

## **THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA OFFICE OF INSPECTOR GENERAL TERMS OF REFERENCE**

### **Objectives**

The Office of Inspector General operates as an independent unit of the Global Fund, reporting directly to the Board. Its primary purpose is to provide the Global Fund with independent and objective oversight to ensure the integrity and effectiveness of the Global Fund's programs and operations.

### **Functions**

The Office of Inspector General has seven substantive responsibilities:

1. To undertake investigations of potential fraud, abuse, misappropriation, corruption and mismanagement (collectively, "fraud and abuse") within the Global Fund and by Principal Recipients ("PRs"), Sub-Recipients, Country Coordinating Mechanisms ("CCMs"), and Local Fund Agents ("LFAs"), where permitted under applicable arrangements;
2. To identify systemic weaknesses providing opportunities for fraud and abuse in the Global Fund's programs and operations and make recommendations to address them;
3. To review internal management processes, including the grant application and grant awards process, funds disbursement, and risk assessment and risk management processes;
4. To conduct audits and inspections of sites relating to the Global Fund's programs and operations, where permitted under applicable arrangements;
5. To develop and administer, as resources permit, a training program for the prevention and detection of fraud and abuse within Global Fund programs and operations.
6. To create (a) mechanisms for reporting potential fraud and abuse and (b) intake procedures to evaluate incoming reports of potential misconduct within Global Fund programs and operations and to oversee the implementation of appropriate protections for Global Fund employees and others reporting concerns as well as those who are the subject of such reports, in accordance with procedures approved by the Board.
7. To keep the Board and, where appropriate, the Executive Director, fully and currently informed of the Office of Inspector General's activities and findings, through the submission of Annual Reports, reports of particular investigations and audits and other communications as deemed appropriate.

The Office of the Inspector General is lead by the Inspector General. Annex 1 to these Terms of Reference sets forth the Inspector General's job description. Annex 2 provides qualifications for the position.

## Reporting and Authority

1. The Inspector General shall report directly to the Board. The Inspector General's primary point of contact with the Board will be the Finance and Audit Committee ("FAC"), but he or she shall retain the authority to report his or her activities or findings solely to the Board as a whole, and not to inform a particular committee, where the Inspector General deems that the subject(s) and nature of the matter investigated or other circumstances so require. The Inspector General shall inform the Executive Director of his or her activities and findings as he or she deems appropriate.
2. The Inspector General will have the authority to:
  - Access all books and records maintained by the Global Fund;
  - Access all books and records relating to grants funded by the Global Fund, whether maintained by PRs, Sub-Recipients, LFAs or LFA subcontractors, where permitted under applicable arrangements;
  - Seek any information it requires from any personnel involved in the Global Fund's projects and require such personnel to cooperate with any request made by the Office of Inspector General; and
  - Obtain independent professional advice and secure the involvement in its activities of outside persons with relevant experience and expertise, if and when determined necessary.
3. The specific tasks and activities of the Inspector General are determined by: (a) the functions set forth in these Terms of Reference; (b) the direction of the Board, consistent with these Terms of Reference; and (c) the discretion of the Inspector General to achieve the objectives of the Terms of Reference.
4. The Inspector General shall prepare an Annual Plan in consultation with the FAC that targets areas of review and investigation for the upcoming year. In addition to the Annual Plan, the Inspector General shall retain the authority, independence and flexibility to investigate any and all allegations of fraud and abuse as they arise and otherwise respond to events that occur during the course of the year.
5. The Inspector General shall prepare an Annual Report measuring actual performance against the Annual Plan and summarizing the operations of the Office of Inspector General during the immediately preceding year. The Annual Report should be submitted to the Board, through the FAC or directly, if necessary to do so, with a copy to the Executive Director. Following review by the Board and the Executive Director, the Annual Report ordinarily should be made available on the Global Fund's website, through the Office of Inspector General page.
6. The Annual Report should include the following information:
  - A description of the mission, organization, staffing and resources of the Office of Inspector General;
  - A quantitative summary of the Office of Inspector General's activities during the period, including: the number of reports received through the hotline and other

whistleblower reporting mechanisms; and the number of audits and investigations undertaken, completed and/or pending;

- A description of any investigations of the Global Fund's internal operations and processes, including any description of significant problems, abuses, and deficiencies that were identified, and any recommendations for corrective action that the Office of Inspector General made during the period;
- A description of investigations of the Global Fund's external programs, including any description of significant problems, abuses, and deficiencies that were identified and any recommendations for corrective action that the Office of Inspector General made during the period;
- An identification of any significant recommendation described in a prior Annual Report for which corrective action has not yet been completed;
- A summary of any matters referred to relevant local law enforcement authorities and the outcome of such referrals;
- A description of other developments within the Office of Inspector General during the period including, for example, policy developments and new tools and resources;
- A listing of any entities, businesses, or persons whom the Global Fund has decided not to retain or not to award any grants, contracts, or other business for a stated period as a result of an Inspector General investigation; and
- Any other information that the Inspector General deems appropriate.

7. The Inspector General shall provide periodic reports regarding particular investigations or audits to the Board or an appropriate committee thereof, with due consideration to confidentiality and other material concerns. The Inspector General also should inform the Executive Director of such matters where the Inspector General may deem it necessary or appropriate to do so. The Inspector General also should immediately bring matters to the attention of the Board and/or to the Executive Director if and when circumstances so require. Reports of particular investigations and audits should be made available on the website, where appropriate.

## **Employment Status**

1. The Inspector General and the Office of Inspector General staff will be World Health Organization ("WHO") staff members as long as the Global Fund continues its Administrative Services Agreement with the WHO and any Global Fund staff are WHO staff members and provided that the WHO Director General has delegated to the Inspector General certain authorities relating to Global Fund Office of Inspector General employees and expenditures.

### **Budget Allocation**

1. The Office of Inspector General receives a separate budget allocation, as approved by the Board. The Inspector General has authority to approve travel, expenditure, vacation or other requests submitted by his or her staff. The Inspector General also has authority to approve his or her own travel, expenditures, vacation and other such actions but must provide reports of any such actions to the FAC for ratification.

### **Working Relationships**

1. In order to promote efficiency, avoid duplication, and help ensure a productive working environment, to the extent possible, positive working relationships should characterize the Inspector General's interactions with the Global Fund Executive Director and the Secretariat's senior management team; the external auditors; LFAs; the Chairman and members of the TERG; the Chairman and members of the TRP; and the Chairs of the Board's standing committees. In particular, if the Inspector General receives information regarding a matter that is outside the scope of the Office of Inspector General's mission but may be relevant to the work of these or other parties, he or she should inform these individuals or entities as appropriate and as promptly as possible.
2. Certain matters that are brought to the attention of the Inspector General may be covered by the Global Fund's Policy on Ethics and Conflict of Interest for Global Fund Institutions and therefore within the mission of the Board's Ethics Committee. In such cases, the Inspector General should inform and coordinate with the Ethics Committee as appropriate. Correspondingly, the Ethics Committee should inform the Inspector General of matters of which it become aware that are relevant to the mandate of the Office of Inspector General and should refer any such matters to the Office of Inspector General for investigation.

**OFFICE OF INSPECTOR GENERAL TERMS OF REFERENCE  
ANNEX 1**

**The Global Fund to Fight AIDS, Tuberculosis and Malaria  
Job Description – Inspector General**

1. Plan, develop and implement effective operations of the Global Fund Office of Inspector General ("OIG"), including staffing of investigators, other professionals and support staff.
2. Provide executive direction, decision-making, and accountability standards for performance within the OIG.
3. Hire and lead a cohesive staff designed to best meet the OIG's mission and workload. Manage and evaluate staff responsible for qualitative and quantitative implementation and success of the OIG's core investigation programs. Prepare and implement a training plan that adequately addresses staff needs as well as local and national priorities, providing assistance and direction to the staff, as appropriate, on all such initiatives and programs.
4. Identify, design, implement, and direct investigatory and case management processes and programs to accomplish the mission and objectives of the OIG. Prepare an Annual Plan for approval by the Board. Implement the approved plan, utilizing consultants and other outside resources where appropriate.
5. Conduct both announced and unannounced audits and inspections of sites relating to the Global Fund's programs and operations, including, but not limited to, grant recipient sites and Local Fund Agent ("LFA") offices;
6. Undertake investigations of potential fraud, abuse, misappropriation, corruption or mismanagement (collectively, "fraud and abuse") within the Global Fund and by Principal Recipients ("PRs"), Sub-Recipients, Country Coordinating Mechanisms ("CCMs"), and LFAs. Coordinate investigative efforts with other Global Fund departments or bodies and external consultants, as appropriate, and ensure that both the investigative team and investigations are effective and cost efficient;
7. Conduct audits and review internal management processes, including the grant application and awards processes, funds disbursement, and risk assessment and risk management processes. Assess compliance with Board policies and procedures.
8. Provide advice and recommendations to the Board directly or through the Finance and Audit Committee ("FAC") on the appropriate actions to be taken as a result of investigative findings.

9. Develop and manage the implementation of procedures governing sanctions and other remedies applied as a result of investigative findings.
10. Implement best international practices for the detection, investigation and prevention of fraud and abuse and for fostering an ethical work environment. Provide advice to the Board, its committees, the Executive Director, senior management, staff, consultants, LFAs, PRs and other third parties involved in the Global Fund grant processes, on policy, operational and programmatic measures that will foster institutional integrity and prevent and combat fraud and abuse.
11. Establish and oversee the Global Fund's hotline and other complaint reporting mechanisms.
12. Direct outreach, training and dissemination of lessons learned from investigative results to Global Fund management, staff, LFAs, PRs and other third parties involved in Global Fund grant processes.
13. Prepare an Annual Report and meet with the Board and, as appropriate, the FAC or Ethics Committee, to report on the OIG's activities, findings and finances and to provide information that may assist in proper discharge of the Board or the committees' responsibilities.
14. Prepare operational and salary budgets for the OIG and monitor expenses relative to budget projections on an ongoing basis.
15. Assess the OIG's need for technology and other resources in the accomplishment of the goals of the office.
16. Represent the Global Fund at conferences and other forums relevant to the OIG's mission.
17. Based on these responsibilities, the Inspector General position is at the D-2 grade.

## **OFFICE OF INSPECTOR GENERAL TERMS OF REFERENCE ANNEX2**

### **The Global Fund to Fight AIDS, Tuberculosis and Malaria Qualifications – Inspector General**

The Inspector General must have the appropriate technical skills, extensive relevant experience and maturity and judgment necessary to lead and to perform the functions of the Office of Inspector General, which is an independent and objective unit of the Global Fund.

#### **Required Qualifications**

1. A graduate-level university degree or the equivalent in law, forensics, business administration, auditing, accounting, public administration or other relevant field;
2. Ten or more years of relevant work experience and expertise, with a minimum of five years (or the equivalent thereof) of performing comparable types of fraud and abuse audits and investigations for agencies in which substantial grants are at issue;
3. Experience working in development;
4. Demonstrated knowledge and understanding of business management skills and techniques for the purpose of identifying deficiencies in management processes.
5. Demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration and/or investigations;
6. Proven track record in managing a diverse range of complex investigations, including demonstrated ability to exercise independent judgment and analyze relevant legal and procedural issues and financial evidence;

#### **Desirable Qualifications**

1. Two or more years (or the equivalent thereof) of experience either in an inspector general or auditor office, or in another comparable function, at an international funding program such as the World Health Organization or the World Bank or at a domestic agency funding overseas programs;

**Desirable Characteristics**

1. Outstanding analysis and problem solving skills;
2. Strong leadership and management skills;
3. Excellent interpersonal, oral, and written communication skills;
4. Fluency in written and spoken English and at least one other language, preferably French or Spanish; and
5. Cross-cultural sensitivity and ability to work effectively in a team both as a participant and as a leader.