



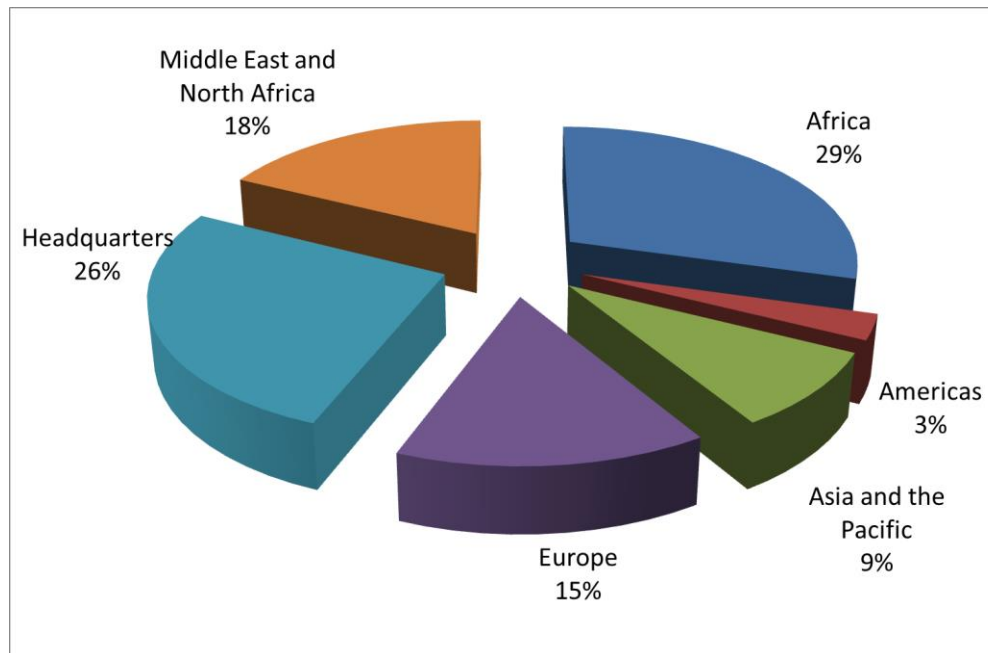
Internal audit in the Office of the United Nations High Commissioner for Refugees for the period from 1 July 2016 to 30 June 2017

Report of the Office of Internal Oversight Services



Audit reports

OIOS completed 34 audits during the reporting period. The breakdown of these audit reports by region was as follows:





Audit recommendations

OIOS issued 161 recommendations in the 34 audits completed:

- 153 recommendations (95 per cent) were important; and
- 8 (5 per cent) were critical

During the year, 149 recommendations were closed:

- 143 were fully implemented; and
- 6 were closed without implementation, for various reasons.

At the end of the reporting period, 138 recommendations remained open

A total of 22 open recommendations (20 important and 2 critical) were over 2 years old as at 30 June 2017



Audit engagements

OIOS conducted 25 audits of field operations and 9 audits of HQ operations. The latter included reviews of recurrent issues, thematic audits, audit of one regional bureau, and ICT audits.

Reviews of recurrent issues: a) provide a consolidated view of recurring control weaknesses related to the area in question; b) identify and analyze root causes of these weaknesses; and c) raise institution level recommendations to address them.

During the period, a review of recurrent security management issues was undertaken. The final report contained 4 important recommendations.



Audit engagements (2)

Thematic audits cover a single activity or process at multiple field operations. Audit recommendations on systemic issues identified are raised at the institutional level. Thematic audits conducted during the period included:

- Arrangements for fleet management
- Management of the Medical Insurance Plan
- Mgt. of Vendor Review Committees and Committees on Contracts
- Management of the Biometric Identity Management System
- Management of self-reliance and livelihoods programmes

25 important recommendations were raised in these reports to address entity wide controls.



Audit engagements (3)

In the audit of the Regional Bureau for Africa, which managed expenditure of \$1.1 billion in 2015, OIOS raised 8 important recommendations.

ICT audits assess the effectiveness of controls over high risk ICT activities and processes (both at HQ and in the field). The following ICT audits were undertaken during the period:

- Software licenses (5 important recommendations raised)
- External service provider for ICT infrastructure (no recommendations raised)



Audit engagements (4)

Systemic issues highlighted in the 25 audits of field operations included the following:

-Vendor management and procurement: control weaknesses in vendor registration and lack of competitive and transparent procurement processes.

-Planning and resource allocation: control deficiencies pertaining to completeness of refugee data, development of protection strategies, and establishment of performance and impact indicators.

-Partnership management: control weaknesses related monitoring of project activities, partner selection, designation of procurement to partners, and timely signature of project agreements.

OIOS will continue to cover these areas in future audits, as well as through advice to management.



Staffing and budget

OIOS had a total of 26 posts approved and dedicated to UNHCR activities for 2016 and 2017. As at end June 2017, all 26 posts were filled.

12 of these posts are currently based in Geneva, 7 in Nairobi, 3 in Amman and 4 in Budapest.

The budget provided for 2016 and 2017 (\$5.6m and \$5.2m respectively) was sufficient to meet audit requirements.



Interaction with management and oversight bodies

OIOS:

- attended all three IAOC meetings held during the reporting period;
- had meetings with the High Commissioner, Deputy High Commissioner and the two Assistant High Commissioners;
- met regularly with bureau and division directors, and field representatives;
- had regular interaction with the Policy and Audit Coordination Unit, under the purview of the Controller and Director of DFAM; and
- worked closely with IGO to explore synergies and ways to improve information sharing as well as to coordinate work planning.



Independence and Quality Control of the Internal Audit Function

During the reporting period, there was no inappropriate limitation of scope that impeded the work or independence of the OIOS internal audit function.

In January 2017, an independent external quality assessment confirmed that the OIOS internal audit activity generally conforms with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and Code of Ethics.

The Internal Audit Division of OIOS also has an internal quality and improvement programme to assess efficiency and effectiveness of audit activities and to identify opportunities for improvement.



Thank you!