

Independent Evaluation and Audit Services (IEAS)

Internal Audit Service (IAS)



REPORT ON THE INTERNAL AUDIT AND INVESTIGATION ACTIVITIES

of the United Nations Entity for Gender Equality and the Empowerment of Women, 2019

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OVERVIEW

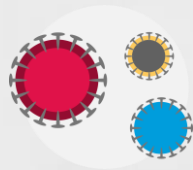


Internal Audit function in UN-Women

2019 Annual Report on the internal audit and investigation activities



- Annual opinion on effectiveness of governance, risks and controls
 - Recurrent issues observed during audit and advisory reviews
 - Advisory engagement and activities
 - Investigation activities
-

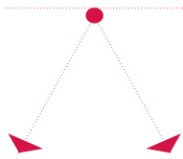


Internal Audits in the context of COVID-19

Internal Audit function in UN-Women

OVERSIGHT PROVIDERS

Independent Evaluation and Audit Services-IEAS



IES

IAS

Evaluation

Impact,
Sustainability
Relevance

Internal
Audit

Governance
Risks
Controls

Board of Auditors



External Auditors

Opinion on the
financial statements

Office of Internal Oversight Service



Investigation
of fraud and
misconduct

Joint Inspection Unit



Cross agencies
benchmarking
assessments

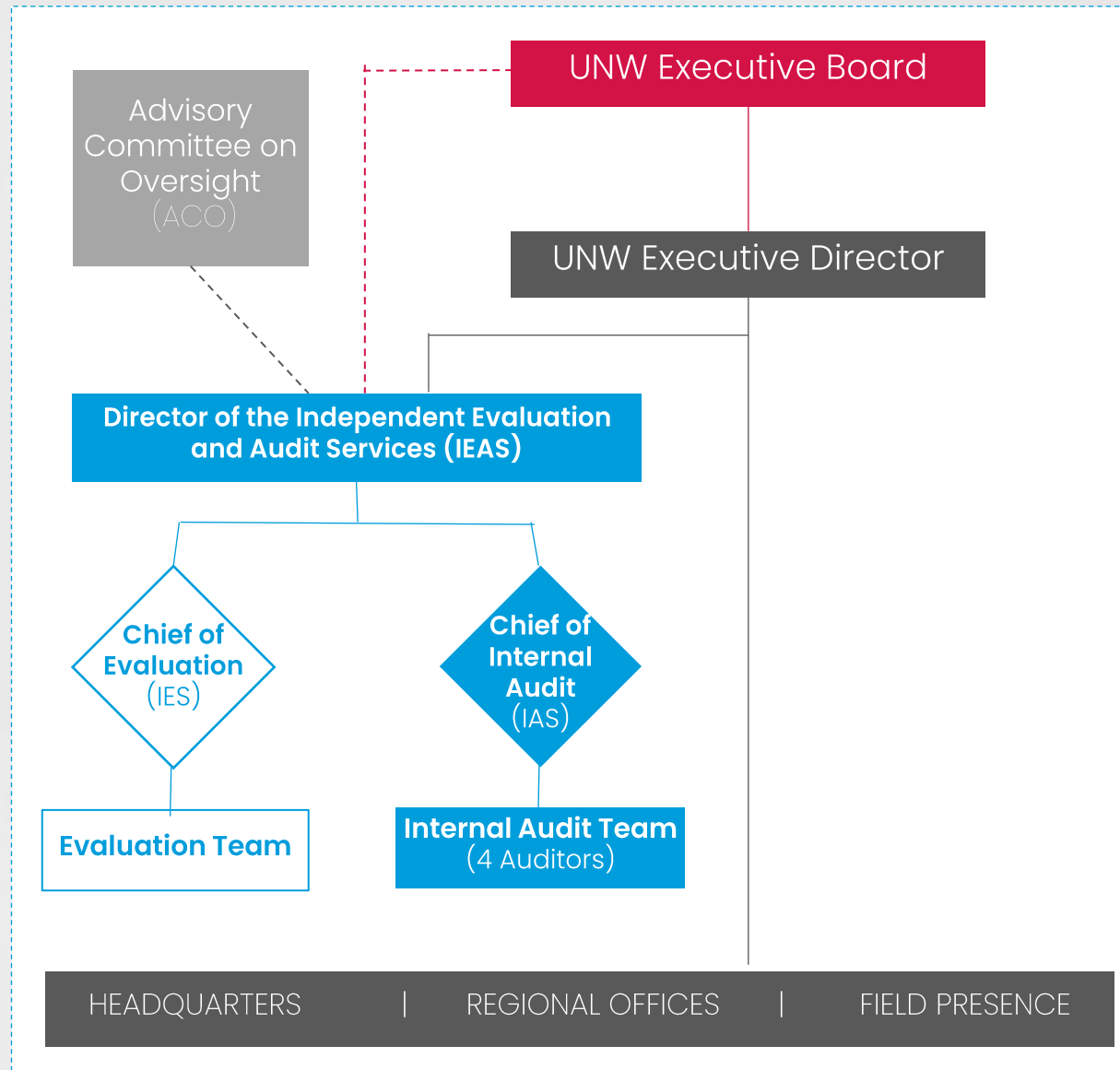
Ethics Office



Consult on ethical
issues, and
seek protection
against retaliation
for reporting
misconduct.

IAS STRUCTURE WITHIN UN WOMEN

Established in 2017
Took effect in 2018



- + **MANDATE:** independent and objective assurance and advisory services to add value and improve the effectiveness and efficiency of UN-Women's work
- + **INDEPENDENT:** Reports directly to the Executive Director. Protections of independence through ACO.
- + **AUTHORITY:** full, free, and unrestricted access to any and all records, electronic data, physical properties, and personnel
- + **GOVERNED:** Charter, ACO, International Professional Practices Framework (IPPF) of the Institute of Internal Auditors (IIA)
- + **SCOPE:** Assurance and advisory on the effectiveness of governance, risk management, and internal controls processes

2019

Annual Report on Internal Audit and Investigation Activities

ANNUAL OVERALL OPINION

Based on the internal audit work performed in 2019

No significant weaknesses were identified in the Entity's governance, risk management and control processes that would seriously compromise the achievement of UN-Women's strategic and operational objectives.

As a result of its 2019 audit assignments, IAS did identify some **risks that require UN Women management attention**:

- a. further enhance its second line of defence;
- b. further demonstrate its accountability for risk management and related systems of internal control through preparing an annual Statement of Internal Controls

SOURCES OF EVIDENCE



AUDIT PLAN

2019 risk-based audit plan and its implementation



AUDIT ENGAGEMENT

Individual audit engagement results and ratings



PROGRESS MADE BY MANAGEMENT

Actions implemented to address audit recommendations



UNBOA'S WORK

work conducted by the United Nations Board of Auditors

13

Audit and advisory reviews completed

8

Field audits

2

Thematic audits

10

Audits

4

Satisfactory (Uganda, China, APRO, Brazil)

4

Some Improvements needed (Myanmar, Liberia, Afghanistan, Mali)

2

Major Improvements needed (IP and travel management)

SUMMARY OF WORK

Three reports were advisory



- Operational Risk Assessment of the Haiti Country Office
Maturity Assessment of the Risk Management Process in UN-Women
Gap Assessment of the Project Cycle

Implementation of internal audit recommendations

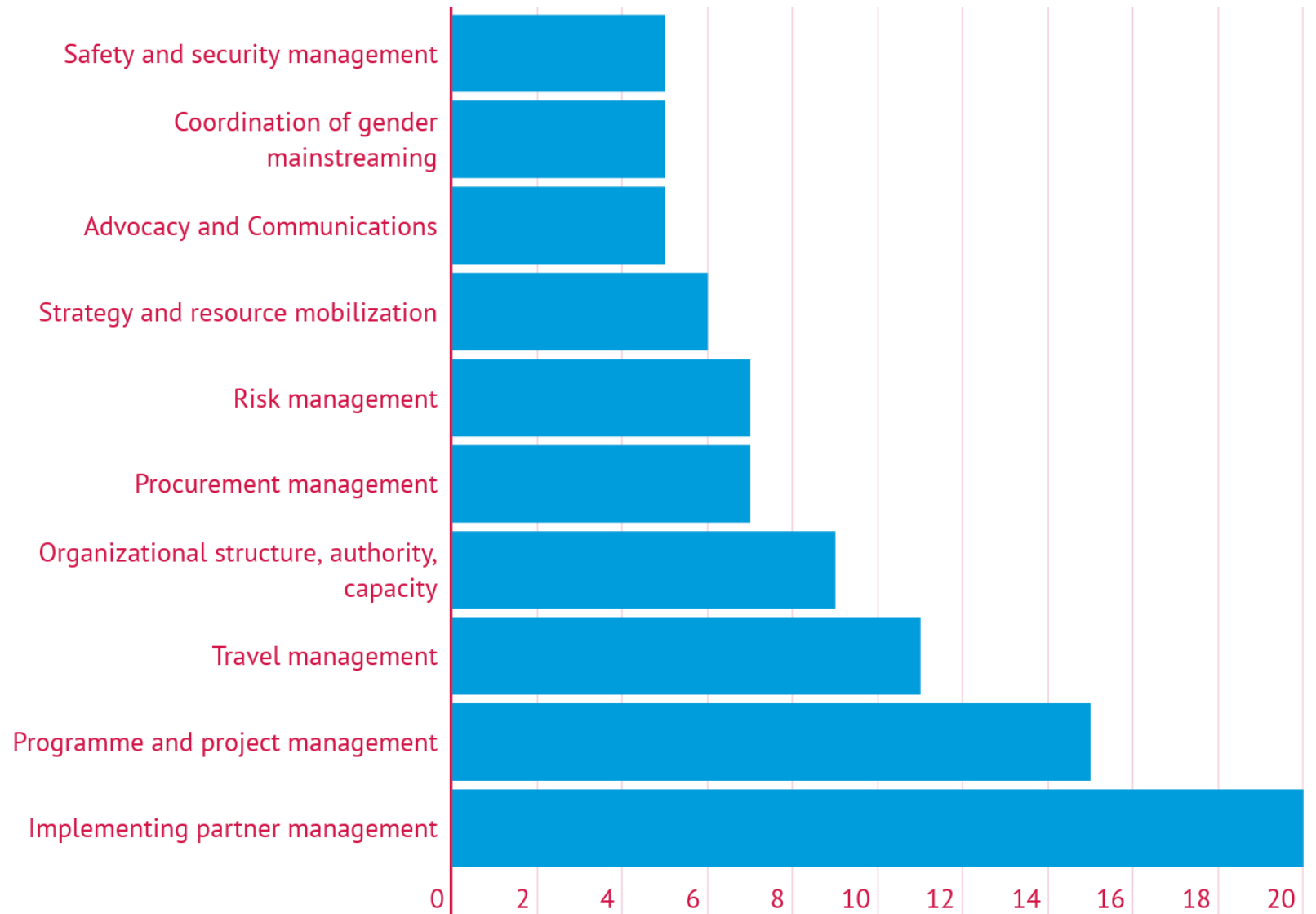


- All except 3 recommendations were closed for the period before 2019
Management already addressed 50 per cent of 2019 recommendations

RECURRENT ISSUES

- **Management of Implementing partners:** responsibilities, process risk assessment, enhance policies and accountability for performance.
- **Programme and project management:** project progress and risk tracking, monitoring and reporting
- **Setting up and implementation of strategic priorities:** improve results framework, monitoring and data validation
- **Capacity needed to implement strategic priorities:** match field capacity with ability to deliver on agreed results
- **Risk management process:** greater risk-informed decision making and resource allocation

NUMBER OF RECOMMENDATIONS PER AREA



**ADVISORY
ENGAGEMENTS
AND ACTIVITIES**



ADVISORY REVIEWS

Risk Assessment of Haiti Country Office

Risks and mitigating actions were identified and validated

Maturity of UN Women Risk Management

Maturity was assessed and roadmap was prepared to enhance and advance UN-Women to higher level maturity

Gaps in the UN Women Project Cycle

Gaps between current and best project management practices were identified and roadmap was proposed to streamline UN Women’s Project Cycle



ADVISORY ACTIVITIES

Commenting on draft policies and procedures

Active observer in working groups including Change Management

Adviser on Senior Management Team meetings

Regular interactions with Evaluation team

Partnering with UK National Audit Office on Value for Money audit methodology

65

Total
allegations
over 2019

13 Carry over
from 2018

52 Intake during
2019

44

Closed
Allegations:
43 by OIOS
and 1 by
UNDP OAI

10 Closed from carry overs

34 Closed from intake

21 Carried over into 2020

INVESTIGATIONS

Sources of allegations



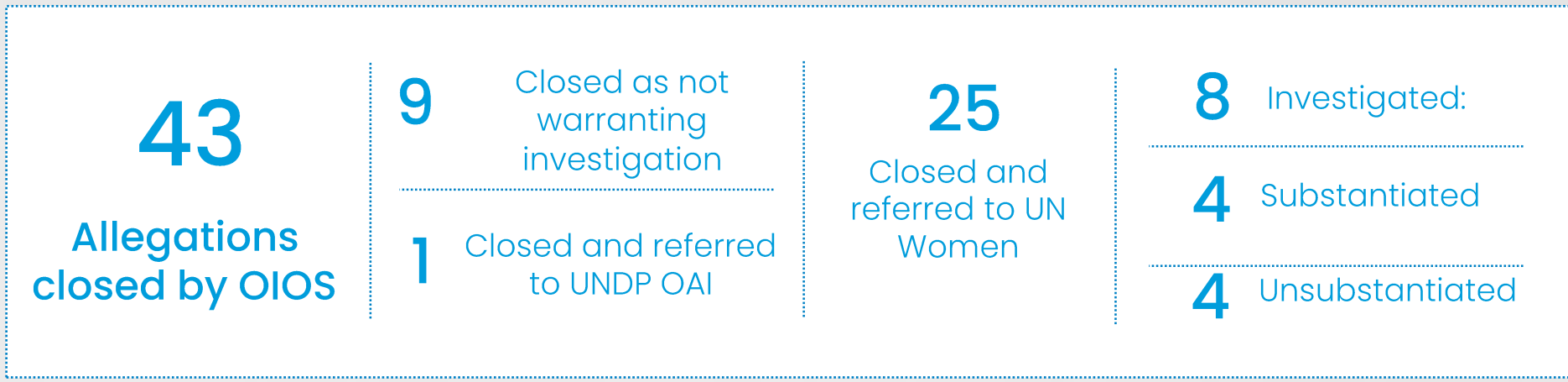
- 73% via hotline, 21% via emails, the rest via post, in person and referrals
- 65% from UN or former personnel, 21% anonymous, 10% from external parties, the rest from others

Allegations by type



- Prohibited conduct – 30%, personnel 16 %, fraud 14%, recruitment irregularities 14%, procurement irregularities 7%, misuse of office 7%, financial irregularities 5%, retaliation 5%, theft 2%
- Prohibited conduct includes harassment – 45%, abuse of authority – 32%, sexual harassment – 9%, discrimination – 5%, various – 9%

INVESTIGATIONS



Allegations investigated and reported

- 4 cases substantiated included allegations related to sexual harassment; irregularities in procurement process; abuse of authority; interfering with an official activity and not observing expected UN standards

Supporting investigations

- IAS supports the investigation function through its limited existing human resources. Further support would increase its ability to provide proactive integrity and counter-fraud efforts, and increase awareness on handling potential misconduct
- Reporting on lessons learned from investigations related to control weaknesses
- Defining management referral workflow, roles and responsibilities
- Supporting OIOS data and information requests

Internal Audit function in the context of **COVID-19**

AUDITS IN THE CONTEXT
OF COVID-19

Adjusting audit plan for 2020



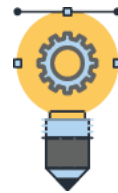
Postponing field audit visits

Due to travel ban, planned audits of the field offices have been postponed until the ban is lifted



Remote audits

Where possible, remote audits have been conducted including limited scope field audits



Crisis management

Provide timely inputs on fast tracking policies and processes so the risks are identified and addressed



Emerging risks

Scanning for emerging risks and proactively advising management on effective management