

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

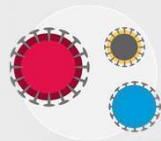


Internal Audit function in UN-Women

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

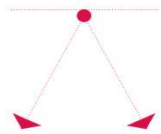


Internal Audits in the context of COVID-19

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



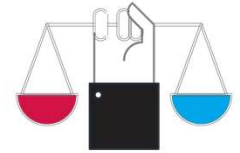
Investigation
of fraud and
misconduct

Joint Inspection Unit



Cross agencies
benchmarking
assessments

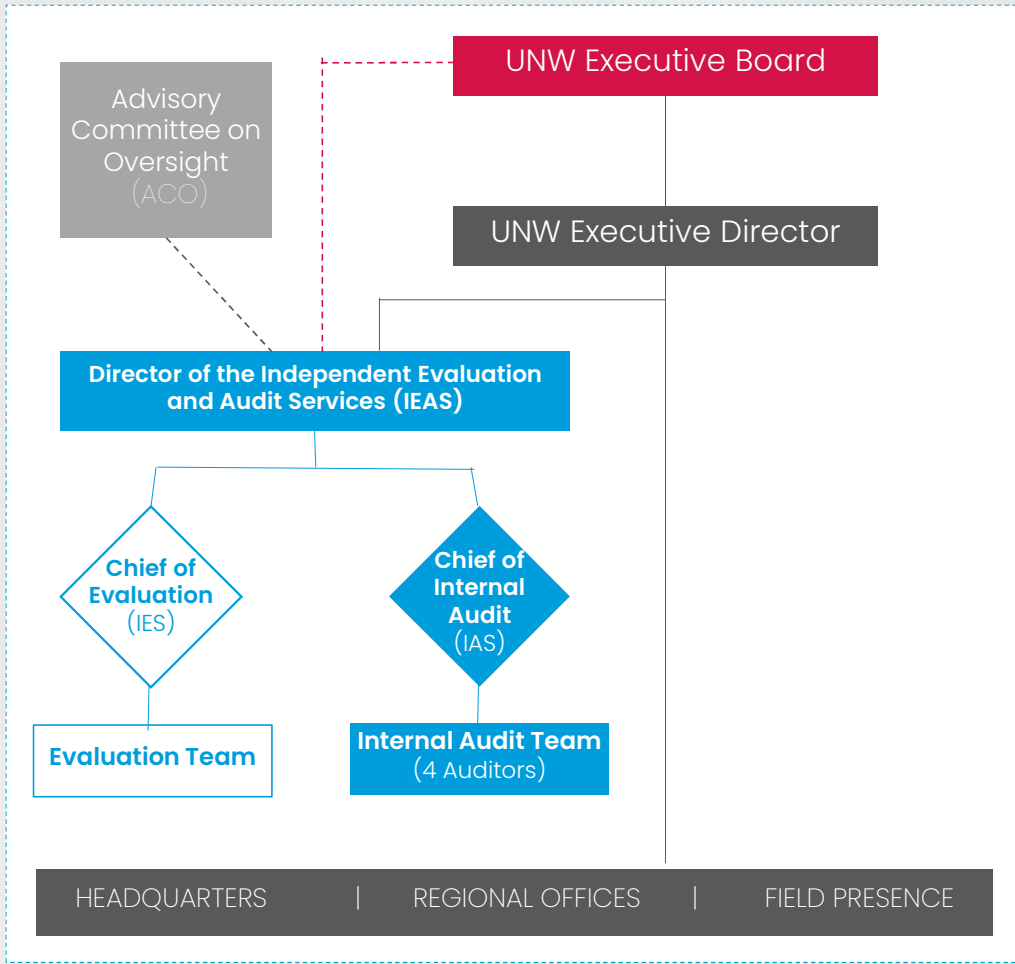
Ethics Office



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

OIOS conducts investigation for UN-Women on all possible misconduct by UN Women:

- + Personnel,
- + Vendors,
- + Implementing partners
- + Any other individual or entity engaged by UN-Women.

INVESTIGATION

UN Women has **zero tolerance** for fraud, corruption and any kind of wrongdoing.

Anyone with information regarding fraud, corruption or other wrongdoing relating to UN Women programmes or involving UN Women personnel is strongly encouraged to report this information through the investigation hotline:

<https://www.unwomen.org/en/about-us/accountability/investigations>

or Phone: **+1 212-963-1111 (24 hours a day)**

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

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

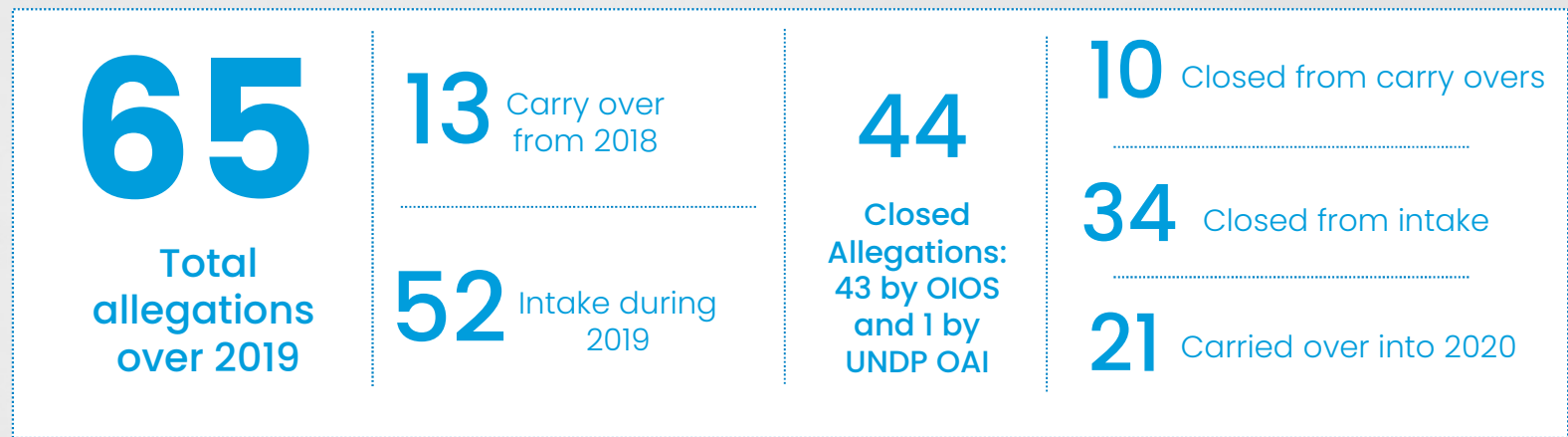
Commenting on draft policies and procedures

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



Sources of allegations



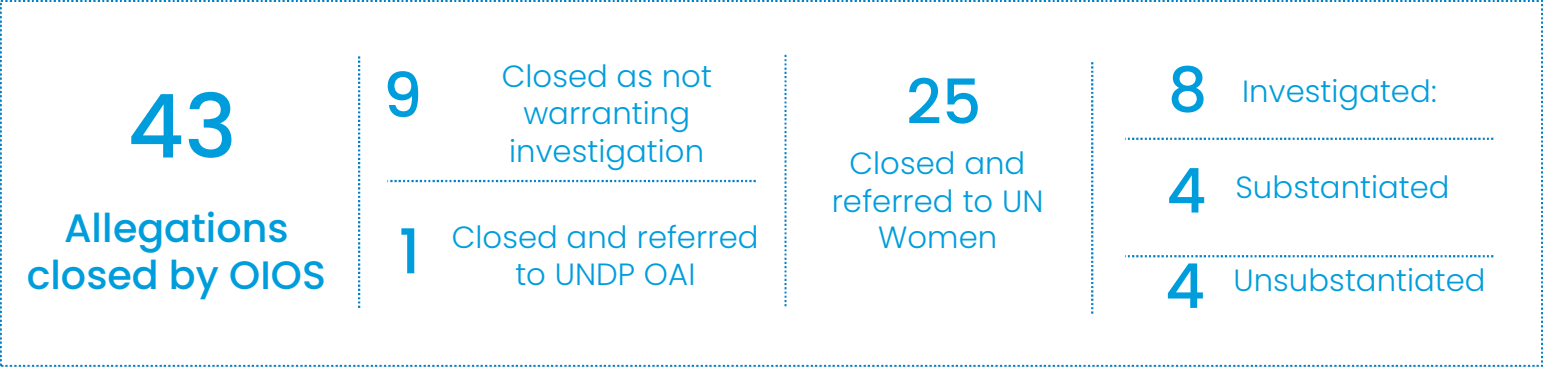
- 73% via hotline, 21% via emails, the rest via post, in person and referrals
- 65% from UN or former personnel, 21% anonymous, 10% from external parties, the rest from others

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 referred

- 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



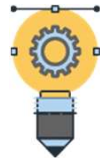
Postponing field audit visits

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

AUDITS IN THE CONTEXT OF COVID-19

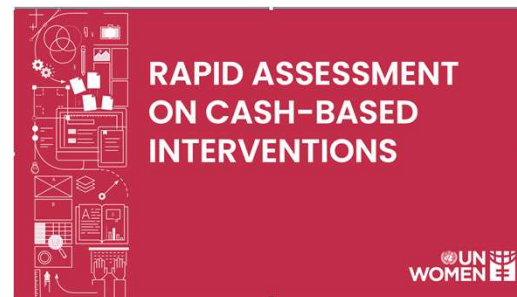
Providing tools to support UN Women's COVID-19 response

AUDIT CONSIDERATIONS: Use as a key point to consider when reviewing the integration of gender and COVID-19 in each stage of the audit cycle.

	RELEVANT RISKS	CONSIDERATIONS
1 STRATEGIC DIRECTION	<ul style="list-style-type: none"> Lack of clear vision/mission Lack of strategic assessments Lack of clarity on activities to address emerging concerns 	<ul style="list-style-type: none"> Review the specific significance assigned to gender and COVID-19 in the organization's strategic vision. Do the best practice policies address the emerging risks in the context of gender and COVID-19? Consider how the current and planned strategies, including policies and support mechanisms, address gender-related risks. How are we engaged to provide prevention advice to management in line of gender equality? (Relevant)
2 AUDIT EXECUTION	<ul style="list-style-type: none"> Health and safety risks for personnel 	<ul style="list-style-type: none"> Does the Business Continuity Plan specifically address the unique needs of female and male personnel, in order to ensure working remotely? Consider how the organization's emergency plan, remote working arrangements taking into account the specific needs of staff, personnel. Implement cost-effective security auditing which does not expose our personnel to harm.
3 AUDIT EARLY WILLINGNESS	<ul style="list-style-type: none"> Are assessment conducted for organizations and their gender specific risk? 	<ul style="list-style-type: none"> Does audit engagement include gender related risks? Is the scope of audit including gender specific exposure? Is the data collection for the engagement sufficient to understand gender risk concerning the audit scope and the organization's gender? How the office or function being reviewed included gender aspects in its COVID-19 strategy?
4 AUDIT ENGAGEMENT & PLANNING	<ul style="list-style-type: none"> Ability to assess the gender response results during the audit Lack of consultation between engineering partners and governments, key stakeholder, institutional arrangements, stakeholders or gender field Transparency and accountability to report issues and gender specific 	<ul style="list-style-type: none"> Does the organization have the resources, skills, capacity, and expertise available that can demonstrate the quality and impact of gender response programme? Do the organizational partners have the capacity, support and working relations with the field personnel to undertake the assessment? How are gender mainstreamed in the assessment? Can the nature of emerging risk be identified by the organization? Is there a clear delineated role and responsibilities assigned during the audit? Do gender stakeholders include gender perspective? Do engagement documents reflect the main barriers to equality to ensure that the audit and COVID-19 risk assessment, engagement, and field assessment/audit interventions cover the COVID-19 context?
5 AUDIT WORK	<ul style="list-style-type: none"> Readiness activities related to the gender to ensure that the audit objectives gender response are targeted Is there an effective monitoring system gender specific to engagement to report findings to the COVID-19 audit? Does the organization have a gender specific data collection and reporting system to report on the audit? Does the organization have a gender specific data collection and reporting system to report on the audit? Lack of capacity for the gender may result in an ineffective audit and implementation of recommendations and the organization may not be able to meet additional needs raised 	<ul style="list-style-type: none"> Are the organizational partners including the specific and necessary resources that can demonstrate the quality and impact of gender response programme? Is the organization and its staff and support staff prepared for the audit and COVID-19 context? How are the organizational partners involved in the audit and COVID-19 context? How are the organizational partners involved in the audit and COVID-19 context? How are the organizational partners involved in the audit and COVID-19 context? Does the organization have a gender specific data collection and reporting system to report on the audit? How are the organizational partners involved in the audit and COVID-19 context? How are the organizational partners involved in the audit and COVID-19 context? Does the organization have a gender specific data collection and reporting system to report on the audit? How are the organizational partners involved in the audit and COVID-19 context? How are the organizational partners involved in the audit and COVID-19 context?
6 REPORTING	<ul style="list-style-type: none"> Lack of identifying target benefiting groups 	<ul style="list-style-type: none"> Has gender-related data been presented consistently? Avoid referring to persons affected with COVID-19 as "vulnerable" or "at-risk".

Rapid Guide: Gender, COVID-19 and audit

Key risks affecting women and girls and including them into audits



Rapid Assessment on Cash-Based Interventions

Analysis of opportunities and risks related to emerging programmes



UN RIAS COVID-19 MEETINGS AND UPDATES

Coordinating with UN sister agencies the value of internal audit services in the current environment, and Gender Theme Group