



Summary Report

External Quality Assessment of the
Internal Audit function of the Office
of the Inspector General

International Organisation for Migration (IOM)

23 December 2021

www.kpmg.ch

Summary Report

Preface

The Institute of Internal Auditors (IIA) and the International Standards for the Professional Practice of Internal Auditing (IIA standards) require an Internal Audit function to conduct an assessment of conformity – at least – on a five-year basis.

KPMG Ltd. (KPMG) was mandated in October 2021 to perform an external quality assessment of IOM's Internal Audit (IA) function. The KPMG team which oversaw the execution of the external quality assessment fulfills the requirements regarding independence, expertise, and experience according to the IIA standard 1312.

Scope & Objectives

The external quality assessment was performed for IOM's IA function. The external quality assessment explicitly focused on IA's current organization and processes. The main objectives of this exercise were to:

- Assess conformance with the mandatory elements of the International Professional Practice Framework (IPPF) released by the IIA;
- Assess the efficiency and effectiveness of IA activities in meeting the objectives and mission as defined in the IOM Financial Regulations and Rules (Article 10 (d) on Audit) and the OIG Charter.

To determine the current level of conformity with the IPPF, we have performed the following activities:

- Interviews with selected key stakeholders of the IA function as well as with representatives of the IA function;
- Review of internal documentation including the charter of the Office of the Inspector General (OIG charter), IA's manual and procedures, reporting to the Director General, the Audit and Oversight Advisory Committee (AOAC) and the Standing Committee for Program and Finance (SCPF);
- Review of the process regarding annual risk assessment & annual audit plan (including resource allocation);
- Review of IA's audit process (including audit planning, execution, reporting, follow-up, quality management processes as well as the used tools and methodologies);
- Review of five audit missions performed by IA between 2020 and 2021 (including review of work papers).

Overall Conclusion & Conformance with IIA standards

Our external quality assessment of IOM's IA function based on the review procedures performed and the comparison with the IIA standards leads to the following conclusions:

- ✓ We have obtained a positive overall impression of the IA function as to positioning, people, and processes; and
- ✓ IOM's IA function "**generally conforms**"¹ with the **mandatory elements of the IPPF** (including the Definition of Internal Auditing, the Core Principles, the Code of Ethics and the IIA standards), released by the IIA.



Generally Conforms	Partially Conforms	Does Not Conform
--------------------	--------------------	------------------

For selected IIA standards, we identified some partial conformance. However, these areas for improvement do not detract from the overall positive impression with regards to the positioning, the people, and the processes of the IA function.

Based on our external quality assessment, IOM's IA function is still entitled to use the term "conformance with the International Standards for the Professional Practice of Internal Auditing" in its reports.

¹ The IIA offers three ratings to assess conformity: "generally conforms", "partially conforms", "does not conform".

Concluding Remarks

The improvement opportunities related to the IIA standards and “good practice” within Internal Audit were communicated to the Inspector General and the Head of Internal Audit in a detailed, written report.

We would like to thank IOM and the IA staff for the excellent and effective cooperation and support.

If you would like to discuss any aspects of this report, please do not hesitate to contact us.

KPMG Ltd.

Pierre-Henri Pingeon
Partner

Alessandro Gabriele
Senior Manager

Appendix - Conformance with IIA standards

Detailed overview of Conformance with IIA standards

The table below highlights the level of conformance of each IIA standard with respect to IA’s performance. Regarding the standards that were rated as “partially conforms” recommendations for improvement and IA’s action plans are outlined in our detailed report.

(AS) ATTRIBUTE STANDARDS		
1000	Purpose, Authority, and Responsibility	
1010	Recognition of the Definition of IA, the Code of Ethics, and the Standards in the IA Charter	
1100	Independence and Objectivity	
1110	Organizational Independence	
1111	Direct Interaction with the Board	
1112	Chief Audit Executive Roles Beyond Internal Auditing	
1120	Individual Objectivity	
1130	Impairment to Independence or Objectivity	
1200	Proficiency and Due Professional Care	
1210	Proficiency	
1220	Due Professional Care	
1230	Continuing Professional Development	
1300	Quality Assurance and Improvement Program	
1310	Requirements of the Quality Assurance and Improvement Program	
1311	Internal Assessments	
1312	External Assessments	
1320	Reporting on the Quality Assurance and Improvement Program	
1321	Use of ‘Conforms with the International Standards for the Professional Practice of IA’	
1322	Disclosure of Nonconformance	
(PS) PERFORMANCE STANDARDS		
2000	Managing the Internal Audit Activity	
2010	Planning	
2020	Communication and Approval	
2030	Resource Management	
2040	Policies and Procedures	
2050	Coordination	
2060	Reporting to Senior Management and the Board	
2070	External Service Provider and Organizational Responsibility for IA	
2100	Nature of Work	
2110	Governance	
2120	Risk Management	
2130	Control	
2200	Engagement Planning	
2201	Planning Considerations	
2210	Engagement Objectives	
2220	Engagement Scope	
2230	Engagement Resource Allocation	
2240	Engagement Work Program	
2300	Performing the Engagement	
2310	Identifying Information	
2320	Analysis and Evaluation	
2330	Documenting Information	
2340	Engagement Supervision	
2400	Communicating Results	
2410	Criteria for Communicating	
2420	Quality of Communications	
2421	Errors and Omissions	
2430	Use of ‘Conducted in Conformance with the International Standards for the Professional Practice of IA’	
2431	Engagement Disclosure of Nonconformance	
2440	Disseminating Results	
2450	Overall Opinions	
2500	Monitoring Progress	
2600	Communicating the Acceptance of Risks	

 generally conforms	 partially conforms	 does not conform
--	--	--

Contact us

Pierre-Henri Pingeon

Partner

T +41 58 249 38 00

E ppingeon@kpmg.com

Alessandro Gabriele

Senior Manager

T +41 58 249 28 39

E alessandrogabriele@kpmg.com

www.kpmg.ch

© 2021 KPMG AG is a subsidiary of KPMG Holding AG, which is a member of the KPMG network of independent firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss legal entity. All rights reserved.

The information contained herein is of a general nature and is not intended to address the circumstances of any individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received, or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the situation. The scope of any potential collaboration with audit clients is defined by regulatory requirements governing auditor independence. If you would like to know more about how KPMG AG processes personal data, please read our Privacy Policy, which you can find on our homepage at www.kpmg.ch.

KPMG AG is a Swiss corporation. All rights reserved. The KPMG name and logo are registered trademarks.