

## TIMELINE - INDEPENDENT AUDIT ADVISORY COMMITTEE (IAAC)

Date	Report/ Resolution	Origin	Action	Note on Terms of Reference & Selection of members
16 Sept. 05	<b>60/1</b>	General Assembly	Par.164 (c) In recognition of the fact that additional measures are needed to enhance the independence of the oversight structures, Member States requested the SG to submit a detailed proposal for the creation of an <u>independent oversight advisory committee</u>	
28 Nov. 05	<b>A/60/568 Annex III</b>	Secretary General	Provides initial terms of reference for the IAAC.	<p><b>Role of the IAAC:</b> “to help the General Assembly better exercise governance responsibilities with respect to the various operations of the United Nations.”</p> <p><b>Membership:</b> five or seven members, independent of the UN, its Secretariat and Member States. Candidates are nominated by the SG and approved by the GA. The Committee members will choose their Chairperson and she/he will have identical terms and conditions to other Committee members (≠ ACABQ).</p> <p><b>Scope of work:</b> review the budget, audit plans and assess the work of OIOS; discuss with management and the Board of Auditors (BoA) audited financial statements; review the system of internal control and risk management; advise the GA on recommendations for appointments by the SG in the area of oversight; provide input on BoA’s workplan; consider the effectiveness of external audits.</p> <p><b>Work mode and reporting:</b> the IAAC is to meet four times a year. The Chairman will regularly brief the SG and the IAAC will produce an annual report and an annual performance evaluation to the GA.</p>
23 Dec. 05	<b>60/248</b>	General Assembly	Establishes the IAAC, requesting SG to propose terms of reference and resource requirements	<b>Role of the IAAC:</b> to assist the GA in discharging its oversight responsibilities; ensure coherence with the outcome of the ongoing review of oversight and report to the General Assembly

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20 June 06	A/60/846/ Add.7		Reviews and updates the terms of reference for the IAAC. Suggests appropriation of funds for its establishment (\$ 956.600 of programme budget for 2006-2007)	<p><b>Role of the IAAC:</b> to serve in an expert advisory capacity to help the GA better exercise governance responsibilities with respect to the various operations of the United Nations.</p> <p><b>Membership:</b> 10 members (to adequately address workload; facilitate rotation and geographical representation), independent of the UN Secretariat and Governments of Member States. Candidates are nominated by the SG and subject to GA approval. Every three years one half of the membership retires. The duration of service will be limited to a max of six years. Stricter criteria apply for the independence of Committee members.</p> <p><b>Scope of work:</b> understand the system of internal control and risk management and challenge compliance; monitor compliance with corrective action plans; provide input to the workplan of the BoA; review the budget, audit plans and assess the work of OIOS; advise the GA on the effectiveness of the USG for Internal Oversight and its appointment; discuss with management and the Board of Auditors (BoA) audited financial statements.</p> <p><b>Work mode and reporting:</b> the IAAC will meet in closed session a min of four times a year. It will seek to work on the basis on consensus. The Chairman will regularly brief the SG. The IAAC will provide an annual report and annual performance evaluation to the GA. TOR to be reviewed every three years.</p>
1 Dec. 06	A/61/605	ACABQ	Recommends that the SG, after consulting with the Board of Auditors and OIOS to submit revised terms of reference	<p><b>Role:</b> IAAC should have a purely advisory role and no operational function.</p> <p><b>Membership:</b> For greater ease in decision making, the IAAC should have <u>5 members</u>, not 10. Autonomy of IAAC's Secretariat must be ensured.</p> <p><b>Scope of work:</b> <i>inter alia</i>, the IAAC is to undertake an expert technical review of the oversight budget and advise the GA thorough the ACABQ.</p>

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22 Dec. 06	<b>61/245 par. 3</b>	General Assembly	Requests the SG to submit revised terms of reference	
20 March 07	<b>A/61/812</b>	Secretary General	Provides new terms of reference based on input from ACABQ and BoA. Suggests appropriation of funds of \$450.000 from the budget for 2006-2007 for its operationalization starting October 2007.	<p><b>Role:</b> serves the GA in expert advisory capacity to assist it fulfilling its oversight responsibilities by providing technical advice on issues that the GA considers appropriate and related to the work of the entities auditing the UN Secretariat.</p> <p><b>Membership:</b> Five members, to serve for a max. of three years.</p> <p><b>Scope of work:</b> advise the GA on scope, results and effectiveness of audit and on workplans of entities auditing the Secretariat; discuss audit reports with auditing entities and management; monitor compliance of management with internal and external audit recommendations; discuss audit reports with BoA and management; submit to the GA criteria for selection of BoA members; assess and review OIOS effectiveness; advise the GA on effectiveness of risk management procedures, and internal controls; advise the GA on integrity of UN audited financial statements and on accounting standards.</p> <p><b>Work mode and reporting:</b> the IAAC shall meet a min. of 4 times a year in coordination with the activities of the GA and the Secretariat; it shall seek to work on the basis of consensus. The IAAC will produce an annual report to the GA containing the advice of the Committee to the GA and describing its work. Key findings would be reported at any time. The Chairperson may also brief the SG periodically. TOR to be reviewed every three years.</p>
28 March 07	<b>A/61/825</b>	ACABQ	Responds to SG report taking into account letter from Board of Auditors and input from Controller, USG for Internal Oversight Services and others. As to resource requirements, ACABQ recommends only approval for one P-5 and one	<p><b>Role:</b> serves the GA in expert advisory capacity to assist it fulfilling its oversight responsibilities.</p> <p><b>Membership:</b> Five members. Members of the IAAC should not represent Governments of Member States. Members are to have financial, audit, evaluation and investigation experience.</p> <p><b>Scope of work:</b> ACABQ notes that TOR contained in</p>

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			General Service posting at the Secretariat.	<p>A/61/812 appear to be audit centric while the IAAC scope should extend to oversight and cover all OIOS functions. Thus it suggests that the IAAC provides technical advice to the GA on the audit, evaluation and investigation of the entities that audit the Secretariat.</p> <p>BoA recommends that management of risk and internal controls be excluded from the IAAC functions.</p> <p>ACABQ disagrees that the IAAC should advise the GA on the integrity of audited financial statements as this is within the purview of BoA.</p> <p>ACABQ also points out that advising the GA on the effectiveness of internal financial controls is also within the purview of BoA and could generate confusion.</p> <p><b>Work mode:</b> the IAAC shall meet up to 4 times a year.</p> <p>ACABQ recommends that members of IAAC receive a per diem and compensation for travel.</p>
8 June 2007	<b>Draft Resolution: A/C.5/61/L.70</b>	General Assembly	Provides mandate, scope of work and TOR for an Independent Audit Advisory Committee. The TOR will be reviewed in three years time. Establishes a dedicated Secretariat in support of the Committee.	<p><b>Role:</b> a subsidiary body of the GA, serves in an expert advisory capacity to assist the GA in fulfilling its oversight responsibilities.</p> <p><b>Membership:</b> five members, appointed by the GA.</p> <p><b>Modus of selection:</b> Member States will propose 10 candidates, based on regional and geographical representation for the General Assembly's approval. It is envisaged that regional groups, entitled to one candidate each, may propose their candidates for the IAAC. The draft resolution recommends that the candidates be evaluated and attested through consultations with an external relevant institution, such as the International Organization of Supreme Audit Institutions (INTOSAI). The evaluation of the candidates would be made available to all Member States. It is expected that candidates who have been attested and evaluated will have a better chance to be voted on the Committee.</p> <p><b>Conditions of service:</b> members will be appointed for a term of 3 years with the possibility to renew their membership once. Members will thus be able to serve a</p>

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				<p>maximum of 6 years each, with the exception of the first members elected, 2 of which will be appointed for 4 years.</p> <p><b>Scope of work:</b> advise the GA on the effectiveness of the UN’s audit and other oversight functions. Examine the work-plan of OIOS. Advise the ACABQ on the budget plan of OIOS. Advise the GA on the effectiveness of risk management procedures and identify deficiencies in the UN’s internal control framework. Advise the GA on operational implications of issues and trends of UN’s financial statements and reports. Advise the GA on accounting and disclosure practices.</p> <p><b>Work mode:</b> the Committee will meet up to 4 times a year. It will work on the basis of consensus. It will submit its advice in the form of an annual report to the GA.</p>
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