Plan of work of the Internal Auditor

INTRODUCTION

1. The plan of work of the Office of Internal Audit and Oversight for the year 2002 is set out below for the information of the Audit Committee of the Executive Board.

2. The Office is an independent, objective, assurance and consulting activity designed to add value to and to improve, the Organization’s operations. Using a systematic and disciplined approach, it helps the Organization to accomplish its objectives by evaluating and improving the effectiveness of risk management, control, and governance processes. More specifically, the Office reviews and appraises accounting, administrative and operating controls; ascertains the extent of compliance with established policies, plans and procedures; determines the extent to which assets are accounted for and safeguarded from loss; assesses measures taken to prevent fraud, waste and malfeasance; ascertains the reliability of financial and management information; and evaluates the responsible, efficient and economical use of the Organization’s resources.

3. In the course of its work, the Office routinely provides suggestions for savings and improvement in operations which will add value to the Organization. The Office views its role as aiding the process of instilling accountability in the use of WHO’s resources, not only through compliance, but also in terms of achieving results.

4. The staffing resources of the Office include eight professional auditor posts, in addition to the Director’s post. The plan of work is based on assumed full staffing during the year, and it includes work devoted to PAHO.

AUDIT PLAN

5. The following summary plan is presented under the functional and organizational headings defining the universe of the Office’s work. Included with each heading is the percentage of available time planned for area. Specific assignments are developed, and resources allocated, in accordance with professional risk assessment techniques and are focused to meet current needs.

6. Regional offices (33%). Audit visits are planned for all six regions. In general, the audits will focus on risks associated with the accounting and processing functions and the offices’ role as the accountability centres for country offices. The work will seek to provide assurance that risks have
been recognized and mitigated. Further, the operations of each regional office will be reviewed in the context of evaluating the internal control structure for its programme of work.

7. **Offices of WHO Representatives (17%).** The Office continues to review the country offices in view of their significance in the collaboration with WHO’s Member States. The scope of the audits will focus on assessing whether objectives have been met as laid out in the plan of action. Traditionally, work in this area entails a review of all aspects of the offices’ activities and is categorized by issues related to programme delivery, managerial process, and administration and finance. During 2002, thematic reviews will continue across selected offices to ascertain the linkage between organizational objectives, corporate strategy and actual work in the field in the context of working in and with countries.

8. **Information systems (12%).** In addition to work on existing systems, audit risk relating to new or changed systems will be addressed. Increased use of computer-aided techniques is planned for other audit areas.

9. **Management Support Units (5%).** During the past three years, the Management Support Units have received intense audit and evaluation. Accordingly, only a limited review of current operations in selected units will be conducted during 2002, based on risk assessment.

10. **Headquarters technical programmes, central services and financial functions (27%).** Increased emphasis will be laid on review of various programmes, on the basis of identified audit risk and at the request of management. In general, work on technical programmes focuses on the achievement of objectives through a process of accountability, efficiency and reporting. Reviews of financial functions and central services are more narrowly focused, and attempt to evaluate compliance with established controls over specific accounts, processes or functions.

11. **Investigation and oversight (6%).** Resources are reserved for investigation and oversight, which is largely addressed on an ad hoc basis as specific situations develop. Proactive investigative work may be conducted in high-risk situations. If necessary, regularly scheduled audit work is deferred to provide necessary personnel for this area.

12. In addition to the above, the Office will carry on allocating time and resources to continuing professional education through a process of formal and informal training.

**FOLLOW-UP AND IMPLEMENTATION**

13. The Office monitors the response received from the auditees on the implementation of all its audit recommendations until final disposition. This in turn forms part of normal audit planning. During 2001, most of the audit recommendations issued have been, or are being, implemented. However, the items discussed below which were issued in 2000 have not yet been fully implemented.

**Internet and Intranet**

14. As reported to the Fifty-fourth World Health Assembly, a specific implementation plan for this report, which was issued in February 2000, is still awaited. The report deals with high-level issues

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1 Document A54/22, paragraph 46.
related to information technology, where strategic decisions and direction are required. The Office is aware that action has begun, and monitoring will continue until implementation is assured.

**Regional Office for Europe**

15. The report, which was issued in September 2000, has largely been addressed, with the exception of two key areas, both of which affect strategic direction and organization. An implementation plan covering the Liaison Office system in the Region is still awaited, as well as decisions relating to the programme on Emergency and humanitarian action. These issues are part of the general restructuring in the Region and therefore cannot be addressed in isolation.

**Control of the Management Support Units: common issues**

16. At the conclusion of the initial audits of the Management Support Units in 2000, a final report dealing with common, higher level topics was issued in February 2001. Although the Office is aware that action to address the issues is under way, a formal response has not been received. It is likely that changes in senior management during 2001 have affected the timing of this response.

**EXTERNAL AUDITOR**

17. The Office maintains a close working relationship with the Organization’s External Auditor. Periodic meetings are planned to coordinate audit work and to avoid duplication of effort.

**MATTERS FOR THE ATTENTION OF THE AUDIT COMMITTEE**

18. The committee is invited to take note of the plan of work.

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