



THIRD ITEM ON THE AGENDA

**Audit questions**

**Report of the Chief Internal Auditor for the year ended 31 December 2009**

**Report of the Chief Internal Auditor on significant findings resulting from internal audit and investigation assignments undertaken in 2009**

1. In accordance with the decision taken by the Governing Body at its 267th Session (November 1996), the Director-General transmits herewith the report of the Chief Internal Auditor (CIA) on significant findings resulting from audit and investigation assignments carried out during 2009.
2. The Director-General considers the work performed by the CIA to be extremely valuable in assessing strengths and weaknesses in operations, practices, procedures and controls within the Office. Recommendations made by the Office of Internal Audit and Oversight are thoroughly evaluated and there is constant dialogue between managers and the CIA to give effect to them.
3. *The Committee may wish to recommend to the Governing Body to approve the revision of the Audit Charter.*

Geneva, 4 February 2010.

*Point for decision:* Paragraph 3.

## Appendix

### Report of the Chief Internal Auditor on significant findings resulting from internal audit and investigation assignments undertaken in 2009

#### *Introduction*

1. The Office of Internal Audit and Oversight (IAO) of the ILO fulfils an independent oversight function established under article 30(d) of the Financial Regulations and Chapter XIV of the Financial Rules. Its mandate is further underpinned by its Audit Charter, which was approved by the Governing Body at its 301st Session.
2. The IAO's mission is to provide the Governing Body and the Director-General with an independent, objective assurance activity designed to add value and improve the ILO's operations. In its work, the IAO adopts a proactive approach to facilitating the assessment of risks and controls, and promotes a cohesive Office-wide approach to risk management and a learning culture in support of management's processes to enhance efficiency, effectiveness and value for money in the activities of the Organization.
3. The IAO conducts its audits in accordance with the Institute of Internal Auditors International Standards for the Professional Practices of Internal Auditing.
4. The IAO's mandate also includes responsibility to conduct investigations into allegations of financial or administrative misconduct and other irregular activities. The IAO conducts its investigations in accordance with the Uniform Guidelines for Investigations as adopted by the Conference of International Investigators of the United Nations Organizations and Multilateral Financial Institutions.
5. The IAO does not develop or install procedures or engage in any activity that it would normally review or appraise or which could be construed as compromising either its independence or objectivity. The IAO has full and free access to all records, personnel, operations, functions and other material relevant to the subject matter under review.

#### *Summary of audit and investigation results*

6. During 2009, the IAO conducted two audits at headquarters and nine in the field. It issued seven assurance audit reports (mentioned last in Annex D), and will issue the remaining four in 2010.
7. Although the results of the IAO's activities concerning field operations found many positive aspects, the IAO identified areas where oversight, controls and processes could be improved. The headquarters audit of the ILO's IT security environment concluded that improvement was required in several key areas.
8. The IAO does not provide comment on those areas that have not been subject to an internal audit during 2009.
9. The IAO issued three investigation reports, two of which concerned cases signalled in 2008. During 2009, it received 17 new allegations. Some cases, including the six outstanding cases mentioned in last year's report (GB.304/PFA/6/2) have been closed, either because the allegations did not present sufficient information and additional

requested details were not provided, the staff member resigned, or the Office resolved the issues without warranting an investigation. At the end of the year, the IAO was awaiting supplementary information on a total of 13 cases to determine whether they required further investigation.

### **Office-wide issues**

10. The IAO's reviews, investigations and other activities identified a number of common findings, and issues that have Office-wide implications, as reported below, which the Chief Internal Auditor (CIA) believes presents the Office with an opportunity to strengthen further the ILO's system of internal control, efficiency and effectiveness of operations, as well as enhance overall internal governance of the ILO.

### **Internal governance**

11. A strong system of internal governance is a vital element of any organization's overall system of internal control. The Internal Audit Charter requires that, as part of its audit function, the IAO review the ILO's system of internal governance. With this in mind, the IAO, through its audits and other activities, noted that the Office has taken positive steps as part of its commitment to improve the ILO's system of internal governance.
  - On 21 August 2009, the Office issued a Directive describing the ILO's risk-management policy, which highlighted the provision of training and the issuance of procedures and guidelines as important components to support managers to implement this policy. The Management and Administration Sector is leading the development of a training programme to assist staff implement risk management at the operational level.
  - On 25 August 2009, the Office also issued a Directive on results-based management, which further underpinned its ongoing implementation. It brings together the concepts of risk management, work planning, and the ILO's new performance management framework under the umbrella of a results-based approach in delivering services to constituents. This was further enhanced when, on 7 January 2010, the Office issued a Directive on outcome-based workplans.
  - In 2009, the Office began to take forward the development of a formalized accountability framework, and issued a Director-General's Announcement that set out the principles of the ILO's accountability framework on 15 January 2010.
12. To help build on the initiatives already under way, the IAO has identified opportunities where the Office could improve further its system of internal governance.

### **Accountability framework**

13. As part of the development of the ILO's accountability framework, the Office issued on 20 November 2009 a Procedure that requires all executive directors, regional directors and other directors reporting directly to the Director-General to sign an internal letter of representation on an annual basis. The purpose of this is to obtain written confirmation that the responsible managers have duly exercised their delegated financial authorities and responsibilities. This is a positive step towards clearly defining managers' accountability and authority, and the IAO encourages the Office to expand further the scope of this good initiative to include programme and human resources components.

---

### *Risk management*

14. The ILO's central support functions, which are placed mainly within the Management and Administration Sector, provide various forms of assurance to the Director-General that they have put in place systems of internal control to manage major risks facing the ILO, such as legal, financial, and operational risks. It is important when developing the ILO's risk management strategy to ensure that those functions responsible for ensuring that systems of internal control are in place and working not only address risks associated with their area of competence, but also coordinate their efforts to provide a holistic approach to risk management across the ILO.
15. In the IAO's view, had such an Office-wide approach to reviewing risks been in place, many of the issues referred to in this, and other IAO reports, might have been formally identified, prioritized, and steps taken to address them.

### *Training*

16. The new policies and procedures issued by the Office through the Internal Governance Document System (IGDS) help improve the ILO's overall internal governance and system of internal control. The IAO notes that the Office is developing training packages on the various initiatives that have been launched.
17. The IAO's reviews indicate that managers and staff do not always fully understand the requirements of the new policies and procedures issued via IGDS and how best to implement them. They continue to identify what appear to be gaps in the provision of regular structured training for officials based in external offices and technical cooperation projects on these matters. The IAO touched on this issue in its previous reports to the Governing Body and encourages the Office to continue in its efforts to address training needs in this respect. The IAO reiterates its recommendation that this type of training should be embedded as part of the ILO's staff development programme and be mandatory for all officials in, or about to take up, posts that require management of ILO's activities and resources.

### *Business continuity planning*

18. The Office finalized the ILO headquarters' Business Continuity Plan (BCP) in 2009. While the Office undertook some basic testing on communication, full testing of the BCP has not been carried out due to competing priorities of other tasks and resource constraints. In 2009, the ILO began to develop a BCP with respect to field activities, and the Office coordinated workshops on this subject for officials in the field assigned as security focal points. The field offices and projects visited by the IAO in the latter part of 2009 had drafted BCPs, but had not finalized them. The IAO encourages the Office to take forward the development of its BCP by conducting a full test of the headquarters' BCP, and finalizing and testing the field BCP.

### *Knowledge sharing*

19. In November 2007, the Governing Body adopted the ILO's Knowledge Strategy,<sup>1</sup> and in November 2009 endorsed the Knowledge Strategy for 2010–15.<sup>2</sup> These documents describe the strategic importance of knowledge sharing for the ILO and the need to operationalize it in order to capture the invaluable results and lessons from the ILO's work,

<sup>1</sup> GB.300/PFA/9/2.

<sup>2</sup> GB.306/PFA/12/3.

and promote effective and efficient sharing of this information among staff, constituents, and other stakeholders. The Strategy acknowledges that the use of IT tools can foster better knowledge sharing both within and outside the ILO.

20. Audits of external offices and projects pointed to a mixed level of application of the Knowledge Strategy. The IAO noted good practices in one case. In three other cases the external offices/project had taken steps to improve knowledge sharing, but further action was needed through application of IT tools to enhance their efforts. The IAO's reviews indicated that the degree of application of knowledge sharing rested with the individual office or project. As referred to in the Knowledge Strategy 2010–15, the IAO found during the course of its audits in Asia and the Pacific that the Regional Office for Asia and the Pacific was taking the lead in rolling out a knowledge-sharing platform it had developed. In the IAO's opinion, this is a good practice.
21. Given the value of effective knowledge sharing, the IAO suggests that the Office learn from the experience of the Regional Office for Asia and the Pacific in operationalizing ILO's knowledge-sharing policy, and apply the aspects that worked well in other regions.

#### Financial Information System for External Offices (FISEXT)

22. The ILO is taking forward its strategy for the Integrated Resource Information System (IRIS) roll-out to the field. Currently the strategy envisages that IRIS will be limited to Regional Offices under Phase I of the rollout plan, which is expected to be completed in 2012. Thereafter, the strategy envisages roll-out to other external offices. It also states that in 2012, the ILO will develop a detailed plan for Phase II to determine in which offices IRIS will be deployed, and what functionalities will be made available.
23. As the ILO has not yet decided if it is cost-effective for all external offices to be equipped with IRIS nor the range of functionality for those offices that will have IRIS, it will continue to rely on the in-house developed field legacy financial and budget management system, FISEXT, for the foreseeable future. Indeed, there is a possibility that the ILO will always be reliant on a secondary system outside of IRIS for certain functionalities for a number of external offices, or large project offices, where it may not make economical sense to deploy IRIS. The first progress report on IRIS in the regions<sup>3</sup> indicated that it would be necessary to maintain FISEXT through 2010. The IAO has concerns about the Office's capacity to maintain FISEXT in the medium- to long-term future. To address this risk, the IAO recommends that the Office devise a strategy to either ensure long-term ability to maintain FISEXT, or explore alternative solutions, setting a fixed date for phasing out FISEXT. A cost–benefit analysis should be conducted for each scenario to inform the decision-making process.

### Other significant findings

#### *Headquarters audits*

##### IT security environment

24. The IT security environment of an organization is critical for maintaining its operations and safeguarding against unauthorized access, disclosure, damage or loss. As ILO IT systems operate in a decentralized environment, the scope of the audit focused on the security of those core IT functions managed at headquarters; namely IRIS, FISEXT, and

<sup>3</sup> GB.303/PFA/ICTS/2.

IGDS. The review also included an assessment of the ILO's approach to IT security governance. The IAO co-sourced the audit to a firm of independent consultants that had the requisite skills to undertake such a review.

25. The review identified a range of actions that the ILO has undertaken to implement sound security within ILO core IT systems. However, the report expressed concerns in certain areas over the sufficiency of security and control to provide assurance over the availability, confidentiality and integrity of ILO systems, information assets and physical assets. The report identified the following key areas where the ILO has an opportunity to improve its approach to IT security: IT disaster recovery; password management; IRIS access rights; wireless network security; and end-user computing.
26. The report made recommendations to assist the Office in addressing the issues identified, and the IAO is pleased to report that the Office has already taken action to implement some of the recommendations to improve the ILO's IT security environment. Taking into account the findings of the report, the Office should prepare an IT security improvement programme, noting any resource implications so that informed decisions can be made on the priority of action to be taken.

#### Performance audit of the ILO recruitment process

27. The IAO has completed most of the fieldwork on this audit and shall issue a report in 2010.

#### **Field audits**

28. The IAO undertook audits and issued internal audit reports with respect to the Subregional Offices for the Sahel Region (Dakar) and for South Asia (New Delhi); operations in Afghanistan; operations of the projects Strategy and Tools against Social Exclusion and Poverty in West Africa, and Education and Skills Training for Youth Employment in Indonesia (EAST); and use of IRIS by the EAST project. In addition, the IAO has completed the fieldwork of three audit visits to Timor Leste, the ILO Office in Indonesia (Jakarta), and the Regional Office for Asia and the Pacific (Bangkok). It will issue the related internal audit reports in 2010.
29. The results of audits of external offices and technical cooperation projects were mixed. The IAO noted many positive aspects of operational, financial and budgetary management, and administrative control. However, it also noted recurring weaknesses, some of which have been referred to in previous reports, as well as significant issues that were pertinent to a particular office or project.

#### Recurring findings

##### *Management continuity in external offices*

30. One of the IAO's common findings is that directors of external offices spend a high percentage of their time on mission, leaving specialists or chief technical advisers as officers in charge should there be no deputy director position in the office concerned. The IAO's reports have referred to the increased risk exposure that this brings to operational, financial, and administrative matters. In its previous report the IAO highlighted the need to train staff on the requirements of the ILO's Financial Rules and Regulations and established procedures in order to better equip them to take on the role of officer in charge.
31. Notwithstanding the benefits of training, the Office has an opportunity with the field structure review to take a critical look at the basic staffing structure of external offices and

the need to have an official who has dedicated responsibility for managing day-to-day operations, including financial, budgetary, administrative, and human resources matters. Having such an official in place with clear responsibilities for office management would not only reduce external offices' exposure to operational and financial risks, but also allow directors more time to focus on strategic issues and liaison with constituents.

### *Roles and responsibilities*

32. The IAO found that there was scope to clarify roles and responsibilities within external offices as well as between external, subregional and regional offices. Roles and responsibilities were not always clearly defined and understood. As part of the field structure review, the Office should ensure that roles and responsibilities between regional offices and external offices are clearly defined and understood.

### *Work planning*

33. The results of field audits indicate that work planning is undertaken, but it is not always clearly linked to results-based management principles. Paragraph 11 above refers to the ILO's initiative to develop outcome-based workplans. The IAO recommends that the Office take forward the development of detailed practical guidance for use by ILO officials on work planning, including how this should be linked to the results-based management process, and the strategic policy framework.

### *Use of IRIS by the EAST project*

34. EAST is the pilot decentralized ILO technical cooperation project using IRIS for its operations. The IAO found that the system provides the required performance to administer the project and serves as a useful financial management tool. Findings can be categorized along three main themes: enabling staff to make better use of IRIS, the need for regular dialogue in providing feedback and training on IRIS, and addressing outstanding technical issues. Tackling these matters may help move forward in improving IRIS performance with regard to the EAST project.
35. The EAST project's use of IRIS has been a valuable instructional tool. The Office should take full opportunity of lessons learned to inform the future roll-out of the system throughout the ILO and thus avoid many of the issues that arose with the EAST project. The Office should undertake a post-implementation review of the experience to enable lessons learned to be formally documented.

### *Implementing partners*

36. The IAO had concerns regarding the adequacy of oversight and financial control over one implementing partner, which had been awarded an action programme with a total value of some US\$750,000. These weaknesses have led to a situation where the implementing partner might be required to refund money to the ILO. The Regional Office for Asia and the Pacific undertook a review of action programme-related expenditure, which estimated that the ILO is due a refund from the implementing partner of US\$24,000. The review is ongoing to assess if further action is necessary.
37. Findings indicated that had a stronger system of monitoring been in place, the issues noted above might have been detected and addressed at an earlier stage. The IAO therefore recommends that the monitoring system of implementing partners be assessed and strengthened where necessary.

## ***Investigations***

38. In 2009, the IAO reported on three investigations. One report was requested by the Committee on Accountability as a follow-up to the investigation case which concerned allegations of financial irregularities in a technical cooperation project.<sup>4</sup> The second report concerned allegations of financial impropriety against the former director of an ILO office by an external consultant. A full investigation could not be completed, as the whistle-blower did not wish to cooperate with the investigation any longer. The third report concerned a suspected fraud concerning the receipt of ILO allowances. An investigation was halted due to the official's sudden resignation; however, the Office recovered the amounts in question from the official's final entitlements.

## ***Follow-up of internal audit recommendations***

39. In 2009, the Treasurer and Financial Comptroller and the CIA instituted a new mechanism concerning follow-up of recommendations made in internal audit reports. The aim is to strengthen the follow-up procedure to help ensure effective implementation of internal audit recommendations.
40. Under the new procedure, the Office of the Treasurer and Financial Comptroller assigns responsibility to the appropriate manager to implement internal audit recommendations, and takes the lead role in following up directly with the responsible manager to ensure that recommendations have been properly addressed. The IAO maintains its responsibility to review implementation reports and provide any comments thereon.
41. On a regular basis, the Office of the Treasurer and Financial Comptroller prepares reports detailing the overall status of implementation of internal audit recommendations. As at December 2009, in most cases the office or function subject to review provided a report on the status of implementation. However, implementation reports pertaining to two internal audits contain recommendations that have not yet been fully addressed, and in three cases implementation reports are pending with due dates of December 2009. Overall, reports show a marked improvement in the level of implementation of internal audit recommendations compared to previous years.
42. The new approach to follow-up presents the Office with an opportunity to identify recurring issues raised in internal audit reports (some of which have been highlighted in this report), analyse the root causes, and put in place corrective measures.
43. During the course of its audits, the IAO will follow up where relevant to ensure that the reported implementation of recommendations has been undertaken in an effective manner and on a consistent basis.

## ***International Training Centre of the ILO (Turin Centre)***

### **Audit assignments**

44. In 2009, the IAO undertook two reviews of the Centre's refurbishment of the Pavilion L project and completed the review it had commenced in 2008 of the operation of the Centre's current account with the ILO through which inter-office transactions are recorded and reported. The IAO has issued final reports for all three assignments.

<sup>4</sup> See GB.304/PFA/6/2, para. 30.



### **Client service**

45. In accordance with its mandate to provide value added services, the IAO on request provided support to various units and departments in 2009.
46. The workshop on “fraud awareness and reporting” developed in 2008 was further enhanced and translated into French for project managers in West Africa. Additional presentations were made for the European regional administrative and finance staff as well as for officials in the Subregional Office for Eastern Europe and Central Asia.
47. During 2009, the Office asked the IAO to act as evaluation manager in two independent external evaluations. The role of the evaluation manager is to help ensure that the evaluation process is conducted in an independent, impartial and transparent manner. The first independent evaluation, concerning the Decent Work Country Programme – Results-based Management project has been completed and a final report issued. The second concerning the independent external evaluation of ILO’s Office-wide evaluation function and is ongoing.
48. Throughout 2009, on request from management, the IAO provided inputs and comments on numerous Office policy and procedure papers.

### **Audit Charter**

49. The IAO proposes two revisions to its Audit Charter. The first reflects the new system of follow-up to internal audit recommendations described above, and the second reflects the periodical updates of the Uniform Guidelines for Investigations of the Conference of International Investigators of the United Nations Organizations and Multilateral Financial Institutions.
50. The second sentence of paragraph 5 would read:

The Office of the Treasurer and Financial Comptroller takes the lead role to follow up with responsible managers to ensure that corrective actions have been taken to address issues raised in internal audit reports. The IAO will conduct follow-up audits as and when necessary.
51. The fifth bullet point in paragraph 13 would read:

Ensure that investigatory work is carried out in conformity with the Uniform Guidelines for Investigations as adopted, and updated, by the Conference of International Investigators of the United Nations Organizations and Multilateral Financial Institutions.
52. The revised text of the Audit Charter can be found in Annex II.

## Annex I

### List of internal audit reports in 2009

| ILO                                                                                                                                      | Audit reference No. | Date issued       |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|
| Risk assessment and revised 2009 audit plan                                                                                              | IA 1-6(2008-09)     | 11 February 2009  |
| ILO Subregional Office for South Asia, in New Delhi (India)                                                                              | IAO/19/2009         | 3 September 2009  |
| Report on the internal audit of the Subregional Office for the Sahel Region and the Subregional Office for West Africa in Dakar, Senegal | IAO/20/2009         | 14 September 2009 |
| Report on the internal audit of the Strategies and Tools against Social Exclusion and Poverty (STEP) project in West Africa              | IAO/21/2009         | 17 September 2009 |
| Report on the internal audit on the management of ILO activities in Kabul, Afghanistan                                                   | IAO/22/2009         | 17 September 2009 |
| Report on the internal audit of the ILO IT security environment                                                                          | IAO/CS/2009         | 22 December 2009  |
| Report on the internal audit of the Education and Skills Training for Youth Employment in Indonesia (EAST) project                       | IAO/23/2009         | 15 January 2010   |
| Report on the internal audit of the use of IRIS by the Education and Skills Training for Youth Employment in Indonesia (EAST) project    | IAO/24/2009         | 15 January 2010   |
| <b>International Training Centre of the ILO in Turin</b>                                                                                 |                     |                   |
| Risk assessment and 2009 audit plan                                                                                                      | IA TC-1-6           | 28 May 2009       |
| Report on the internal audit of the management and control over Turin Centre–ILO inter-office transactions                               | IAO/17/2009         | 29 January 2009   |
| Report on the internal audit of the refurbishment of the Pavillion L of the ILO International Training Centre in Turin                   | IAO/18/2009         | 11 June 2009      |
| Report on the internal audit of the refurbishment of the Pavillion L of the ILO International Training Centre in Turin – Second review   | IAO/23/2009         | 23 December 2009  |

## **Annex II**

### **Audit Charter**

#### ***Mission***

1. To provide the Governing Body and the Director-General with an independent, objective assurance activity designed to add value and improve the Office's operations. The Office of Internal Audit and Oversight (IAO) assists the Office in achieving its objectives by utilizing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

#### ***Mandate***

2. Internal audit and oversight activities are described in section XIV of the Financial Rules and in Circular No. 11 Series 2, "The Office of Internal Audit and Oversight", with which this Charter fully conforms.

#### ***Scope of work***

3. The oversight provided by the IAO covers internal audit, inspection, monitoring and the evaluation of the adequacy and effectiveness of the Office's system of internal control, financial management and use of assets, as well as investigation of financial or administrative misconduct and other irregular activities.
4. The IAO assesses the operations of the Office to provide periodic appraisals of:
  - the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information;
  - the effectiveness of the management controls and system used to account for and safeguard the Office's assets, and as appropriate, verify the existence of assets;
  - the internal control systems established to ensure compliance with the Office policies and procedures; and
  - the operations of the Office to ensure that the necessary internal controls are in place to utilize its resources effectively and efficiently.
5. The IAO will prepare reports on the results of its audits and provide recommendations for improvement which will be discussed with the management of the entity under audit. The Office of the Treasurer and Financial Comptroller takes the lead role to follow up with responsible managers to ensure that corrective actions have been taken to address issues raised in internal audit reports. The IAO will conduct follow-up audits as and when necessary.
6. The IAO will provide advisory services to the Office as and when requested.
7. Under normal circumstances, internal audit work is carried out by members of the IAO. In cases of special need, IAO resources may be supplemented by the assistance of other suitable staff within the Office, or by the engagement of external consulting services.

---

## **Authority**

8. When conducting assignments IAO personnel have the following authorities:
  - The determination of areas subject to audit and the determination of audit scope, the allocation of resources, and the determination of the audit techniques to be utilized in achieving internal audit objectives.
  - Full, free and prompt access to all records, documents, personnel and physical assets relevant to the subject under review.
  - The right to communicate directly with all levels of staff and management in order to discharge the IAO's responsibilities.
  - The right to request any staff member to furnish all information and explanations that the IAO deem necessary to discharge its responsibilities.
9. The Chief Internal Auditor (CIA) and personnel of the IAO are not authorized to be involved in the day-to-day operational or managerial activities of the Office, in order to maintain an impartial, unbiased attitude and avoid conflicts of interest.

## **Accountability and independence**

10. The CIA is appointed, and may only be terminated, by the Director-General after consultation with the Governing Body.
11. The CIA reports to and is accountable directly to the Director-General.
12. The IAO operates independently from other parts of the ILO.

## **Responsibility of the CIA**

13. The CIA is responsible for the work of the IAO and is required to:
  - Effectively manage the IAO to ensure it adds value to the Office.
  - Submit an annual report to the Director-General for presentation to the Governing Body, reflecting the results of audit work performed, and reporting on the results of corrective actions taken by management to address matters arising in previous audit reports. Any significant risk exposures, control issues and governance issues identified by the IAO will be included in the annual report.
  - Submit a biennial internal audit workplan, based on the results of a risk assessment of the Office performed by the IAO to the Director-General for review and approval. Should changing circumstances indicate a reprioritization of audit effort during the biennium, the audit plan is amended accordingly, and the Director-General is informed.
  - Ensure that all IAO activities comply with the Internal Audit Standards and Practice Advisories issued by the Institute of Internal Auditors.
  - Ensure that investigatory work is carried out in conformity with the Uniform Guidelines for Investigations as adopted, and updated by the Conference of International Investigators of the United Nations Organizations and Multilateral Financial Institutions.

- Adopt best practices in discharging the internal audit and oversight function, and keep management informed of emerging trends in best practice.
- Ensure that the IAO is staffed with professional and support staff, with sufficient skills, experience and other competencies needed to fulfil the mandate of the IAO and to maximize the efficiency and effectiveness with which those resources are used.
- Ensure that internal audit assignments are performed with proficiency and due professional care.
- Liaise with the external auditor to foster a cooperative and professional working relationship, optimize audit coverage while as far as possible avoiding the duplication of audit efforts. The CIA shall also share with the external auditor information such as internal and external audit workplans and all reports produced by both the IAO and the external auditor.
- Ensure that a quality assurance and improvement programme that covers all aspects of IAO activities is established.

### ***Amendment of Internal Audit Charter***

14. The CIA is responsible for applying this Charter and keeping it up to date. This Charter is approved by the Governing Body, after consultations with the Director-General.
15. Any amendment of this Charter is subject to the approval of the Governing Body after consultations with the Director-General.