

IOM AUDIT AND OVERSIGHT ADVISORY COMMITTEE

Terms of reference

ARTICLE 1

The role of the Audit and Oversight Advisory Committee (formerly Audit Advisory Committee), referred to as the “Committee” or the “AOAC”, is hereby defined within the International Organization for Migration, referred to as “IOM” or the “Organization”.

ARTICLE 2 – PURPOSE

1. The Committee acts in an advisory, non-executive capacity to the Director General of the Organization to assist the Director General in fulfilling his/her oversight responsibilities, including on the effectiveness of audit and oversight, risk management and internal control concerning the Organization’s operation.
2. The Committee is an independent, expert advisory and oversight body established in a non-executive capacity to report to IOM Member States on the appropriateness and effectiveness of internal oversight, risk management and internal controls at IOM. The Committee reports annually to the IOM Standing Committee on Programmes and Finance (SCPF).
3. The Committee shall not infringe on the functions and responsibilities of any existing oversight entities of the Organization or those of the Organization’s External Auditors.

ARTICLE 3 – FUNCTIONS

The functions of the Committee are:

INTERNAL OVERSIGHT

1. To review the functioning, operational independence and effectiveness of the Office of the Inspector General (OIG) as the main internal oversight body, including its Charter, strategies, priorities, financing and workplans, and submit relevant recommendations to the Director General.
2. To review risk management issues concerning the work of OIG or that may be identified through OIG’s oversight activities and to monitor the compliance of the Organization with the implementation of OIG’s recommendations.

MANAGEMENT OF RISK

3. To review and discuss with the Administration the Organization’s policies, guidelines and practices concerning risk management.
4. To advise on the quality and overall effectiveness of risk assessment and management policies and procedures, including the creation and maintenance of a risk register for the Organization.

INTERNAL CONTROLS

5. To review and appraise the effectiveness of the internal control systems of the Organization and identify potential weaknesses in order to maintain the highest possible international standards of internal control management, fraud prevention and handling of irregularities.
6. To review and appraise the Organization's policies, guidelines and practices significantly impacting accounting and financial reporting issues, use of resources and internal controls.
7. To review and discuss the Organization's annual financial statements with the Administration, including the appropriateness of the Organization's accounting policies.
8. To review and discuss with the Administration the implementation status of the External Auditors' recommendations.

ARTICLE 4 – ACCESS

1. The Committee may request:
 - (a) Through the Director General, all information and documents necessary to perform its functions;
 - (b) To meet the Director General and senior officials individually in private sessions.
2. The Committee shall, as needed, discuss with the External Auditors topics common to their respective mandates and exchange information and views.

ARTICLE 5 – COMPOSITION

1. The Committee shall be composed of five members, ensuring appropriate geographical distribution, gender balance, range of skills and expertise.
2. The Chairperson of the SCPF and the Director General will designate a selection panel of five Member State representatives, selected on as wide a geographical basis as possible, and two IOM Directors. The panel will submit a report to both the Chairperson and the Director General, listing the candidates recommended for selection and the reasons therefor; the report shall also list the candidates not recommended for selection. The Chairperson and the Director General shall review the recommendations made by the panel and make a final decision on the selection. The Chairperson shall present a report on the selection of the AOAC members to the next SCPF session following the recruitment. In the case of disagreement between the Chairperson and the Director General, the report of the panel, together with the reasons for the disagreement, shall be submitted to the SCPF by the Chairperson for review and decision.
3. The Committee members, all of whom shall be external and independent of the Organization, shall reflect the highest level of integrity and professionalism and shall serve in a private capacity. In performing their duties, they shall discharge their functions only with the interests of the Organization in view and shall not seek or receive instructions from any government or from any authority external or internal to the Organization, other than the Director General and the SCPF. They shall not have held a staff and/or consultancy

position with IOM for a consecutive two-year period prior to their appointment and shall not hold any position or engage in any activity that could impair their independence from IOM or from entities that maintain a business or institutional relationship with the Organization, in fact or perception, while serving on the Committee.

4. The Committee members must be selected to reflect diversified skills, knowledge and experience to fulfil their functions. In particular, they must have recent and relevant senior-level managerial, financial, audit and/or other oversight-related experience and competencies, in line with the following requirements:
 - (a) Experience in preparing, auditing, analysing or evaluating financial statements that present a breadth and level of complexity of financial management issues generally comparable to those faced by the Organization, including an understanding of relevant accepted accounting and auditing principles and international standards;
 - (b) Experience in the inspection, monitoring, evaluation and investigative processes;
 - (c) Experience in oversight, compliance, ethics, internal control and risk management procedures;
 - (d) A general understanding of the Organization and, if possible, the structure and functioning of the United Nations or other intergovernmental organizations; a balance between private and public sector profiles is sought;
 - (e) One member shall be a professionally qualified accountant, auditor or finance professional.
5. Each member shall serve for a period of three years, renewable once for a second, final term of three years after the initial term, on a staggered basis to provide continuity. In the event that the term of office of a Committee member be cut short, the Director General, in agreement with the Chairperson of the SCPF, shall appoint a replacement for the remainder of his or her term of office.
6. The appointed Committee members will elect their own Chairperson from within their number to serve for the duration of his/her term. If the Chairperson is unable to attend a meeting, the members present shall elect an acting Chairperson for that meeting from among themselves.
7. The Committee members shall not be eligible for appointment within the Organization for five years following expiry of their term of office, except under exceptional circumstances to be decided by the Director General and the Chairperson of the SCPF, in particular when considered for the interest of the Organization.

ARTICLE 6 – MEETINGS

1. The Committee will meet three times a year at Geneva Headquarters, for four to five days per meeting (including travel time); some attendance may be possible via videoconferencing. The Director General may request additional meetings or agree with the members on specific field visits within the limits of the available budget. Any specific requests from the SCPF based on the annual report presented by the AOAC should be examined during the regular meetings.

2. Three members will constitute a quorum. Members cannot be represented by an alternate. The Committee shall work on the basis of consensus. When this is not possible, voting will be used and, should the votes be equally divided, the Chairperson shall have the casting vote. Dissenting opinions may be attached to any report if those in dissent so desire.
3. Provisional agendas are prepared by the Committee's secretariat in consultation with the Chairperson. The Chairperson will approve a provisional agenda for the meeting which shall be circulated together with the invitations at least 14 days prior to the date of the session. The supporting documents will be circulated to Committee members approximately 14 days prior to the date of the session.
4. Senior officials may attend Committee meetings or parts thereof as requested by the Committee or its Chairperson.
5. The Chairperson of the Committee may meet the Inspector General and other senior officials privately.
6. The Committee shall establish its rules of procedure.

ARTICLE 7 – RECOMMENDATIONS AND REPORTING

1. After each session, the Committee shall submit a report on its work and recommendations to the Director General
2. The Committee shall also submit to the Director General an annual summary report of its activities, issues and results, including on its own effectiveness in discharging its duties.
3. A Committee member will present the AOAC annual report to the autumn session of the SCPF.

ARTICLE 8 – SECRETARIAT SUPPORT

1. The secretariat support for the Committee shall be provided by the Office of the Director General (ODG) on a part-time basis
2. Functions shall include: (a) logistical and administrative support, including preparing the agenda, attending the meetings held at IOM Headquarters and assisting in preparing the draft reports; and (b) substantive and technical work in preparation of the meetings as requested by the Committee.

ARTICLE 9 – STATUS OF MEMBERS, LIMITED INSURANCE AND INDEMNIFICATION

1. Members shall act in an independent, non-executive capacity with no managerial powers while performing their functions. As such, members shall not be held personally liable for any action taken by the Committee as a whole.
2. Members shall not be construed as becoming staff members, partners or agents of IOM as a result of their membership of the Committee.

3. IOM shall insure members through the Organization's Compensation Plan for the duration of Committee meetings and field visits (including related travel times), against "occupational" accidents and illnesses directly attributable to Committee activities and to insure them against certain malicious acts occurring during Committee meetings and field visits. IOM shall not be responsible for insurance cover against "non-occupational" accidents or illness. Members shall complete the Basic and Advanced Security Training, as per the protocol of the United Nations Department of Safety and Security, in particular for travelling to risk areas if required.
4. Members shall be indemnified from actions taken against them as a result of activities performed in the course of exercising their responsibilities as members of the Committee, provided such activities were performed in good faith and with due diligence.

ARTICLE 10 – FEES AND COSTS

1. Members shall not receive remuneration for their services.
2. Committee members who travel to attend the Committee sessions shall receive a daily subsistence allowance and shall be reimbursed for travel expenses incurred in accordance with the Organization's procedures applying to its staff members.

ARTICLE 11 – CONFIDENTIALITY OF MEETINGS AND MINUTES

1. All Committee members shall sign a statement of confidentiality upon appointment.
2. The deliberations of the Committee and the minutes of its meetings are confidential unless otherwise decided by the Director General. The SCPF may request access to the minutes that were used as a basis for the annual statement and report of the Committee at the SCPF session. The documents and information material circulated for the consideration of the Committee shall be used solely for that purpose and treated as confidential.

ARTICLE 12 – DISCLOSURE OF CONFLICTS OF INTEREST

Where actual or potential conflict of interest arises during the conduct of a meeting, the interest will be declared and will cause the member(s) to be excused from the discussions and to abstain from voting on the matter.

ARTICLE 13 – WORKING LANGUAGE OF THE COMMITTEE

All records and proceedings of the Committee shall be in English.