

Office of Internal Audit and Investigations (OIAI)

Working towards a culture of integrity

Stephen Zimmermann, Director

UNICEF Executive Board – 11 January 2024

Orientation Session for the 2024 Executive Board Members

Governance, Authority and Responsibilities

Mandate

- Current Charter adopted in 2021, after presentation to the Executive Board
- It codifies the principles and arrangements for maintaining functional and operational independence

Access to Information

- OIAI has unrestricted access to information within UNICEF to exercise its duties and mandate.

Reporting

- OIAI Director Reports to the Executive Director
- OIAI reports annually to the Executive Board through its annual report
- OIAI provides an 'Annual Opinion' on the adequacy and effectiveness of the organization's framework of governance, risk management and controls
- Flexibility to interact with the Executive Board, including closed briefings since August 2022

Scope of Work

- OIAI independently determines what to audit and what to investigate
- Management can review OIAI decision not to investigate
- OIAI independently determines content of audit and investigative reports and related findings

Governance, Authority and Responsibilities

Quality Control

- OIAI had favorable external reviews of both its audit and investigations functions
- The Audit Advisory Committee (AAC) provides an annual opinion on the independence and work of OIAI

Staffing

- OIAI independently selects and hires staff as needs arise and resources permit
- Staff are not subject to rotation or similar limits on time in post

Tenure

- Director has a fixed term five-year appointment, renewable once
- Selection is by the Executive Director

Resources and Budget

- OIAI has independent discretion over utilization of the funds it is allocated
- Management controls budget allocation for OIAI, as it does for all UNICEF functions
- OIAI's workload and resources continue to grow alongside the rapid growth of UNICEF programmes

Internal Audit Services

Assurance	Advisory
Determined by OIAI	Mutually agreed by Office & OIAI
Assessment of adequacy and effectiveness of governance, risk management and control	Advice or assistance, point of view or real-time insights
<ul style="list-style-type: none"> • Internal auditor • Auditee • Stakeholders (ED, Board, AAC) 	<ul style="list-style-type: none"> • Internal auditor • Client office
<ul style="list-style-type: none"> • Formal Audit Report • Subject to public disclosure • Less risk on independence and objectivity • Resources: type/number easier to estimate • Less Agile 	<ul style="list-style-type: none"> • Formal or informal contributions • Not subject to public disclosure • Care to ensure independence and objectivity • Resources: SME /number difficult to estimate • More Agile

Together, they inform OIAI overall opinion

Internal Audit Workplanning & Reporting

WORKPLANNING

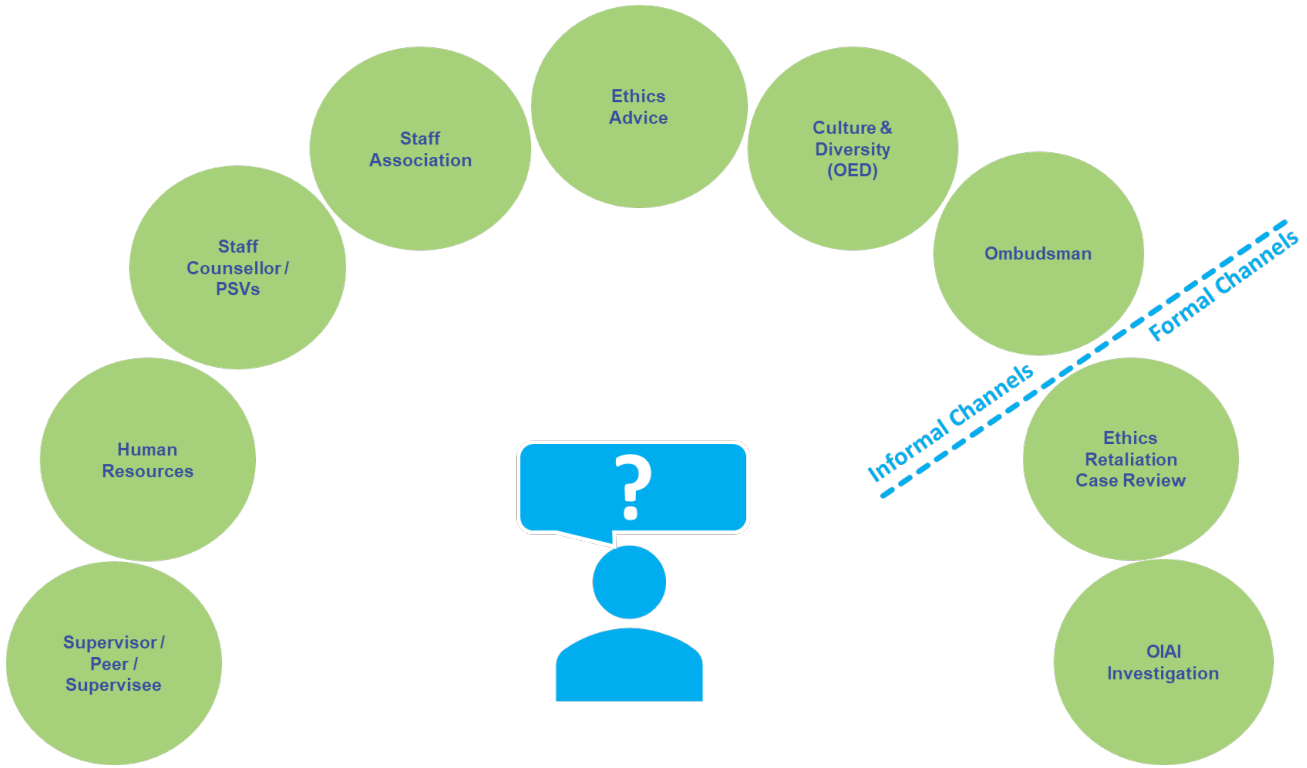
- Informed by risk discussions with Executive Management, Global Management Team, UN Board of Auditors (BoA), and Selected Donors
- Independent selection of audits (country office/thematic) based on assessment of key risks and data analytics
- Independent periodic review/refresh of workplan
- Workplan approved by the Executive Director (after review by AAC)
- Effective January 2024, the annual audit workplan, risk assessment and resources will be presented to the Executive Board in closed briefings

REPORTING

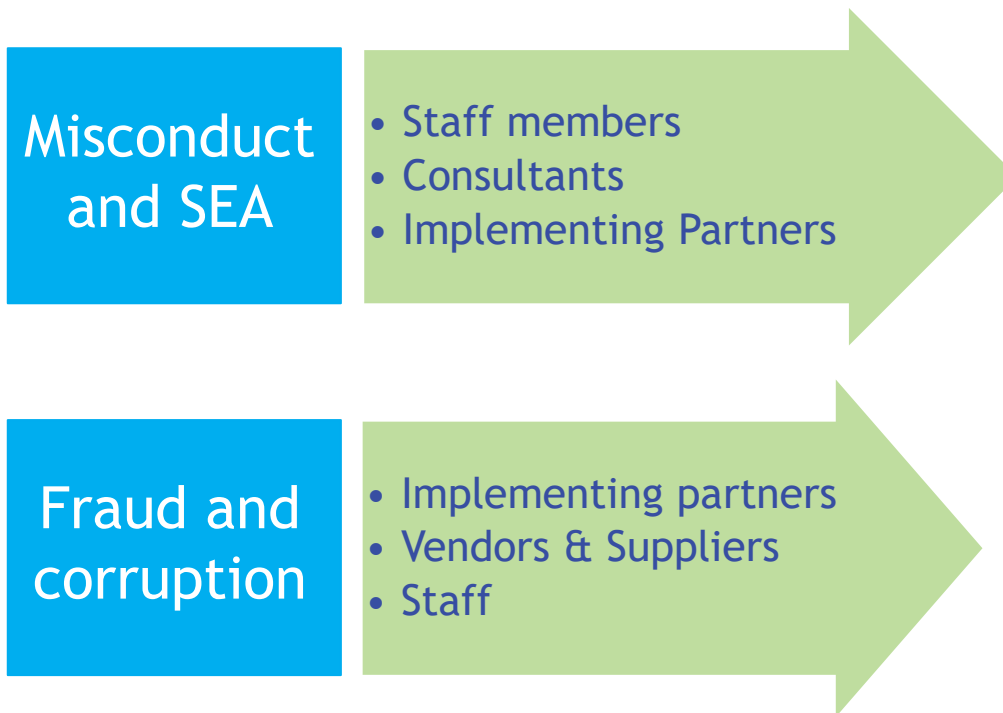
- Initial summary of observations and subsequent draft report shared with auditees for feedback and 'Agreed Actions'
- Final Report issued to Executive Director
- Opinion of Executive Director and Member State obtained (for country office audits) regarding potentially sensitive information, but final decision on disclosure is with OIAI
- Publication of final internal audit reports on www.unicef.org
- Agreed actions open more than 18 months are reported to the ED, AAC and the Executive Board.

The Integrity Framework:

Options to address workplace conflicts and concerns



Investigations



Yearly overview of caseload

2018-2023

Average yearly increase in caseload

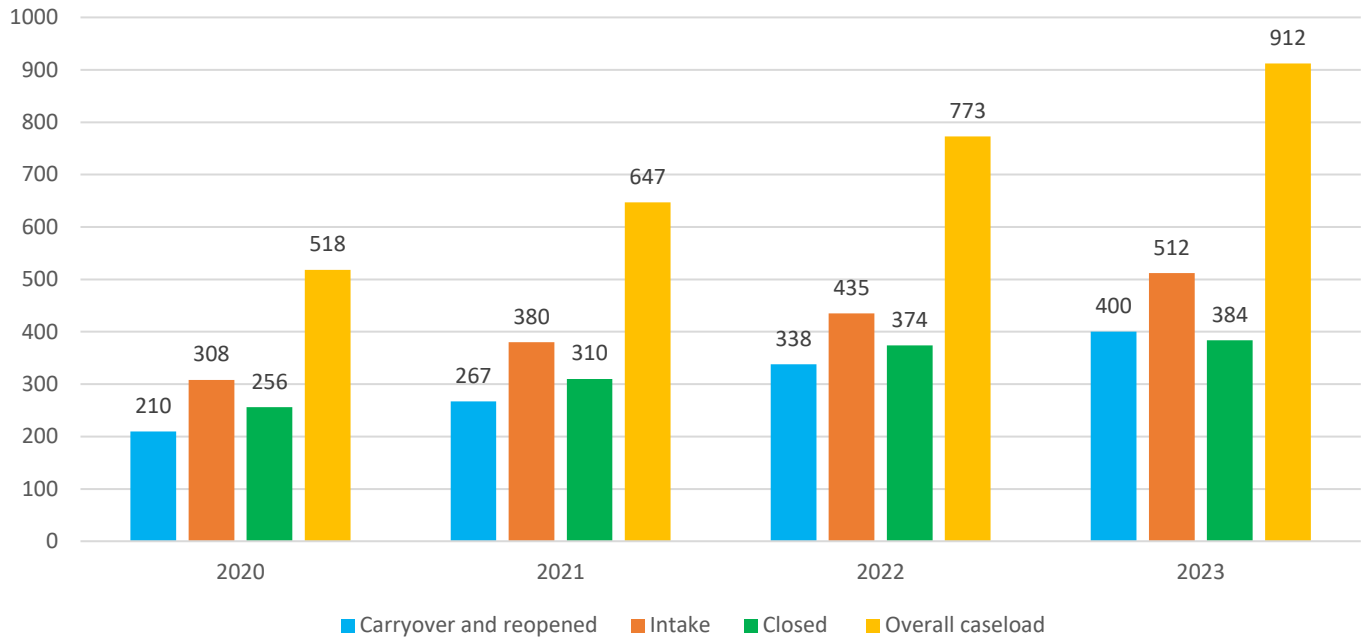
37%

Average yearly increase in closures

48%

Increase in caseload

304%



Note: Data for 2023 is preliminary and some figures may be adjusted following final review and validation

Thank you.

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