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# Office of Internal Audit and Investigations 2022 ANNUAL REPORT

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Item 11: UNICEF Office of Internal Audit and Investigations 2022 annual report to the Executive Board

Reference documents: E/ICEF/2023/AB/L.4 and Add.1

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## 2022-2025 OIAI Strategy

### INTERNAL AUDIT

Agent of Change and Trusted Adviser



### INVESTIGATIONS

Trustee for Integrity



## Developments in 2022

- Self-assessment by OIAI of its independence
- Investigative caseload continues to expand
- Addressing challenges from increasing donor requests
- Phased transition to in-person audits and investigations
- Preparation for opening third office in Nairobi
- Methodology for estimating future non-post budgets
- Additional staff added to internal audit section

# OIAI confirms:

- Provision of an annual opinion (in accordance with Executive Board decision 2015/11)
- Independence and absence of management interference
- Adequacy and effective utilization of resources
- Compliance with Executive Board decision on public disclosure (decision 2012/13)
- Compliance with the applicable professional standards
- Coordination with other assurance providers and participation in professional networks



# Annual opinion

In line with Executive Board decision 2015/11 and based on the scope of work undertaken in 2022, the UNICEF framework of governance, risk management and controls ***was generally adequate and effective.***

## BASIS FOR OPINION

- Independent risk-based workplanning and prioritization based on available resources
- 92 per cent of the audit reports resulted in an overall satisfactory rating
- Satisfactory implementation rate of agreed actions
- Non-discovery of material deficiencies in the overall organization's framework of governance, risk management and control

# Internal audit overview



- 27 reports issued: 25 audits (16 country offices, 9 cross-cutting) and 2 advisories
- Country offices audited constituted 16% of 2022 planned programme expenditures
- 92 per cent of the audit reports resulted in an overall satisfactory rating



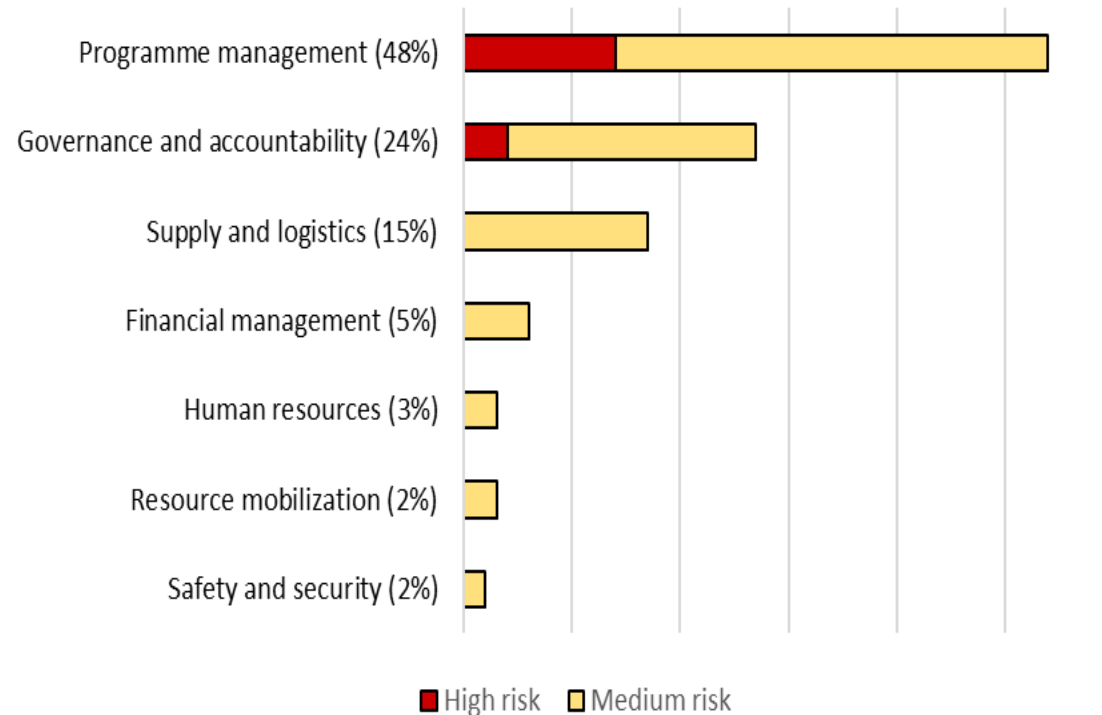
- 20% “high-priority” agreed actions



- No open agreed actions older than 18 months
- Only 4% of agreed actions older than 12 months

# Internal audit overview

## OBSERVATION CATEGORIES: COUNTRY OFFICE AUDITS



## KEY THEMATIC AUDITS AND ADVISORY SERVICES

### ➤ Audits

- Country Office audits included Syria, Bangladesh, DRC and Haiti
- Enterprise risk management thematic audit
- Supply system strengthening thematic audit

### ➤ Advisory services

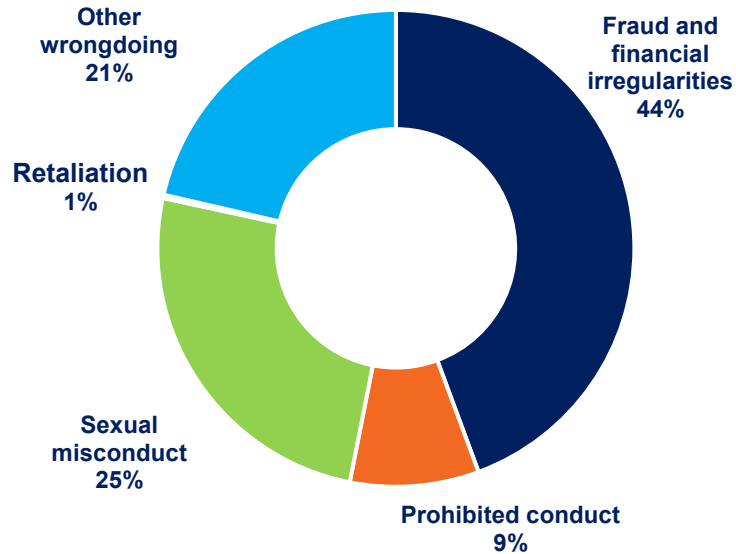
- Risk management in Afghanistan Country Office
- Digitization and automation opportunities

# Investigations overview

773 investigations cases managed in 2022, representing a 19 percent increase compared to 2021

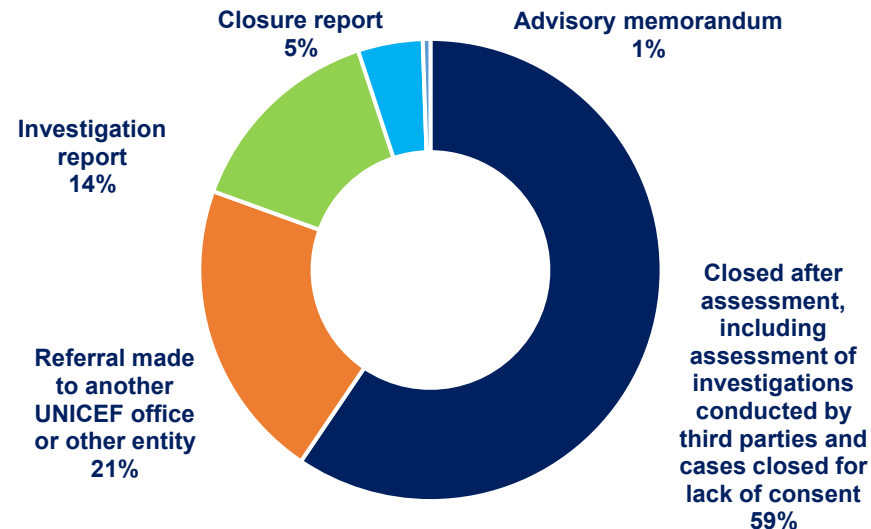
## NEW CASES IN 2022

435 new cases registered  
(15% increase over 2021)



## CASES CLOSED IN 2022

374 cases closed (21% higher than 2021)  
52% cases closed within 9 months



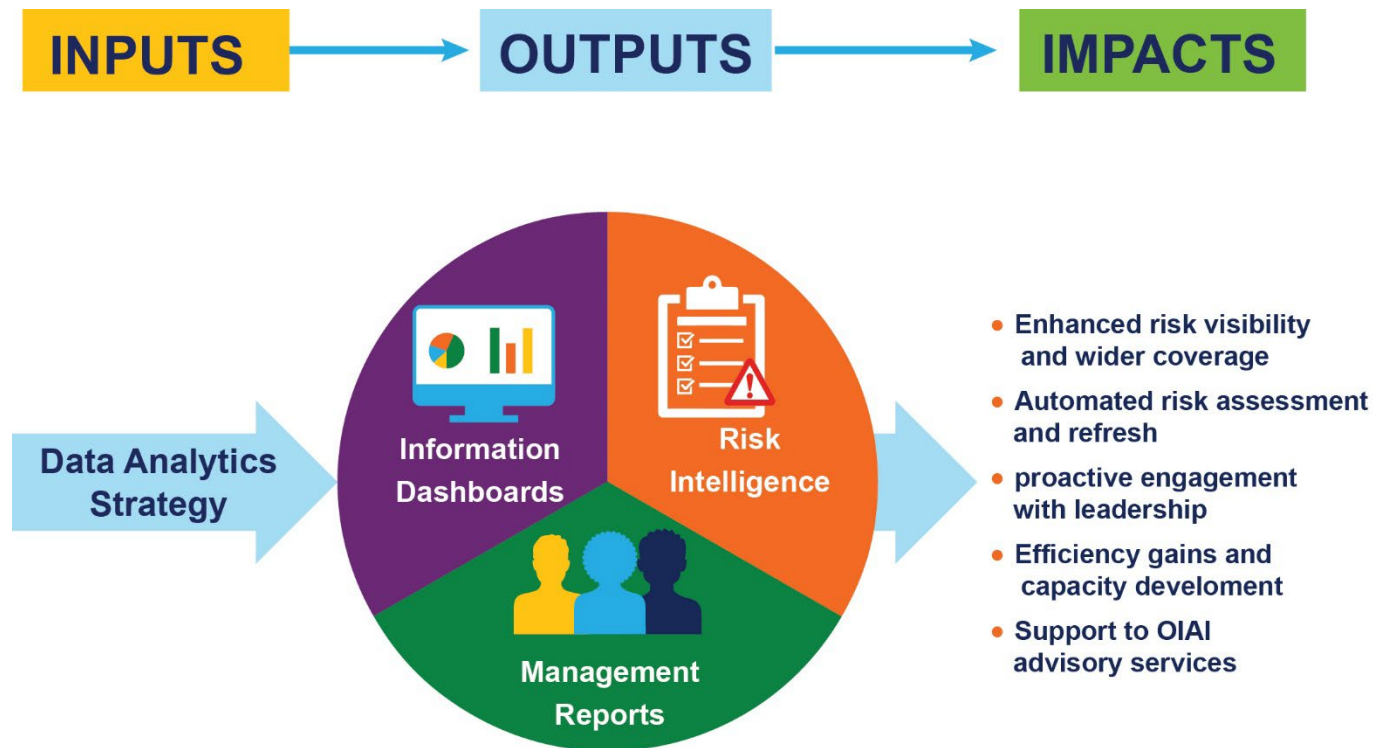
## Non-case-specific activities in 2022

- Guidance and advice to staff on possible misconduct and wrongdoing, including alternative measures for resolution
- Contribution to policy initiatives (e.g., revisions to standard contract terms) and outreach communications
- Delivery of presentations on sexual exploitation and abuse to implementing partners
- Participated in several anti-fraud-related organizational initiatives
- Donor engagement and reporting (briefings, reporting exercises and evaluations)



# Enablers

## DATA ANALYTICS



## COMMUNICATIONS





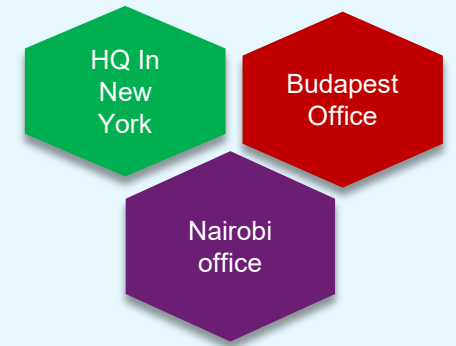
# ROADMAP FOR 2023

## 1 RISK FOCUS

- Expanded analytics to strengthen audit work planning
- Support strengthening UNICEF's risk management

## 2 DECENTRALIZATION CONTINUES

- Third OIAI office in Nairobi effective Q3-2023
- 30% OIAI staff based outside New York from 2024



## 3 INTERNAL AUDIT

- Increase in number of engagements
- Additional thematic coverage
- Evaluation of additional sources of assurance

## 4 INVESTIGATIONS

- Establish investigations task force devoted to complex fraud cases
- Move towards consistency in interactions with donors
- Expand use of alternative conflict resolution mechanisms

Thank you.