The Office of Internal Audit and Investigations

- Key component of the UNICEF oversight framework
- Assists the Executive Director and senior managers in effectively discharging their responsibilities
- Undertakes independent and objective audits and investigations across country offices, regional offices and headquarters in accordance with the OIAI Charter (CF/EXD/IC/2012-004) and risk-based work-plan
- Adds value to UNICEF operations to help achieve objectives efficiently, effectively and economically
- Helps management address the risks of fraud and other misconduct and strengthen the ethical environment
- Works closely with the Audit Advisory Committee and with the other internal and external oversight mechanisms
Requested:
(a) an opinion, based on the scope of work undertaken, on the adequacy and effectiveness of the organization’s framework of governance, risk management and control;
(b) a concise summary of work and the criteria that support the opinion;
(c) a statement of conformance with the internal audit standards to which UNICEF adheres; and
(d) a view on whether the resourcing of the function is appropriate, sufficient and effectively deployed to achieve the desired internal audit coverage
In the opinion of OIAI, based on the scope of work undertaken, the adequacy and effectiveness of the UNICEF framework of governance, risk management and control were generally satisfactory.

Although internal audits identified a number of areas where internal controls, governance and risk management practices required strengthening, OIAI was pleased to note that management had committed to address or was already addressing these areas.
Annual assurance opinion - criteria

- Overall opinion gives reasonable, not absolute assurance to stakeholders, within the scope of work undertaken, based on
  - Risk-based work-plan within a multi-year planning cycle
  - Auditing of governance, programmes and operations
  - Broad coverage of country offices, regional offices and headquarters

- Overall opinion for 2015 takes account of
  - Preponderance of ‘satisfactory’ ratings from individual assignments
  - Continuing high implementation rates for agreed actions
  - No fundamental flaws identified by the work undertaken by OIAI
Independence, quality and resourcing

- OIAI is functionally independent and remained free during 2015 from management interference in determining its scope, performing its work, and reporting its results.

- The Office’s quality assurance processes confirmed that OIAI remained in general conformity with the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors.

- OIAI had adequate resources during 2015 for the scope of work envisaged, and these were effectively deployed to achieve the desired internal audit coverage in line with the Office’s risk-based audit work-planning.
Results of investigations

- 142 cases managed by OIAI during 2015 (including 52 carried over from previous periods)

- Increase in number of cases involving fraudulent misuse of programme funds by implementing partners

- 101 cases closed
  - 54 allegations resulted in referrals for recovery, disciplinary action or prosecution
  - 47 allegations were not substantiated, or the staff members left UNICEF whilst under investigation
  - Remedial actions identified to reduce the risk of future losses
For more information, please contact
Paul Manning
Director, Office of Internal Audit and Investigations
Telephone: +1-212 326 7535
Email: pmanning@unicef.org