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Board of Governors

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2022 Internal Audit, Management Services and Investigations Report

Report by the Director of the Office of Internal Oversight Services

1.   This report to the Programme and Budget Committee (PBC) provides a summary of the activities conducted by the internal audit, management services and investigations functions of the Office of Internal Oversight Services (OIOS) in 2022. Set alongside the separate report on programme evaluation (document GOV/2023/15) as submitted to the PBC, together with the report on the evaluation of technical cooperation activities in 2022 (document GOV/2022/46) presented to the Technical Assistance and Cooperation Committee (TACC) in November 2022, this provides the Board of Governors with a comprehensive picture of the Office's work, and shows how the different functions within OIOS are working together to maximize the impact of internal oversight activities in providing assurance and facilitating improvement across the Agency.

2.   Internal audit provides independent and objective assurance on the adequacy and effectiveness of governance, risk management and internal control processes for the Agency's programmes, processes and activities. OIOS audits are conducted in line with a risk-based plan, in conformance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (IIA).

3.   In line with its Charter, OIOS also provides independent and objective advisory and consulting services to the Secretariat to help it enhance the Agency's programme performance and operations. To this end, the OIOS management services function uses the systematic application of knowledge, expertise and techniques to help managers improve how they manage their activities within the areas under review.

4.   In addition, OIOS carries out special inquiries and investigations when there are indications that the Agency's regulations, rules, policies and/or administrative instructions may have been violated, or where other irregularities may have come to light. The results are used to help management take timely corrective steps, including disciplinary action where appropriate and recovery of any losses where this is possible. An important part of the investigations function's role is also to help management to

strengthen controls and processes to prevent a future recurrence of any failures that allowed misconduct to happen.

5.   This activity report comprises eight main parts: Part A presents an overview of the budget and staffing for internal audit, management services and investigations; Part B addresses professional standards, including confirmation of the organizational independence of the internal audit activity; Part C summarizes the main objectives, findings, conclusions and recommendations of the audits completed in 2022; Part D highlights the main cross-cutting issues resulting from internal oversight work in 2022; Part E provides information on the work conducted by the Office's investigations function in 2022; Part F describes other activities conducted by OIOS during the year, including management services; Part G shows the status of implementation of internal audit recommendations; and Part H presents the internal audit work plan for 2023. The Annex provides details on the implementation of previous OIOS recommendations.

A.   Budget and Staffing

6.   Expenditures in connection with internal audit (IA), management services (MS), investigations (IF) and the Director's office (DIR) amounted to €2 256 276 during 2022, as shown in Table 1 below. Evaluation costs are detailed separately in the programme evaluation report to the PBC. The overall OIOS financial utilization for 2022 was 79.1%.

TABLE 1. 2022 EXPENDITURES (IN EUROS) ON INTERNAL AUDIT, MANAGEMENT SERVICES AND INVESTIGATIONS

Category	Staff costs	Travel	Contracts/ Consultants	Other costs	Total
DIR expenditures	184 135	-	7 188	47 841	**239 164**
IA expenditures	856 306	47 064	20 829	34 113	**958 312**
IF expenditures	291 953	14 579	129 363	15 115	**451 010**
MS expenditures	551 548	10 173	37 500	8 569	**607 790**
Total	**1 883 942**	**71 816**	**194 880**	**105 638**	**2 256 276**

7.   The OIOS internal audit function consists of six staff positions, all of which are at the Professional level. The investigations function consists of two Professional posts, while the management services function has four posts at the Professional level.

8.   Where necessary, OIOS complements or supplements its internal audit, management services and investigations capacities with external consultancy support. Finally, OIOS also has three General Service staff positions which provide administrative and other support.

9.   OIOS auditors, management specialists and investigators possess relevant international certifications and have a wide range of experience, particularly in the areas of finance, risk management, internal control, governance, information technology (IT), management, business process analysis and improvement, fraud and investigations. Staff members regularly undertake relevant professional development to keep their knowledge and skills up to date and to meet the continuing education requirements of their professional certifications.

B.   Professional Standards

10.   In accordance with IIA Attribute Standard 1110, the Director of OIOS must report to a level within the organization that allows the internal audit activity to fulfil its responsibilities, and must confirm to the Board of Governors, at least annually, the organizational independence of the internal audit activity.

11.   The Director of OIOS reports directly to the Director General and has direct and unrestricted access to the Board of Governors. The internal audit activity remained free from external influence during 2022 and continued to operate with organizational independence in line with the OIOS Charter, and the Office's professional judgement was not compromised or subordinated to others.

12.   In late 2021, the Agency commissioned an independent external quality assessment (EQA) of the OIOS internal audit function to provide assurance on the function's adherence to relevant professional standards (the IIA's International Standards for the Professional Practice of Internal Auditing), and the final report on this exercise was issued in July 2022. Such an assessment is required to be undertaken at least once every five years, in line with IIA Attribute Standard 1300, "Quality Assurance and Improvement Program".

13.   As reported to the Board of Governors in document GOV/2022/46, the EQA concluded that the internal audit activity as a whole 'generally conforms' to the IIA standards, which is the highest rating on the three-point scale suggested by the IIA. The quality assessors also made a number of recommendations to further strengthen the internal audit function and the value it can add to the Agency.

C.   2022 Internal Audit — Summary of Results

14.   The 2022 OIOS work plan included a total of 16 internal audit exercises, compared to 14 in 2021. Final reports were issued for 10 of these, including the six Country-level Evaluation and Audit (CLEA) reviews and the accompanying synthesis report that were presented to the TACC in November 2022; fieldwork for two more audits (relating to the Division of Nuclear Power in the Department of Nuclear Energy, and to vendor data management) had been completed and the reports were being finalized.

15.   Of the remaining audits, three have been carried over into the 2023 OIOS work plan. Fieldwork for the audit of the Division of Operations B of the Department of Safeguards was in progress as at 31 December 2022, while the audit of business continuity and disaster recovery was postponed until mid-2023 to coincide with the end of the first cycle of the Organizational Resilience Management System (ORMS). The audit of succession planning was deprioritized from the 2022 work plan and is now a reserve assignment for 2023.

16.   The final assignment included in the 2022 work plan was the combined assurance mapping exercise, which was converted into an advisory service to better reflect, support and track management initiatives including work on strengthening enterprise risk management (ERM). OIOS plans to schedule a full audit of ERM in 2024, while internal audits to look in more detail at other 'second line' activities, such as ORMS and fraud risk management, are planned for 2023.

17.   The majority of internal audits completed in 2022 were conducted by OIOS staff. In some cases, assistance was provided, under OIOS's supervision, by external technical experts with the specific knowledge and skills to perform the assignments in line with IIA Attribute Standard 1200, on proficiency and due professional care.

18. OIOS uses a four-rating scale to define the maturity and effectiveness of governance, risk management and internal control within the area or system under audit. The scale is based on the recommendations of the Working Group on Harmonization of Engagement-level Audit Ratings as approved by the United Nations Representatives of Internal Audit Services in September 2016. The criteria supporting the four ratings are described in Figure 1.

Rating		Description of rating
Effective		The assessed governance arrangements, risk management practices and internal controls were adequately established and operating effectively. Issues identified by the audit were unlikely to affect the achievement of the objectives of the audited area.
Some improvement needed		The assessed governance arrangements, risk management practices and internal controls were generally established and operating effectively but needed some improvement. Issues identified by the audit were unlikely to significantly affect the achievement of the objectives of the audited area.
Major improvement needed		The assessed governance arrangements, risk management practices and internal controls were partially established and functioning but needed major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited area.
Not effective		The assessed governance arrangements, risk management practices and internal controls were not adequately established or functioning. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited area.

FIG. 1. The rating system used for OIOS internal audits.

19. To summarize the internal audit reports finalized in 2022, seven were the CLEAs and the related synthesis report which are not rated, while two more audits did not generate a rating owing to their scope. The remaining audited area was awarded the rating 'some improvement needed'. Sections C1 and C2 below provide further detail.

C.1. Internal Audits

C.1.1. Audit of the Division of Nuclear Installation Safety in the Department of Nuclear Safety and Security

20. As part of OIOS's cyclical approach to auditing Divisions across the Agency, this audit looked at the existence and adequacy of governance, risk management and internal control mechanisms in the management of programmatic activities in the Division of Nuclear Installation Safety (NSNI) within the Department of Nuclear Safety and Security.

21. The audit results indicated that NSNI follows prescribed Agency-wide policies related to the management of programmatic activities. Sufficient controls are, in general, in place to ensure that NSNI's activities are aligned with the overall Agency-wide strategy. The audit also noted several good practices and controls implemented within the processes executed by the Division; these include programmatic coordination, internally developed knowledge management and tools for monitoring extrabudgetary funding.

22.   OIOS noted a number of areas for improvement. Risk management is not systematically embedded in NSNI's operations. Additionally, project management tools are not uniformly applied in all the projects managed by the Division. OIOS notes that these are not matters specific to NSNI, but rather Agency-wide issues. There is also a gap in the comprehensive reports available for extrabudgetary awards in the Agency-wide Information System for Programme Support (AIPS) which impedes effective decision making in the implementation and monitoring of extrabudgetary awards.

23.   Gaps were also identified in the financial and budgetary information available for onboarding of new project managers. At the time of the audit, the Division appeared unlikely to meet the Agency's 2025 gender parity goals. Finally, the audit suggested that NSNI should revisit some of the recommendations included in the 2019 OIOS review of databases in the Department of Nuclear Safety and Security.

24.   The audit made three recommendations, two of which were directed to the Department of Management which is responsible for those areas where the related findings were Agency-wide rather than Division-specific.

25.   Overall, OIOS rated the level of governance, risk management and internal controls in this area as '**some improvement needed**'.

C.1.2. Follow-up Audit of the IAEA Regional Offices in Tokyo and Toronto

26.   OIOS conducted a follow up audit of the regional offices operated by the Department of Safeguards in Tokyo and Toronto. The objective of the audit was to assess the extent to which management had implemented the recommendations resulting from the 2017 internal audits of both regional offices, in order to provide assurance that the actions agreed upon have been, or are being, implemented in a timely and effective manner. Regarding those recommendations already considered to have been implemented by management, OIOS assessed the effectiveness of the implemented actions and the extent to which progress had been sustained over time.

27.   The previous audits had disclosed some deficiencies in the set-up of internal controls in the areas of organization, procurement, finance and travel management in Tokyo, and in inventory management in Toronto. Based on the results of these previous audits, OIOS had assigned the overall rating 'needs improvement' to the audited areas.

28.   The follow-up audit showed that, in general, Department of Safeguards management had implemented the agreed recommendations in a timely, effective and sustained manner. A number of new issues were identified, and recommendations were made to address these, as well as other recommendations to further strengthen implementation of some existing agreed actions. The new recommendations related mainly to issues around management of IT and other equipment and general security.

29.   As this was a follow-up review, OIOS did not assign a new rating for this area. The current rating will be revisited on the basis of the next full audit of the two regional offices.

C.1.3. Audit of the Agency's Approach to Fraud Risk Management

30.   As part of its work plan, OIOS performed a fraud risk management audit. This involved evaluating the adequacy of the Agency's Anti-Fraud Policy and assessing the effectiveness and efficiency of the Agency's fraud risk management approach.

31.   The audit found that the overall level of fraud risk governance requires further enhancement. The Anti-Fraud Policy issued in June 2020 states that the Agency has 'zero tolerance' for fraud, and positively the audit found a very high level of awareness of this commitment amongst staff members.

The Secretariat has also rolled out general training to staff which aims to promote an ethical working environment, as well as some more specific fraud-focused training courses such as those provided to some staff members who are involved in procurement. However, OIOS has suggested that additional guidance, support and training is needed to help managers and teams to identify and manage fraud risks within their own areas of responsibility, helping them comply with their individual and collective obligations under the Anti-Fraud Policy. Such an approach would further support the Agency in ensuring that there is a consistent and effective culture of fraud risk management across all Departments and Divisions.

32.   The audit found that the Agency's practical fraud risk management requires further strengthening and development. In particular, Secretariat management should make a clearer and more precise link between objectives at the level of the Anti-Fraud Policy, objectives at the level of projects, processes and business areas, and the detailed controls and other mechanisms on which the Agency is relying to prevent, detect and respond to fraud, corruption and other abuse. The audit suggested that fraud risks and responses should be consistently documented and reviewed, with fraud risk assessments being undertaken in key areas to ensure the design and implementation of appropriate internal controls.

33.   Taken together, these steps would help provide further assurance to Secretariat management that fraud risk is being managed to an acceptable level across the Agency in line with the Anti-Fraud Policy.

34.   Owing to the nature of this review, and as its scope did not include in-depth testing of the adequacy of anti-fraud controls within individual business processes or units, OIOS did not assign an audit rating. A complementary audit has been scheduled as part of the OIOS 2023 work plan, and this will use fraud risk assessment tools in order to evaluate the Agency's response in selected areas of potential exposure. An overall rating will be awarded after that follow-up exercise.

C.2. Country-Level Evaluation and Audits

35.   The 2022 internal oversight work plan provided for an increase in the coverage of the CLEA reviews. Six CLEA reports were issued in 2022, together with a synthesis report consolidating cross-cutting findings of relevance beyond a single country or region.

36.   CLEAs combine both audit and evaluation methodologies to provide a comprehensive assessment of the Agency's performance within a Member State. They consider the Agency's overall support to the Member State and primarily look at the extent to which the Agency's activities are aligned with national priorities and appropriately designed, and how far interventions achieve results and delivery mechanisms provide useful support.

37.   Each year, the CLEAs focus on a single geographical region. In 2022, the focus was on the Asia and the Pacific region of the Department of Technical Cooperation, and the countries selected for assessment were Bangladesh, Kuwait, Mongolia, the Philippines, Thailand and Viet Nam. The criteria driving the country selection included the size and complexity of the Agency's portfolio in each Member State, the risk environment, the status of project progress/delays, the ability to compare programming experiences across different countries, and the date of the most recent OIOS review in each country. Agency support to these six Member States within the review period amounted to around €20 million.

38.   The results of this work were presented to the TACC in November 2022 and are set out in *Evaluation of Technical Cooperation Activities in 2022* (document GOV/2022/46). In total, the country-level reports contained 11 recommendations, while a further 4 cross-cutting recommendations resulted from the synthesis exercise.

D.   Cross-cutting Issues

39.   The Secretariat continues to look at how management can be improved in key areas. OIOS has been working closely with Secretariat teams to support them in managing major projects and other initiatives, including significant extrabudgetary projects, and to help share knowledge of what works as well as what does not. In 2022, this included work on supporting the effective and efficient management of the Vienna International Centre (VIC) Commissary and the IAEA Library, on radiation safety and on publications.

40.   OIOS continues to target its routine oversight activities to ensure that the Agency deploys its resources in the most appropriate way, helping management to eliminate surplus or redundant steps from business processes and systems and to focus Secretariat staff members' time on the activities that contribute most to the achievement of organizational objectives. OIOS is sharpening the focus within its assurance and advisory work on promoting value for money in programmatic and other activities.

41.   The Secretariat has been undertaking further work to improve its risk management systems, following the roll-out of a new ERM policy with the support of a central risk management group. Ensuring consistent and effective risk management at all levels of the organization is key to achieving the Agency's goals and objectives. In 2023, OIOS will be looking at ERM practices through its routine internal audits, leading up to a full audit of the ERM system in 2024.

42.   OIOS audits and evaluations continue to demonstrate that the Agency needs to make further efforts to consistently mainstream gender within its programmes and projects. The OIOS work plan for 2023 includes an evaluation of the implementation of the Agency's Gender Equality Policy, which should provide both assurance on current Agency initiatives in this area and further support to management in this area.

43.   Ensuring an ethical environment is an ongoing focus for the Office, helping management to promote decision making that is consistently in line with the Agency's values and to encourage staff members at all levels to speak out and raise concerns when they see something wrong. OIOS again supported the "Accountability in Managerial Action" training programme and was pleased to note the high level of engagement among managers, together with the programme's expansion in 2022 to a wider group of managers than in previous years, helping to build a common culture of effective performance management.

44.   Finally, as OIOS previously noted in its annual report for 2021, in order to make the most of new opportunities while responding to emerging and evolving risks, Secretariat managers and teams should be encouraged to look critically at how they deliver their objectives, and to explore and embrace new ways of working, where these are advantageous. OIOS was pleased to see that management is building on the work done in the common approaches exercise, which assessed common functions and business processes across the Secretariat and presented options for their optimization, with the goal of enhancing organizational coordination, effectiveness and efficiency. Follow-on initiatives are under way at the level of individual systems and processes, and OIOS is engaging with these as required.

E.   Investigations Work in 2022

45.   The OIOS investigations function undertakes a range of activities, predominantly consisting of reactive assessments and investigations of allegations received of possible misconduct and other complaints, together with the provision of proactive support to management to reduce the risk of such misconduct occurring in future.

46. OIOS received 29 formal complaints/allegations during 2022, compared with a total of 25 in 2021. These included eight allegations of harassment and one of sexual harassment. The latter related to the reported conduct of a conference attendee during an Agency conference. There were also two allegations of favouritism, five of recruitment irregularities, and two each relating to outside activities and discrimination. OIOS also received two allegations of fraud in 2022.

47. Ten (34%) of the reports of possible misconduct were made anonymously using the OIOS whistle-blower telephone hotline or email account, or by letter. This represents a significant increase in anonymous reporting in comparison with previous years, where the average has been around 20%.

48. Of the 29 matters formally reported to OIOS during 2022, 11 were closed either due to the absence of evidence or because the issues reported did not constitute misconduct. Of the remainder, two were substantiated or partly substantiated by the end of the year, resulting in a report to management for consideration of disciplinary action. In a further seven cases, no evidence of misconduct was found, but issues were identified that led to advisory reports either to management or to the Chief of Ethics.

49. Three other cases were dealt with by the United Nations Department of Safety and Security (UNDSS), as the reported matters fell under their remit for site security at the VIC. OIOS continues to work actively, as appropriate, with UNDSS and other partners to ensure that reports of possible misconduct can be handled effectively and efficiently.

50. Eight allegations remained under active assessment or investigation as of 31 December 2022.

51. Where misconduct is established, the Secretariat can take a range of actions in response, including dismissal and reduction in grade or step. In addition, where it can be proven that money has been lost, the Secretariat will seek to recover it.

52. During 2022, OIOS continued to provide ongoing support and advice to management. Such outreach constitutes a growing part of the Office's work, assisting with establishing contacts and building confidence with stakeholders across the Secretariat. It can also help the Secretariat to address control weaknesses before misconduct occurs or recurs, and this was complemented by ongoing internal audit work looking specifically at how the risk of fraud and corruption is managed.

F.   Other OIOS Work

53. Mainly through its management services function, OIOS provides advice and support, upon request, to help the Secretariat to design and roll out management systems and tools, to continuously improve workflows and business practices, to align organizational settings to high-level directions, and to review and strengthen administrative procedures. The ultimate aim of these activities is to support management in its ongoing efforts to improve the Agency's ability to achieve its objectives as well as operational efficiency and excellence, and thus complements the assurance work undertaken by the internal audit function.

54. During 2022, OIOS provided advice to Secretariat management in areas such as cost allocation and recovery, IT security, project management and business process redesign. Some advisory assignments related to specific Divisions, Departments or activities, while others related to the Secretariat as a whole. Examples of the latter included the conclusion of the common approaches exercise, in addition to work on a new toolkit for managing large-scale projects, in response to the recommendations of previous OIOS internal audits.

55.   In accordance with good practice in oversight functions, OIOS has quality assurance mechanisms that ensure that its own work is of high quality, is aligned with the Agency's objectives and delivers value to the organization. OIOS performs ongoing and periodic monitoring of the effectiveness of its activities, which includes seeking feedback from clients covering the Office's ethics and integrity, competence and proficiency, and the value added by OIOS assignments. Client satisfaction levels remained high, with all the responses received from clients in 2022 providing either 'satisfactory' or 'highly satisfactory' ratings. OIOS uses client feedback to aid its own continuous improvement as part of forward planning, to strengthen its products and ensure these will continue to meet the Agency's needs, and for the professional development of OIOS staff members and teams.

56.   During 2022, OIOS continued to liaise with the Agency's outgoing external auditor, the Audit Board of the Republic of Indonesia, and had initial discussions with the incoming external auditor, the Comptroller and Auditor General of India. In addition, the Office worked closely with other providers of assurance and advice, including the Department of Management and the Chief of Ethics, and participated in or acted as an observer in various internal senior management meetings, project boards and committees. This enables OIOS to provide information for management's decision-making processes on a timely basis, as well as ensuring that it remains aware of major Agency initiatives and evolving risks and can plan for these in its oversight work.

57.   Lastly, OIOS was active at the in-person and virtual meetings of networks such as the United Nations Representatives of Internal Audit Services and the United Nations Representatives of Investigations Services throughout the year, as well as in ad hoc discussions with other counterparts inside and outside the United Nations system and with professional institutes, to ensure that it was able to best leverage evolving audit, investigation and consulting practices and techniques.

G.   Status of Implementation of Internal Audit Recommendations

58.   OIOS audits routinely raise recommendations to strengthen the Agency's governance, risk management and internal controls, as well as to improve the performance of its activities and processes.

59.   OIOS issues these recommendations to the Secretariat, which either agrees on a plan of action for addressing a recommendation or rejects it. During 2022, no recommendations from OIOS audits were rejected by the Secretariat.

60.   The Secretariat also agrees on timescales for the implementation of recommendations. The length of time required to implement a recommendation depends on the complexity of the issue and the resources required to address it. As such, some recommendations may take a considerable amount of time to implement, while others can be resolved quickly. As part of the recommendations follow-up process, OIOS verifies the progress made by management to address outstanding issues. This includes determining whether management's actions are sufficient to enable the closure of recommendations by OIOS, and whether the extension of the agreed timelines for actions is justified.

61.   Figure 2 presents an overview of the status of internal audit recommendations issued by OIOS since 2016. (Please note that the status of any recommendations arising from the CLEAs is included within the equivalent charts in document GOV/2023/15.)

62.   Overall, out of 358 internal audit recommendations in open reviews issued by OIOS since 2016, 61 (or 17%) had passed their agreed target date but had not yet been implemented as at 15 February 2023. A further 23 recommendations were in progress.

63.   As previously reported to the Board, OIOS has now formally closed the 7 outstanding recommendations dating from 2015 or earlier. In some cases, remedial action by management was already under way but not yet fully completed. In one case, where the implementation status may highlight a continuing material risk to the Agency, OIOS has issued a closure memo to the Secretariat requesting formal acceptance of that risk. This recommendation related to ensuring adequate control over the maintenance of the Agency's master data.

64.   The percentage of open recommendations from reports issued in the period 2016–2019 has continued to decrease, but more slowly than previously, from 13% in August 2022 to 12% in February 2023. Having closed the recommendations from 2015 and earlier, OIOS will now turn its attention to helping management focus on full implementation of all remaining recommendations issued between 2016 and 2020.
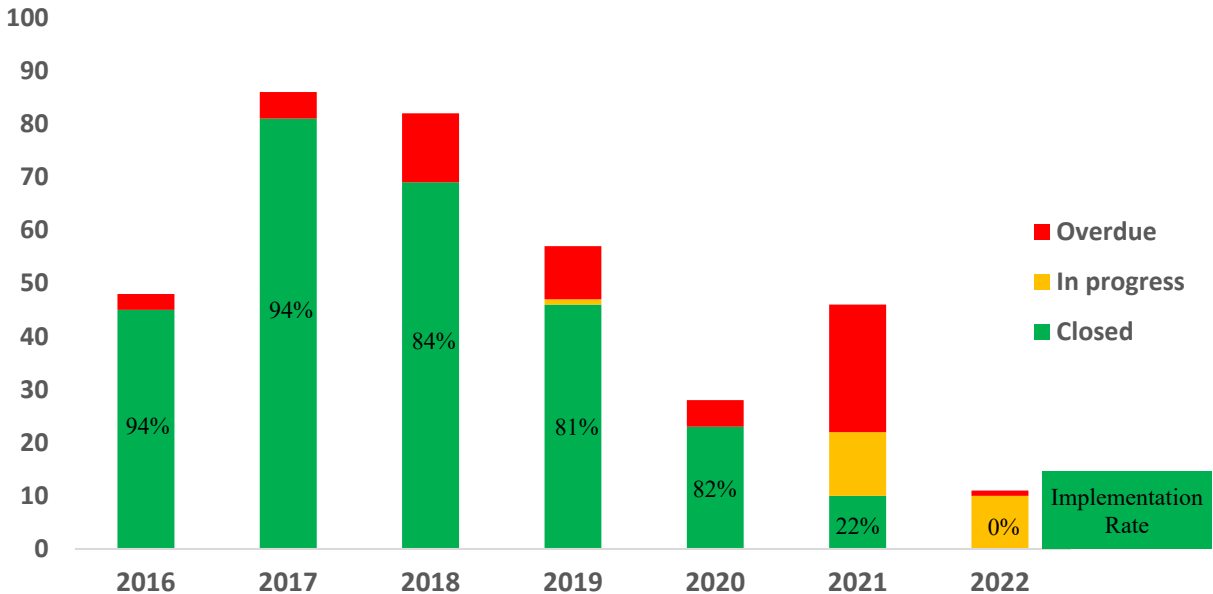

	2016	2017	2018	2019	2020	2021	2022
Overdue	3	5	13	10	5	24	1
In Progress				1		12	10
Closed	45	81	69	46	23	10	
Total	48	86	82	57	28	46	11

FIG. 2. Status of internal audit recommendations as at 15 February 2023

H.   2023 Internal Audit Work Plan

65.   The OIOS work plan for 2023 has been approved by the Director General in accordance with the OIOS Charter. The internal audit component includes 14 assignments as set out below.

66.   CLEAs: The 2023 cycle will comprise six CLEAs covering the assistance delivered by the Agency in the Latin America and the Caribbean region, together with a synthesis review that will consider aspects such as efficient and effective sharing of knowledge across the regional Division and the extent

to which planning and outcomes in one country are utilized to inform and improve others in the same region.

67.   Audit of Division of Operations B in the Department of Safeguards: This review was initiated in 2022, and forms part of a rolling programme to provide assurance on the independence, impartiality, timeliness, effectiveness and efficiency of safeguards implementation. It is focusing, inter alia, on implementation of policies and procedures in accordance with Department of Safeguards policy and strategy; the effectiveness and efficiency of the management of human and financial resources assigned to the Division, including planning and assignment of resources, implementation of planned activities and assessment of outcomes; planning and implementation of inspections; quality control and management, including management of key risks; and provision for evaluation.

68.   Audit of the Marie Skłodowska-Curie Fellowship Programme (MSCFP): This audit will focus on the latest cycle of MSCFP awards, with a view to providing assurance on the effective management of the programme, including transaction testing of awards and payments, and to suggesting any further improvements before the next programme cycle begins.

69.   Audit of IT security: This audit will test Agency networks as part of the routine OIOS audit cycle.

70.   Audit of Agency missions to Ukraine: This audit will provide assurance on effective governance, risk management and internal control within the activities responding to imperatives arising from the situation in Ukraine. It will include overall risk identification and mitigation, health and safety, other human resources related issues, financial and budgetary control, and evaluation and reporting of activities.

71.   Audit of data governance and control: This audit will look at controls to ensure that data is handled properly and in accordance with the Agency's stated intentions. In its testing, OIOS will focus on the most sensitive data sources, including personal data relating to staff and third parties, but excluding safeguards data which will be subject to a separate review.

72.   Fraud risk assessment: This review will involve in-depth testing of anti-fraud controls in one or more key business areas or processes to provide assurance on their effectiveness and efficiency. This is the second part of the fraud risk management audit which formed part of the 2022 OIOS work plan.

73.   Audit of business continuity and disaster recovery: Following the publication of the Agency's Policy on the Organizational Resilience Management System in October 2021, this audit will provide assurance on the effective management of business continuity and disaster recovery. This audit was deferred from the 2022 audit work plan in order for it to coincide with the end of the first ORMS cycle.

74.   In accordance with internal auditing good practice, the OIOS work plan will be kept under review during the year and modified as necessary to reflect changes to the Agency's risk profile, audit and assurance needs, and other circumstances.

Annex

Implementation of Internal Audit[1] Recommendations

Internal Audit Title	Report Year	Total Issued	Closed	In Progress	Overdue	Client Rejects
Audit of the Agency's Language Services	2016	3	3			
Cloud Computing	2016	8	8			
Information Security Threat Management	2016	6	4		2	
LEU Bank - Compliance and Readiness Review	2016	1	1			
Review of MoSaIC	2016	7	7			
Segregation of Duties - AIPS Plateau III	2016	11	11			
Space Allocation in the IAEA	2016	5	5			
Vendor Management Audit	2016	7	6		1	
Audit of Agency Travel Management	2017	21	17		4	
Audit of PACT	2017	14	14			
Audit of Regional Office Tokyo	2017	11	11			
Audit of Regional Office Toronto	2017	12	12			
Compliance Audit - JCPOA Expenditures - Iran	2017	2	2			
Effectiveness of Internal Controls related to Time Management	2017	2	2			
IT Security Testing (Penetration Test)	2017	1	1			
Peaceful Uses Initiative Audit	2017	11	11			
Personnel Selection Process	2017	12	11		1	
AIPS Post-implementation Review	2018	9	3		6	
Asset Management	2018	16	16			
Audit of Procurement Management	2018	25	19		6	
Business Continuity Management	2018	22	21		1	
MOSAIC post-implementation review	2018	7	7			
Planning and Funding of Capital Expenditures	2018	3	3			
Audit of the Agency's Freight Forwarding Services	2019	5	5			
Commissary Management	2019	27	24		3	
Information Security Risk Management in SGTS	2019	8	4	1	3	
MTHR Transformation	2019	2	2			
Payroll and Staff Entitlements	2019	4	4			
Resource Mobilization	2019	4	2		2	
Security testing of the Agency's Wi-Fi Network	2019	1	1			
SG Assurance Processes	2019	2			2	

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[1] Based on data as of 15 February 2023.

Internal Audit Title	Report Year	Total Issued	Closed	In Progress	Overdue	Client Rejects
Audit of Management Arrangements for Technical Cooperation	2019	4	4			
Ad hoc audit of the VIC Commissary	2020	6	6			
Penetration Testing of IT Systems	2020	7	6		1	
Audit of the Use of Non-Staff Personnel	2020	6	4		2	
Audit of the Agency's Support to Member States in Respect of the Pandemic (TC Project INT0098)	2020	1	1			
Audit of Representation and Hospitality	2020	1			1	
License Management	2020	2	2			
ReNuAl+	2020	5	4+		1	
Penetration Testing (Red Team)	2021	4	1		3	
Treasury Management	2021	10	5		5	
Audit of Coordinated Research Projects	2021	8		8		
Audit of Agency Recruitment Process	2021	13	4		9	
Audit of SGOC	2021	8		3	5	
Audit of Low Value Purchasing	2021	3		1	2	
Audit of NSNI	2022	3		2	1	
Follow-up Audit of SG Regional Offices	2022	8		8		