INTERNAL AUDIT REPORT

Audit of Crisis Management (during the COVID-19 pandemic)
June 2022

Table of Contents

Conclusion

Our audit procedures were designed to provide assurance to management and the Gavi Board on the design and operating effectiveness of the mitigating measures put in place to ensure health and safety of Gavi's staff, consultants, and contractors during the pandemic period.

Gavi's over-arching goals during the COVID-19 pandemic are to: protect the health and safety of its staff, consultants, and contractors; protect the organisation's mission and reputation; and protect its physical assets. Through effective crisis management planning, Gavi ensures that a measured response is provided to staff, the media and to (governance) stakeholders while ensuring business continuity.

Overall, Gavi navigated well through the COVID-19 crisis protecting the health and safety of its staff and consultants and ensuring business continuity and consistent availability of IT services throughout the pandemic. This was due to the commitment of the team which was spearheaded by the Director of Operations who stepped in as the crisis manager and coordinator.

Through our audit procedures, we identified risks related to the Gavi crisis management framework, the operational governance framework for the GHC and the management of risks related to travel during the COVID-19 pandemic and staff well-being and welfare. A summary of the key audit issues is provided below.

Summary of Key Audit Issues

Ref	Description	Rating*
1.1 Crisis Management Framework		
	Address the current gaps in the crisis management framework.	🟧
1.2 The Operational Governance Framework for the GHC – Gavi and TGF		
	Review and address the gaps in the Operational Governance Framework for the GHC.	🟧
1.3 Staff Well-being and Welfare during the COVID-19 Pandemic		
	Address the inconsistencies in the relocation and repatriation policy and formalise/standardise the process around home office set up.	🟧
1.4 Remote Working/Working from Home Modalities		
	Enhance processes and controls related to remote working/working from home.	🟧
1.5 On-Duty Travel Modalities during the COVID-19 Pandemic		
	Enhance the process and controls relating to on-duty travel during the COVID-19 pandemic.	🟧
1.6 Health and Safety at the GHC (Geneva office)		
	Adhere to health and safety requirements at the GHC and Gavi office (Geneva).	🟧
1.7 Document and Information Retention		
	Enhance the process of document and information retention.	🟧

* The audit ratings attributed to each section of this report, the level of risk assigned to each audit finding and the level of priority for each recommendation, are defined in annex 2 of this report.

1. Summary of Issues

Through our audit procedures, we identified medium risk issues related to the Crisis Management audit (during the COVID-19 pandemic) as summarised below.

1.1 The Crisis Management Framework.

Address the current gaps in the crisis management framework.

On the 11th of March 2020, the World Health Organisation (WHO) declared the COVID-19 outbreak a pandemic, an unprecedented global event. Pandemics are unpredictable but recurring events that can significantly affect health, communities, and economies worldwide with a major impact on organisations' business continuity. Planning and preparation is critical to help mitigate the risk and impact of a pandemic, and to manage the response and recovery. At the onset of the pandemic, Gavi activated the 2016 crisis management policy (which was still in draft form at the time of the audit) and established a Crisis Management Team (CMT) to coordinate, prepare for, and respond to COVID-19.

We made the following observations while reviewing the crisis management framework:

- Incident and crisis response plans are in the process of being developed. After this, the plans will need to be tested once they have been finalised. In addition, the incident management policy was approved in September 2021 and is in the process of being operationalised.

- The incident management policy does not define: the different levels of incidents (i.e., Level 1, Level 2, Level 3, Level 4) with triggers; the need for regular and continuous risk assessments; why, how and when subject matter expert(s) and the staff council should be involved during an incident/crisis; and the need for relevant training of staff involved in incident/crisis management (e.g., on specific project management and incident/crisis management).

- There was no project management plan in place. This increases the risk of improper coordination of tasks and activities and tracking of time spent by the Teams on crisis management-related activities.

- There is lack of documentary evidence to demonstrate that a robust project risk management process was in place and embedded in the crisis management process during the pandemic. A robust project risk management process is systematic and ensures that all possible risks to the project are identified, analysed, and that controls to mitigate the risks are evaluated and the risks prioritised based on their likelihood and impact. It also involves maintenance of a detailed project risk register to monitor and track the evolution of risks. The lack of a robust project risk management process may have resulted in minimal focus on mitigation of risks related to remote working (from locations other than the duty station) and home leave modalities of staff. In addition, risks related to the CDL status and the tax implications of working away from the duty station including health, disability, and life insurance coverage were not identified and properly mitigated in good time.

- Shortly after the onset of the pandemic, management constituted the crisis management team (CMT) and subsequently informed the Audit and Finance Committee (AFC). However, an epidemiologist was not part of the core team though the person was consulted on a needs basis. In addition, the roles, and responsibilities of the CMT are yet to be formally defined and documented.

- Gavi did not carry out an assessment to determine the additional resources required within the Operations team to effectively take on the increased workload during the pandemic. As a result, we understand the team was very stretched due to long hours of working.

- Currently, the Operations team relies heavily on manual processes. The team should consider automating some of the processes related to staff health and safety to enhance efficiency and effectiveness e.g., tracking of calls and messages. This is due to the fact that the health and safety related risks facing staff have been elevated during the pandemic also as a result of the expanded mandate of the organisation.

The lack of a project management plan increases the risk of improper coordination of tasks and activities, unclear roles and responsibilities and scope creep. In addition, it heightens the risk of secretariat disruption in the event that some significant unidentified risks materialise.

1.2 The Operational Governance Framework for the GHC – TGF and Gavi

Review and address the gaps in the Operational Governance Framework for the GHC

Gavi and The Global Fund (TGF) share office space at the Global Health Campus (GHC) in Geneva where TGF is head tenant and Gavi a sub-tenant. Gavi and TGF are equal partners in the set-up, operation, and on-going management of the GHC.

Through our audit procedures, we noted instances where the two organisations were either not aligned, or not in agreement on certain issues or decisions affecting one organisation or both organisations and other subtenants at the GHC due to the lack of clear and documented terms of reference (ToR) of the Coordination committee during the COVID-19 pandemic.

For instance, at the time when COVID-19 was declared a pandemic until December 2020, there was no document setting out the ToR or any other kind of formal agreement defining the joint management of the COVID-19 crisis at the GHC by TGF and Gavi. In December 2020, an Operational Governance Framework for the GHC was signed by a senior Gavi representative and a senior TGF representative. The Operational Governance Framework outlines the "framework for the operational management and governance of the Global Health Campus (the "GHC"), the principles of collaboration between the Global Fund to Fight AIDS, Tuberculosis and Malaria (the "Global Fund") and GAVI, The Vaccine Alliance ("GAVI") and the functions of the GHC Operations Committee".

We understand that it's Gavi's desire to have more autonomy and involvement in the decision-making process. However, the Operational Governance Framework signed in December 2020 by the two senior officials representing both organisations does not reflect this. Instead, the GHC Operational Responsibility Matrix (RACI matrix) states that **TGF is responsible and accountable for crisis management** at the GHC while **Gavi is 'informed'**.

In our opinion, the Operational Governance Framework between Gavi and TGF should revisited to ensure that it fully addresses Gavi's needs and concerns to mitigate the risk of sub-optimal response by Gavi to crises which may lead to Secretariat disruption.

1.3 Staff Well-being and Welfare during the COVID-19 pandemic

Address the inconsistencies in the relocation and repatriation policy and formalise/standardise the process around home office set up.

Gavi has put in place a number of measures regarding staff wellbeing and welfare especially during the COVID-19 pandemic including frequent communication, the breakfast radio shows hosted by the Operations team and the virtual wellness classes organised by HR. In November 2021 a Health and Well-being committee was launched with the first Health and Well-being Virtual event being held in mid-November 2021. The Committee also organised two resilience workshops in mid-November 2021 with the possibility of more workshops in the future. The Director of Operations and his team have also been extremely supportive in enhancing staff welfare e.g., responding to questions related to COVID-19 matters, travel requests and support, delivering key reports, documents, contracts, printers, and office equipment.

Through our audit procedures, we made the following observations regarding the policies related to staff well-being and welfare, especially during the COVID-19 pandemic:

- According to the relocation and repatriation policy, which was last reviewed in 2010, Gavi arranges for travel for the employee, spouse or domestic partner and dependent child(en) to the employee's home country or place of recruitment if the employee is returning to their home country or place of recruitment when leaving the organisation. However, we noted that the policy is silent on the repatriation of the remains of the family member(s) back to their home country in the event of death e.g., from COVID-19 or any other causes. This risk has been heightened especially during the COVID-19 pandemic.
- The process of assisting staff to set up a conducive home office environment has not been properly formalised. For instance, this information is not shared with new staff during the onboarding process.

The lack of a clear policy regarding the repatriation of the remains of the family member(s) of staff back to their home country in the event of death is a potential reputational risk for the organisation, especially if the costs involved are

significant as this may pose a major financial burden to staff. In addition, the lack of a clear policy on ensuring conducive home working arrangements may negatively impact staff wellbeing, morale, and productivity.

1.4 Remote Working/Working from Home Modalities

Enhance processes and controls related to remote working/working from home.

We made the following observations while reviewing the remote working modalities:

- Several Gavi staff (including permanent / temporary staff), as well as consultants, interns and secondees, have been working remotely from locations other than their primary residence for prolonged periods. However, it was not until October 2021 that clear guidelines regarding this process were put in place i.e., these provide guidance on how long staff are allowed to work away from their duty station, and the criteria for approving requests including medical and security risk considerations, etc.

- There are risks associated with working away from the duty station for prolonged periods depending on the location e.g., medical risk and access to good medical facilities in the event of an emergency, risk of revocation of the CDL by Swiss authorities, and the tax implications of working from a different jurisdiction.

In addition, we noted that staff were not sensitised on these risks until July 2021 when senior management issued an e-mail communication regarding this followed by the roll out of the global mobility guidelines by HR in October 2021.

Management should do more to ensure that staff are properly sensitised on the risks associated with working away from Switzerland for prolonged periods such as incurring tax liabilities and penalties which may be applicable in the jurisdictions where they are working, revocation of CDLs by Swiss Authorities, etc.

1.5 On-Duty Travel Modalities During the COVID-19 Pandemic

Enhance the process and controls relating to on-duty travel during the COVID-19 pandemic.

During our review of the on-duty travel process during the pandemic, we made the following observations:

- Gavi's responsibility regarding the health and safety of consultants and contractors (third parties) has not been clearly defined.

- Gavi provides medical insurance cover for consultants conducting on-duty travel on behalf of the organisation. The cover accords the consultants the same benefits as Gavi employees in case of an emergency (e.g., evacuation/repatriation, medical assistance etc.). However, this cover was not in place from June 2021 to mid-November 2021. This is because of changes which were made to the medical insurance cover without the knowledge of the Travel and Security team. A total of 12 Consultants conducted on-duty travel during this period and no risk event occurred. The Travel and Security team had to put in place interim measures to mitigate the risk when this came to their notice. This issue was addressed in mid-November 2021 when the cover was updated and expanded to cover up to 50 consultants on duty-travel at any given time.

- The on-duty travel process during the pandemic has not been formally documented in the travel procedures clearly indicating what constitutes a compelling need, the decision process, the approval criteria, risk acceptance by travellers and the requirement for mandatory security training ahead of travel.

- The risk assessment performed by the Travel Security team is documented and communicated via e-mail. However, there is no documentary evidence of review by management and the basis of the approval decision reached.

- An on-duty travel exception log has been created to capture exceptional on-duty travel requests and to document approvals and the travel justification. However, travel justifications and explanations were missing and/or incomplete for a majority of the cases (81 %).

- Team retreats and orientation are treated as 'on-duty' travel. We recognise the need for and importance of teams meeting in-person to keep up staff morale. However, this need should be carefully weighed and balanced against the associated risks bearing in mind the pandemic situation as it evolves and Gavi's duty of care mandate.

Allowing consultants to travel on mission without insurance cover creates a potential reputational risk to Gavi in the event of grievous harm and/or death of a contractor(s). In addition, Gavi may be required to cover the costs related to evacuation or treatment of contractors who are not on the medical insurance cover.

1.6 Health and Safety at the GHC

Adhere to health and safety requirements at the GHC and Gavi office (Geneva).

During the audit, we noted instances where some members of staff failed to adhere to the health and safety guidelines of the GHC e.g., masking all the time while attending in-person meetings, adhering to the pre-set sitting arrangements to ensure proper social distancing, and eating only in the cafeteria (not in the meeting rooms).

The inconsistent adherence to the health and safety requirements at GHC increases the risk of transmission among staff.

1.7 Document and Information Retention

Enhance the process of document and information retention.

The Operations team uses a shared Gavi Travel Unit mailbox to ensure all exchanges and approvals (e.g., risk assessments carried out by the Travel Security team, travel approvals, exceptional travel justifications, etc.) are maintained in one central location. However, the Operations team was unable to retrieve any email correspondence older than 12 months from the Gavi travel unit mailbox for purposes of this audit. The Operations team was informed by the Service Desk that e-mails exchanged through the shared Gavi Travel Unit mailbox are kept for only 12 months and are not archived. For one of the eight samples reviewed (for exceptional on-duty travel), evidence could not be provided as the 12 months period had already lapsed from the time of the trip in October 2020. (*Note: Internal Audit was able to obtain the requested evidence for the selected five samples relating to the Home Leave travel process as e-mail exchanges were also kept in the personal inboxes of the operation's team members*.)

Additionally, we noted that the same policy applies to e-mails of other Gavi shared mailboxes (e.g., SMT, EO, etc.). The Gavi retention policy does not specifically include requirements around the retention period of Gavi staff e-mails and Gavi Shared Mailboxes.

The current policy on information retention in shared mailboxes is exposing the organisation to loss of critical information and employee-related data. There is also lack of traceability of approvals and medical/security risk assessments.

2. Background

On the 11th of March 2020, the World Health Organisation (WHO) declared the COVID-19 outbreak a pandemic. Consequently, Gavi developed an initial response to address the impact of COVID-19 and adapted its operations to the crisis. Two weeks later, the Situation Response Team (SRT) was created composed of staff from the five organisations at the GHC (Gavi, The Global Fund (TGF), Stop TB Partnership, UnitAid, and RBM Partnership to End Malaria). TGF is in charge of coordination and organises the partners' meeting to obtain alignment on GHC-related decisions. On its part, Gavi activated the 2016 crisis management policy (which was still in draft form at the time of the audit) and established a Crisis Management Team (CMT) to coordinate, prepare for, and respond to COVID-19.

Management implemented several mitigating measures to protect the health and safety of staff and to manage the risk of secretariat disruption. Mandatory working from home started in mid-March 2020 with all business travel cancelled. The Global Health Campus (GHC) and thus, Gavi offices, reopened in early June 2020 with 20-40% capacity. The situation continued to be monitored and was re-escalated in late October 2020 in accordance with Swiss federal and cantonal guidance. Decisions regarding escalation or de-escalation have been based on the guidance received from the federal and cantonal authorities.

Staff have been kept informed of the pandemic situation as it evolves through frequent newsletters, a dedicated intranet site, all-staff meetings, and team meetings. In addition, a staff pulse survey was conducted in 2020 to better understand staff challenges and how to respond to them. The Operations and HR teams also started Breakfast Radio Shows and virtual wellness classes respectively to enhance staff interaction and wellbeing during the pandemic period.

The organisation was very well prepared from an IT systems business continuity perspective as evidenced by the seamless transition from onsite to offsite working in March 2020 following successful remediation of actions arising from the IT Systems Business Continuity and Disaster Recovery internal audit carried out in 2017. As a result, IT services, infrastructure, and applications have been continuously available to staff and partners during the COVID-19 pandemic enabling the organisation to carry out its activities and mission without disruption.

3. Objectives and Scope

3.1 Audit Objective

The objective of the audit was to assess the design and operating effectiveness of the mitigating measures put in place to ensure health and safety of Gavi's staff, consultants, and contractors during the pandemic period.

3.2 Audit Scope and Approach

Our audit approach is risk based, informed by our understanding of GAVI's business, governance, risk management processes and internal control systems as well as our assessment of the risks associated with the audit area.

This audit was conducted through interviews, observations, documentation review, process walkthroughs, assessing the design and operating effectiveness of key controls and assessing the governance and risk management processes.

The audit focused on the Crisis Management activities undertaken in the period from the time WHO declared COVID-19 a pandemic to date (as the crisis is on-going). The following key areas were reviewed:
- Governance arrangements regarding the crisis management process during the pandemic:
    o The Crisis Management team structure, roles, and responsibilities
    o The coordination and accountability mechanism
    o The interaction with The Global Fund (and the other sub-tenants) and the decision-making process
    o Planning, sequencing of activities, and communication
    o The monitoring mechanism, escalation, and de-escalation processes
    o The crisis management framework, policies, and procedures; tools; and systems

- Protection of the health and safety of Gavi's staff, consultants, and contractors:
    o Staff well-being, morale, productivity, and engagement
    o Processes and associated risks related to the various, new working modalities, such as "Working from Home"
    o Processes and associated risks related to duty travel, home Leave and personal travel arrangements
    o Design and implementation of safety training requirements

The following areas were excluded from the audit scope (i.e., they have been subject to audits previously and/or have a distinct risk profile):
- Emergency preparedness at the country or grant level
- IT services/systems' availability and resilience and IT Disaster Recovery
- Business Impact Analysis and Business continuity planning (i.e., development and implementation)
- Media coverage of Gavi's mission, specifically COVAX Facility
- Re-prioritisation/recalibration of priorities to reduce staff work overload (i.e., needs assessment and prioritisation)
- Protection of Gavi's physical assets
- Staff well-being, morale, productivity, and engagement from HR perspective

We will continue to work with management to ensure that these audit issues are adequately addressed and required actions undertaken.

We take this opportunity to thank all the teams involved in this audit for their on-going assistance.

Head, Internal Audit

Annexe 1 – Methodology

Gavi's Audit and Investigations (A&I) audits are conducted in accordance with the Institute of Internal Auditors' ("the Institute") mandatory guidance which includes the definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (Standards). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the audit activity's performance. The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers are also adhered to as applicable to guide operations. In addition, A&I staff adhere to A&I's standard operating procedures manual.

The principles and details of the A&I's audit approach are described in its Board-approved Terms of Reference and Audit Manual and specific terms of reference for each engagement. These documents help audit staff to provide high quality professional work, and to operate efficiently and effectively. They help safeguard the independence of the A&I staff and the integrity of their work. The A&I's Audit Manual contains detailed instructions for carrying out its audits, in line with the appropriate standards and expected quality.

In general, the scope of A&I's work extends not only to the Secretariat but also to the programmes and activities carried out by Gavi's grant recipients and partners. More specifically, its scope encompasses the examination and evaluation of the adequacy and effectiveness of Gavi's governance, risk management processes, system of internal control, and the quality of performance in carrying out assigned responsibilities to achieve stated goals and objectives.

Annexe 2 – Definitions: audit rating and prioritisation

Issue Rating

For ease of follow up and to enable management to focus effectively in addressing the issues in our report, we have classified the issues arising from our review in order of significance: High, Medium and Low. In ranking the issues between 'High', 'Medium' and 'Low', we have considered the relative importance of each matter, taken in the context of both quantitative and qualitative factors, such as the relative magnitude and the nature and effect on the subject matter. This is in accordance with the Committee of Sponsoring Organisations of the Treadway Committee (COSO) guidance and the Institute of Internal Auditors standards.

Rating	Implication
High	At least one instance of the criteria described below is applicable to the finding raised: • Controls mitigating high inherent risks or strategic business risks are either inadequate or ineffective. • The issues identified may result in a risk materialising that could either have: a major impact on delivery of organisational objectives; major reputation damage; or major financial consequences. • The risk has either materialised or the probability of it occurring is very likely and the mitigations put in place do not mitigate the risk. • Management attention is required as a matter of priority. • Fraud and unethical behaviour including management override of key controls.
Medium	At least one instance of the criteria described below is applicable to the finding raised: • Controls mitigating medium inherent risks are either inadequate or ineffective. • The issues identified may result in a risk materialising that could either have: a moderate impact on delivery of organisational objectives; moderate reputation damage; or moderate financial consequences • The probability of the risk occurring is possible and the mitigations put in place moderately reduce the risk. • Management action is required within a reasonable time period.
Low	At least one instance of the criteria described below is applicable to the finding raised: • Controls mitigating low inherent risks are either inadequate or ineffective. • The Issues identified could have a minor negative impact on the risk and control environment. • The probability of the risk occurring is unlikely to happen. • Corrective action is required as appropriate.