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## Revised Charter Clarifies That the OIG's Role Does Not Include Evaluating Programme Impact

Changes to the charter of the Office of the Inspector General (OIG) adopted by the Global Fund Board specify that when the OIG conducts country audits, it will not evaluate programme impact.

On 19 March 2013, the Board approved by electronic vote the changes to the charter recommended by its Audit and Ethics Committee (AEC). It also adopted, separately, revised terms of reference for the Inspector General position. Previously, the charter and the terms of reference were contained in one document. The changes to the terms of reference for the Inspector General were not significant.

The issue of whether the OIG should be auditing programme impact was one of several issues discussed by the AEC. The AEC said that it should not be, and it revised the charter to make this clear; changes were made to Sections 2 and 9 of the charter.

In the original charter, Section 2 read as follows:

“The scope of work of the Office of the Inspector General encompasses all aspects of the Global Fund’s activities, including those carried out on its behalf by its program recipients, partners, suppliers and service providers. All systems, processes, operations, functions and activities within the Global Fund and the programs it funds are subject to the Office of the Inspector General’s review, evaluation, and oversight. The Office of the Inspector General may also act in an advisory role to further the Global Fund’s mission and objectives.”

In the revised Charter, the first sentence of Section 2 was removed and additional text was added, in parentheses. The revised Section 2 reads as follows:

“All systems, processes, operations, functions and activities within the Global Fund and the programs it funds (including those in place or carried out by its program recipients, partners, suppliers and service providers) are subject to the Office of the Inspector General’s review, evaluation, and oversight. The Office of the Inspector General may also act in an advisory role to further the Global Fund’s mission and objectives.”

Section 9 of the charter describes the activities of the OIG. Clause 9.2 remains unchanged. It reads as follows:

“To review management and control processes of Global Fund financed programs at the country level, including oversight and governance, grant and financial management, procurement and supply chain management and program delivery processes.”

However, a new clause (9.4) has been added. It reads as follows:

“The Office of the Inspector General will coordinate to avoid duplication of assurance or evaluation work provided by other advisory bodies or entities to the Global Fund. The Office of the Inspector General does not conduct evaluations of the impact of Global Fund financed programs.” [emphasis added]

Editor’s note: It is not entirely obvious why the Global Fund Board deemed it necessary to amend the OIG charter to state that the OIG will not evaluate programme impact. The most likely explanation is that the Board wanted to ensure that there was no overlap between the OIG and the Technical Evaluation Reference Group, whose mandate includes advising and assisting the Global Fund with respect to evaluating programme impact. Over the years, there has been some debate in the Global Fund universe about whether the OIG should be auditing the programmatic aspects of grants – generally, not just with respect to impact. However, it does not appear that these latest changes to the OIG charter had anything to do with that debate.

## Published reports

The AEC also discussed what the Charter should say about when and how OIG reports are published. The High-Level Panel had recommended that the Global Fund have different versions of OIG reports for different audiences. In addition, the AEC considered whether the Global Fund should discontinue publishing OIG audit reports on its external website, but still ensure full disclosure to the Executive Director and the Board.

The section of the OIG charter on reporting (Section 15), currently reads as follows:

“Final reports of Office of the Inspector General regarding its external assurance and investigations work will be posted on the Global Fund’s public internet site in accordance with the ‘Policy for Disclosure of Reports Issued by the Inspector General’. Internal assurance findings will be promptly reported to the Executive Director for internal action.”

The AEC noted that the latest OIG audit plan focuses on key Global Fund processes and controls, and that the number of country audits will not be as numerous as in past years. The AEC said that this was likely to mean that a smaller number of audit reports will be published on the Global Fund's external website than before, and that this "may lead to perceptions that the Global Fund was moving back from its principle of full transparency." For this reason, the AEC said, it decided that Section 15 of the OIG Charter should not be changed.

However, the AEC noted that it will soon be discussing a proposed revised disclosure policy for OIG reports, and that it plans to look at the issue from a variety of perspectives – including ethics, transparency and accountability.

The information for this article was taken from Board Decision B28-EDP-16 and Document B28-ER-12. These documents are not available on the Global Fund website. However, the revised Charter of the Office of the Inspector General and the revised Terms of Reference of the Inspector General are available on the Fund's website [here](#).

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