



HFSP BYLAWS

SECTION F: Internal Audit Committee

Terms of Reference

1. HFSP's Internal Audit Committee's (IAC) role is to assist the Board and the Secretariat to maintain the quality of HFSP's administration in accord with its Statutes, By-laws and regulations. .
2. The IAC will conduct independent internal auditing of the Organization's financial status and activities and report to the Board of Trustees, which may inform the Council of Scientists¹.
3. The IAC will oversee, review, monitor and report to the Board of Trustees on ²:
 - a. Systems of internal controls
 - b. Risk management systems policies and procedures
 - c. Assurance framework
 - d. IT assurance policies and procedures
 - e. HFSP's accounts and budgets. Advice to Board on the external audit
 - f. Secretariat delegations
 - g. Performance in areas of health safety and security, any other matter referred to it by the Board or Secretary-General.

Membership:

1. Consistent with HFSP Statutes, the IAC will consist of 5 members who collectively should have experience and expertise covering financial audit, research administration, government research granting and the functional needs of the Organization including IT.
2. The Board shall appoint the IAC members and its Chair based on nominations from the Management Supporting Parties. Each member of the IAC will be appointed for a fixed duration, normally three years. IAC members must not be appointed if they have a conflict of interest whereby they may gain or lose from the outcomes of their IAC work.
3. Membership should reflect the international nature of HFSP.
4. The IAC may commission expert reports in relevant areas for wider coverage of expertise, following approval by the Board.

¹ Note that this is a direct quote from the Statutes.

² These are based on those of the internal Audit committee of the Medical Research Council (United Kingdom).

Mode of operation

1. Members of the IAC will not be paid for their services.
2. The Organization will cover all reasonable costs associated with travel and accommodation for the internal auditors to meet and/or for the lead auditor to attend the annual Board meeting.
3. The internal auditors shall meet at least once a year and minutes taken, available to the Board.
4. The meetings are convened by the Chair of the IAC, following consultation with the President and the Secretary-General General.
5. The IAC shall provide a written Report to the Board, at least annually.
6. The Secretary-General shall be responsible for ensuring that the Secretariat provides the support required for the IAC to fulfill its Terms of Reference and supports its meetings and other operations.
7. A proposed budget for the operations of the IAC shall be included in the annual consideration of the budget of HFSP0 by the Board.
8. In its Reports to the Board, the IAC should make recommendations as necessary for the Board's consideration and decision. Dissenting views of individual IAC members should be recorded and made known to the Board.
9. The Board shall consider the recommendations of the internal auditors and shall require the Secretary-General to respond in writing. After considering this response, the Board shall take such actions as are deemed to be appropriate and necessary.
10. The Board may request the IAC to examine and report to it on particular matters.
11. The IAC Chair shall report to the Board in writing regarding the organizational independence of the internal audit team.
12. Members of the IAC shall not have any direct operational responsibility or authority over any of the activities audited.
13. The Board shall authorize the IAC to obtain advice and assistance from relevant staff within the Organization, from the legal auditors, as well as from external legal, accounting or such other advisors as are deemed to be appropriate. The Secretary-General shall be informed of such requests for assistance.
14. The IAC shall consider the costs of its activities and shall seek Board approval before incurring costs beyond that envisaged by the Board in its budget.
15. All discussions by the internal auditors, and all records, material and information pertaining to the Organization obtained by the internal auditors shall be considered confidential. Each internal auditor shall maintain the confidentiality of such discussions and analyses, and shall safeguard such records, material and information from improper access.

Date of Board approval: 7 July 2017

Signed:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Date:

Nov. 6, 2018