Ministry of Foreign and CARICOM Affairs

RESPONSES TO THE RECOMMENDATIONS OUTLINED IN THE FOURTH REPORT OF THE COMMITTEE ON PUBLIC ADMINISTRATION AND APPROPRIATIONS

EXAMINATION OF THE SYSTEM OF INTERNAL AUDIT WITHIN THE PUBLIC SERVICE

1. **Efficiency of Internal Audit Checks**

Recommendations:

- The Ministry of Finance in collaboration with the Ministry of Public Administration and Communications and the Ministry of the Attorney General and Legal Affairs should draft the necessary amendments to the Exchequer and Audit Act, establishing a Central Internal Audit Authority with the sole responsibility of overseeing the Internal Audit function across the Public Service. The Ministry of Finance should then submit a report to Parliament on the status of amendments to the Exchequer and Audit Act by November 30, 2017.

Response by the Ministry

The Ministry suggests clarification with respect to the envisaged role of the Central Internal Audit Authority. Specifically, greater clarity is needed regarding its relationship to the Auditor General's Department as well as the Central Internal Audit Authority's role in relation to the Central Internal Audit Unit in the Ministry of Finance.

2. **Internal Audit Qualifications**

Recommendations:

The Comptroller of Accounts should submit to the Parliament:

- A status update on the progress made in the review of the Internal Audit function across the public service by October 31, 2017.
- A report on the timeliness for completing the review as well as the subsequent implementation by November 30, 2017.

Response by the Ministry

The Ministry supports the recommendation of the Committee.

3. Filling Internal Audit Vacancies throughout the Public Service

Recommendations:

- The Service Commissions Department should submit to Parliament, a status update on the efforts made in filling of vacancies in Internal Audit Units by November 30, 2017.

Response by the Ministry

The Ministry supports the recommendation of the Committee, as the function of Internal Audit remains crucial to the transparent functioning of all public service organisations.

4. Training of Internal Audit Staff

Recommendations:

The Ministry of Public Administration and Communications and the Public Service Academy should:

- Design additional course (s) such as Value for Money Auditing or others as may be deemed necessary by November 30, 2017;
- Liaise with the Auditor General's Department to ensure that all Internal Audit Courses are relevant and;
- Liaise with the Comptroller of Accounts to address the key issue identified in the Auditor General's Report.

Response by the Ministry

The Ministry supports the recommendation of the Committee. This will assist in equipping Internal Audit professionals with the appropriate training and tools necessary to function effectively.

5. **Internal Audit Unit Performing other Administrative Functions**

Recommendations:

- The Personnel Department should submit to Parliament, a copy of the policy position and timelines for implementation by October 31, 2017.

Response by the Ministry

The Ministry awaits the transmission of the draft policy position from the Personnel Department.

Head 65-Ministry of Foreign and CARICOM Affairs

I. Staffing of Internal Audit Units:

Recommendations:

- The Service Commissions Department should provide a Status Report to the Committee on the progress made with respect to the strengthening of the Ministry of Foreign and CARICOM Affairs' Internal Audit by November 30, 2017.

Response by the Ministry

The Ministry awaits the submission of the Status Report of the Service Commissions Department on the progress made with respect to the strengthening of the Ministry of Foreign and CARICOM Affairs' Internal Audit.

The Ministry also wishes to advise that the current Internal Audit Unit comprises of the following:-

One (1) Auditor - filled by an acting incumbent

Two (2) Auditing Assistants - filled by acting incumbents

The Ministry will also be embarking upon an organizational restructuring exercise with effect from January 2018 with a view to increasing the staff complement to meet its service delivery standards at Headquarters and its Overseas Missions. The Internal Audit Unit will be enhanced during this exercise.

II. Training of Internal Audit Staff

Recommendations:

- The Accounting Officer should develop a training programme for Internal Audit staff to ensure compliance with updated International Standards for the Professional Practice of Internal Auditing and submit to the Committee, a Report on the progress made in training Internal Audit staff by November 30, 2017.

Response by the Ministry

The Ministry of Foreign and CARICOM Affairs has commenced the process to develop a training programme for the Internal Audit Unit. Although the training programme is still being developed, the Ministry has ensured that the staff of the Internal Audit Unit has undergone pertinent training during the year 2017 as outlined below:

1. Working Paper Analysis hosted by the Public Service Academy from April 24 to 26, 2017;
2. Procurement Fraud hosted by The Institute of Internal Auditors, Trinidad and Tobago Chapter on September 20, 2017; and
3. Auditing Stores & Inventory Management hosted by The Institute of Internal Auditors, Trinidad and Tobago Chapter on September 22, 2017.

The Ministry wishes to advise that it will provide a status update to the Committee by November 30, 2017 with respect to the recommendation under the section entitled “Head 65- Ministry of Foreign and CARICOM Affairs”.