 million, or 5 per cent of UNICEF's total annual spending of US\$8.4 billion. Country office and regional office travel expenditures accounted for US\$356 million or 91 per cent of UNICEF's total. Although travel expenditure may seem insignificant relative to overall spending at UNICEF, it is an essential and sensitive cost element, susceptible to abuse and carrying a high risk of fraud. The audit used data analytics to identify potential cost savings, focusing on advanced trip planning, DSA calculation accuracy, recoveries, unused tickets and travel agent performance.

Assessment of value for money concerning UNICEF travel

Headquarters: One of the recommendations from the 2019 OIAI audit was to review and provide assurance to UNICEF that airfare quotations offered by the travel management company are in accordance with UNICEF travel policy and procedures. In response, in 2022 the DFAM Travel Unit hired an independent third party to conduct an audit of value for money. The report noted that almost 96 per cent of the fares reviewed were booked at the lowest cost. The audit concluded that the travel management company did a good job of finding and offering the lowest fare within UNICEF's guidelines. The travel management company's current long-term agreement, which commenced in 2019, is set to expire in 2026. The Travel Unit planned to initiate a competitive bidding process during the current audit.

Country and regional offices: During the period under audit, more than 300 travel agents were used by UNICEF. Country and regional office travel expenditures accounted for US\$356 million or 91 per cent of UNICEF's total travel expenditures. The selected country and regional offices stated that they relied on the contract terms, including negotiated discounts. They used multiple travel agents to request quotes, and they selected the one with the lowest price. A review of a sample of travel agent contracts revealed that in four out of the seven offices, the contracts included discount terms. In two instances, the audit team received renewal contracts that did not include the details needed to determine whether they included a discount. In the remaining instance, the discount percentage was not specified in the long-term agreement. There is no mechanism to independently verify whether offices outside Headquarters were receiving

value for money. This is particularly important given that travel initiated by these offices accounts for 91 per cent of UNICEF’s total travel expenditures.

Advanced trip planning: Staff members are expected to initiate their travel arrangements at least 14 calendar days before the anticipated travel date, with shorter notice only in cases of unforeseen business requirements. The audit team analysed the travel data from the travel module covering the period from July 2024 to May 2025. In 2024, 50 per cent of travel was approved within the 14-day deadline. Twenty-eight per cent was approved after the deadline but before the start of travel. Another 22 per cent was approved after the trip had started. Offices explained that some of the post-facto approvals were due to emergency travel. The audit team could not verify this statement because it could not identify travel authorizations for emergency travel in the travel module. Inadequate planning could lead to increased travel costs. Table 2 illustrates the detailed breakdown of advanced trip planning for travel data spanning July 2024 to December 2024.

Table 2: Advanced trip planning from July 2024 to December 2024

Advanced trip planning	Total 2024 expenditure (US\$)	Percentage
0–5 days	\$5,997,581	24%
6–14 days	\$6,555,442	26%
15–21 days	\$2,881,839	12%
>21 days	\$4,051,854	16%
Trip approved after start date	\$5,386,965	22%
Grand total	\$24,873,681	100%

A recommendation to strengthen oversight over travel planning was made in an earlier section of this report.

Daily subsistence allowance calculation: Before departing on official duty travel, travellers receive full payment of their estimated travel entitlements, including DSA. DSA is paid to travellers to cover costs such as meals, overnight accommodations and intra-urban transportation. DSA is automatically calculated in the travel module based on the travel dates and location. Travel administrators are expected to ensure that the DSA is correct before posting the travel authorization. From the 33 travel authorizations selected for review, the audit team reviewed the DSA calculations for the 10 duty travel authorizations. The DSA calculation for 5 out of 10 travel authorizations was completed

outside the travel module. In 8 out of the 10 authorizations, there was no supporting documentation for the DSA calculation. As a result, the auditors were unable to recalculate the DSA paid. For the two travel authorizations with supporting documentation in the travel module, the DSA calculation was accurate. The lack of supporting documentation and DSA calculations outside the travel module increased the risk of erroneous calculations and potential overpayment. The audit also noted that in four out of the five stretch assignment travel authorizations reviewed, the DSA calculation was incorrect, resulting in an estimated overpayment of approximately US\$7,000.

Recoveries: The audit team noted that the GSSC does not generally proceed with recoveries through payroll, even when requested by staff members. As at May 2025, there was US\$1.1 million in payables to UNICEF due to recoveries from staff members, travel agents and individual consultants. Table 3 shows the recovery balance by category. The risk of not recovering funds from staff is low due to the separation procedures in place. Those areas with a higher risk of recovery include travel agent vendors and individual consultants, which combine to account for 45 per cent and exceed US\$0.5 million. Table 4 shows recoveries by age, with US\$0.7 million (60 per cent) of recoveries pertaining to those over 120 days old.

Table 3: Recoveries by category type as at May 2025

Category	Balance (US\$)	Percentage
Staff	\$629,971	55%
Travel agent vendors	\$460,499	40%
Individual consultants	\$55,522	5%
Grand total	\$1,145,992	100%

Table 4: Recoveries ageing as at May 2025

Age in days	Balance (US\$)	Percentage
Current	188,269	16%
30-120	280,748	24%
120+	579,274	51%
365+	97,701	9%
Grand total	1,145,992	100%

Risks from unused tickets expiry

Headquarters: DFAM's Travel Unit monitors unused tickets monthly. On its recommendation, the comptroller changed all Headquarters tickets to refundable in late 2024, providing more flexibility due to changing itineraries and reducing UNICEF spending on costly change and cancellation fees airlines charged. During fieldwork, there were almost US\$100,000 in unused tickets, with approximately US\$245,000 that had already expired due to various constraints. In a joint coordination between the Travel Unit, the GSSC, the travel management company and the traveller, travellers were made aware of available tickets. The Travel Unit and the GSSC also reused some tickets by requesting that carriers issue a name change when possible. The freeze on international travel also impacted the utilization of available tickets.

Country and regional offices: As highlighted in the observation above, it was necessary to ensure that all offices prepared timely, accurate monthly reconciliations of payable accounts with travel agents. The failure to complete these reconciliations increased the risk that UNICEF would not promptly identify unused tickets, leading to their expiry and the loss of these funds.

Performance monitoring of travel agents

Headquarters: DFAM's Travel Unit held quarterly and annual meetings with the travel management company to review the established performance matrices. The audit noted that the Unit also conducted the travel management company's performance evaluation for the 2024 period, rating it as excellent.

Country and regional offices: Three out of the five country offices and the two regional offices included in the scope of this audit monitored and completed the evaluation of a sample of their local travel agents' performance. For the remaining two country offices, the audit did not receive any supporting evidence that they monitored the performance of their travel agents. The two offices stated that they were relying on the other United Nations agencies to monitor, as they had established the contracts. Neither the DFAM Travel Unit nor the GSSC tracked or monitored whether country offices had completed performance evaluation of their travel agents. This increased the risk that country offices had engaged underperforming travel agents, which could result in subpar service, higher travel costs and greater exposure to fraud.

Root cause(s): Lack of an organizational framework on whether UNICEF is receiving value for money from travel agents was due to the decentralized approach to travel management. Inadequate planning resulted from a lack of travel plans and inconsistent use of the travel module. The inaccurate DSA calculation was due to inadequate oversight and calculations being made outside the travel module, as the travel application does not accommodate the calculation of DSA percentages. A lack of organization-wide visibility into unused tickets was due to an unsatisfactory, inaccurate monthly reconciliation of payable accounts with travel agents. Travel agents' performance was not consistently

evaluated due to a lack of oversight and monitoring at the country office, regional office and Headquarters division level.

RECOMMENDED ACTIONS 7

The Division of Financial and Administrative Management should:

- i. Ensure all daily subsistence allowance calculations are performed in the travel module and that any amendments to the travel are made to the original travel authorization to facilitate monitoring and review.
- ii. Oversee that the recovery of payables from travel agent vendors and individual consultants is completed.
- iii. Put in place appropriate systems or source external services to regularly review and provide assurance to UNICEF that airfare quotations provided by the travel agents outside Headquarters are in accordance with UNICEF travel procedures.
- iv. Strengthen knowledge sharing and cost-saving practices with country and regional offices.
- v. Ensure that the performance of travel agents, both within and outside Headquarters, is assessed.

Staff Responsible: Administrative Manager Travel & General Services Unit (DFAM)

Implementation Date: 31 March 2027

APPENDIX

Definitions of Audit Observation Ratings

To assist management in prioritizing the actions arising from the audit, OIAI ascribes a rating to each audit observation based on the potential consequence or residual risks to the audited entity, area, activity or process or to UNICEF as a whole. Individual observations are rated as follows:

Low	The observation concerns a potential opportunity for improvement in the assessed governance, risk management or control processes. Low-priority observations are reported to management during the audit but are not included in the audit report. Action in response to the observation is desirable.
Medium	The observation relates to a weakness or deficiency in the assessed governance, risk management or control processes that requires resolution within a reasonable period to avoid adverse consequences for the audited entity, area, activity or process.
High	The observation concerns a fundamental weakness or deficiency in the assessed governance, risk management or control processes that requires prompt/immediate resolution to avoid severe/major adverse consequences for the audited entity, area, activity or process, or for UNICEF as a whole.

Definitions of Overall Audit Conclusions

The above ratings of audit observations are then used to support an overall audit conclusion for the area under review, as follows:

Satisfactory	→	The assessed governance, risk management, and control processes were adequate and functioning well.
Partially Satisfactory, Improvement Needed	→	The assessed governance, risk management, and control processes were generally adequate and functioning but needed improvement. The weaknesses or deficiencies identified were unlikely to have a materially negative impact on the performance of the audited entity, area, activity or process.
Partially Satisfactory, Major Improvement Needed	→	The assessed governance, risk management, or control processes needed major improvement. The weaknesses or deficiencies identified could have a materially negative impact on the performance of the audited entity, area, activity or process.
Unsatisfactory	→	The assessed governance, risk management or control processes were not adequately established or did not function well. The weaknesses or deficiencies identified could have a severely negative impact on the performance of the audited entity, area, activity or process.

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