The Government of the Republic of Trinidad & Tobago
PERSONNEL DEPARTMENT
Office of the Chief Personnel Officer
Valpark Building, 76-78 St Vincent Street, Port of Spain. Tel. No.623-1621-5 Fax No. 624-2640

PD(HRP): 4/1/10 Vol. I

December 5th, 2017

Ms. Jacqui Sampson-Meiguel
Clerk of the House
Parliament of the Republic of Trinidad and Tobago
Levels G – 8, Tower D
The Port of Spain International Waterfront Centre
1A Wrightson Road
PORT OF SPAIN

Dear Ms. Sampson-Meiguel

Fourth Report of the Public Administration and Appropriations Committee on Examination of the System of Internal Audit within the Public Service

I refer to the matter at subject and your letter of November 10, 2017 and forward for your attention, a copy of the written response of the Personnel Department to the recommendations/comments contained in the Report.

Yours faithfully

Chief Personnel Officer

PD(HRP): 4/1/10 Vol. I

Responses of the Personnel Department to the Recommendations/Comments of the Fourth Report of the Public Administration and Appropriations Committee on an Examination of the System of Internal Audit within the Public Service

1. This paper is being submitted in accordance with Standing Orders 100(6) and 110(6) of the Senate and House of Representatives respectively, which require the Minister with responsibility for the Ministry/Body reported on by a Joint Select Committee to present to each House, a paper responding to the recommendations/comments contained in the Report.

2. In the report, there are six (6) recommendations made in which the Personnel Department has been identified as a body which is required to take action, as follows:

    a. "The Personnel Department should submit to the Parliament, a copy of the policy position addressing the issue of staff performing tasks outside of their job descriptions and timelines for implementation by October 31, 2017." (Page 17 of the Report.)

    b. "The Personnel Department should submit to the Parliament, a *Report on the Progress Made in Developing the Department's Internal Audit Function in consultation with the Comptroller of Accounts and Auditor General* by November 30, 2017." (Page 24 of the Report.)

    c. "The Personnel Department should commence training of its Internal Audit staff and submit to Parliament, a *Report on the Progress made in Training Internal Audit Staff* by November 30, 2017." (Page 24 of the Report.)

    d. "The Personnel Department should complete its Internal Audit Charter for fiscal year 2017/2018 by October 30, 2017." (Page 25 of the Report.)

    e. "In preparation for the 2017/2018 fiscal year, the Personnel Department should revise its Internal Audit Work Programme to include all areas so that the Internal Audit Function can be adequately executed by October 30, 2017." (Page 25 of the Report.)

    f. "A copy of the fiscal year 2016/2017 work programme should be submitted to Parliament by September 30, 2017." (Page 25 of the Report.)

Developing a policy position addressing the issue of staff performing tasks outside of their job descriptions and timelines for implementation by October 31, 2017

3. In my letter dated August 11, 2017, I had indicated that the Personnel Department had drafted a policy position that addresses the issue of staff performing tasks outside of their job descriptions and that before it was finalised discussions would need to be undertaken. In this regard, during November, 2017 the Personnel Department held discussions with the Service Commissions Department to obtain its views on the policy. The Service Commissions Department was in agreement with the suggested approach and it is anticipated that circulation of the policy to Ministries/Departments will occur in December 2017.

Submission to the Parliament of a Report on the Progress Made in Developing the Department's Internal Audit Function in consultation with the Comptroller of Accounts and Auditor General by November 30, 2017

4. In response to the Personnel Department's request for assistance in the development of its Internal Audit function, the Ministry of Finance (Treasury Division) undertook a survey of the accounting operations of the Department over the period May to July 2017. During this period, staff of the Treasury Division held discussions with the Accounting Officer as well as with staff from the Accounting Unit and the Internal Audit Unit. Although discussions with the Auditor General's Department were fruitful, they confirmed that the appropriate authority for providing support in respect of the Internal Audit function was the Treasury Division and as such, the Department focused its efforts on liaising with that Division. Additionally, development of the Department's Internal Audit function has been informed by a job-data collection exercise which was conducted by the Personnel Department in order to review and revise the job descriptions for the Internal Audit job stream in the Public Service. The exercise included visits to various Ministries to obtain practical insights into the ways in which the audit function is organised. This work provided further insight into the methodologies that could be applied to enhance the development of the Department's audit function, including the design of the Internal Audit Charter, annual work plans and reports.

Training of the Personnel Department's Internal Audit staff and submission to Parliament of a Report on the Progress made in Training Internal Audit Staff by November 30, 2017

5. The progress that has been made regarding the training of the Internal Audit staff of the Personnel Department has been mainly in the area of identifying appropriate training providers. In this regard, arrangements are being made with the Ministry of Public Administration and Communications (Public Service Academy) for training of the Internal

Audit staff to ensure compliance with International Standards for the Professional Practice of Internal Auditing. The Ministry has advised that this training will be facilitated by the Institute of Internal Auditors and will comprise the following workshops:

i. Working Paper Analysis, which is scheduled to be held in January 2018; and

ii. Audit Report Writing, which is scheduled for April 2018.

Additionally, the Department has been able to identify a training provider who was formerly employed as the head of Internal Audit Unit in the Ministry of Energy and Energy Industries and it is planned to conduct training of the Internal Audit Unit in January 2018.

Completion of Personnel Department's Internal Audit Charter for fiscal year 2017/2018 by October 30, 2017

6. The Personnel Department has developed a draft Internal Audit Charter for fiscal year 2018. The Charter, which is attached, will be reviewed by the subject matter expert during the training planned for January 2018.

Revision of Personnel Department's Internal Audit Work Programme for fiscal year 2017/2018 to include all areas so that the Internal Audit Function can be adequately executed by October 30, 2017

7. The Personnel Department has developed a work programme with respect to internal auditing for the period 2017/2018, a copy of which is attached. The work programme includes projects under the Public Sector Investment Programme.

Submission of a copy of the fiscal year 2016/2017 work programme to Parliament by September 30, 2017

8. A copy of the work programme for fiscal year 2016/2017 is attached.

Personnel Department
December 5, 2017

Government of the Republic of Trinidad and Tobago
Personnel Department

DRAFT

INTERNAL AUDIT ACTIVITY CHARTER

INTRODUCTION:

Internal Auditing is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of Personnel Department. It assists the Department in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, internal control.

ROLE:

The internal audit activity is established by the Laws of Trinidad and Tobago, Exchequer and Audit Act Chapter 69:01. The internal audit activities are ratified by the Accounting Officer as part of his oversight role.

PROFESSIONALISM:

The internal audit activity will govern itself by adherence to The Institute of Internal Auditors' mandatory guidance including 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 internal audit activity's performance.

The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers will also be adhered to as applicable to guide operations. In addition, the internal audit activity will adhere to the Personnel Department's relevant policies and procedures and the internal audit activity articulated in its standard operating procedures manual.

AUTHORITY:

The internal audit activity, with strict accountability for confidentiality and safeguarding records and information, is authorized full, free, and unrestricted access to any and all of the

Department's records, physical properties, and personnel pertinent to carrying out any engagement. All employees are requested to assist the internal audit activity in fulfilling its roles and responsibilities. The internal audit activity will also have free and unrestricted access to the Management team.

ORGANIZATION:

The Auditor I will report functionally and administratively (i.e. day to day operations) to the Accounting Officer.

The Accounting Officer will:

- Approve the internal audit charter.
- Approve the risk based internal audit plan.
- Receive communications from the Auditor I on the internal audit activity's performance relative to its plan and other matters.

The Auditor I will communicate and interact directly with the Management team, including in executive sessions and between Management team meetings as appropriate.

INDEPENDENCE AND OBJECTIVITY:

The internal audit activity will remain free from interference by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of a necessary independent and objective mental attitude.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair internal auditor's judgment.

Internal auditors will exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors will make a balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

The Auditor I will confirm to the Accounting Officer, at least annually, the organizational independence of the internal audit activity.

RESPONSIBILITY:

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. This includes:

- Evaluating risk exposure relating to achievement of the organization’s strategic objectives.
- Evaluating the reliability and integrity of information and the means used to identify, measure, classify, and report such information.
- Evaluating the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the organization.
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Evaluating the effectiveness and efficiency with which resources are employed.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Monitoring and evaluating governance processes.
- Monitoring and evaluating the effectiveness of the organization's risk management processes.
- Evaluating the quality of performance of external auditors and the degree of coordination with internal audit.
- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organization.
- Reporting periodically on the internal audit activity’s purpose, authority, responsibility, and performance relative to its plan.
- Reporting significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Management.
- Evaluating specific operations at the request of management, as appropriate.

INTERNAL AUDIT PLAN:

At least annually, the Auditor I will submit to the Accounting Officer an internal audit plan for review and approval. The internal audit plan will consist of a work schedule as well as budget and resource requirements for the next fiscal/calendar year. The Auditor I will communicate the impact of resource limitations and significant interim changes to Senior Management and Team.

The internal audit plan will be developed based on a prioritization of the audit universe using a risk-based methodology, including input of the Accounting Officer and senior management. The Auditor I will review and adjust the plan, as necessary, in response to changes in the organization’s business, risks, operations, programs, systems, and controls. Any significant deviation from the approved internal audit plan will be communicated to the Accounting Officer and senior management through periodic activity reports.

REPORTING AND MONITORING:

A written report will be prepared and issued by the Auditor I or Auditing Assistant following the conclusion of each internal audit engagement and will be distributed as appropriate. Internal audit results will also be communicated to Management.

The internal audit report may include management's response and corrective action taken or to be taken in regard to the specific findings and recommendations. Management's response, whether included within the original audit report or provided thereafter (i.e. within thirty days) by management of the audited area should include a timetable for anticipated completion of action to be taken and an explanation for any corrective action that will not be implemented.

The internal audit activity will be responsible for appropriate follow-up on engagement findings and recommendations. All significant findings will remain in an open issues file until cleared.

The Auditor I will periodically report to senior management on the internal audit activity's purpose, authority, and responsibility, as well as performance relative to its plan. Reporting will also include significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the Accounting Officer.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM:

The internal audit activity will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

The Auditor I will communicate to senior management and the Accounting Officer on the internal audit activity's quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every five years.

Internal Audit Activity Charter is approved by the Accounting Officer and agreed to by the Auditor I:

______________________________ ______________________________

Chief Personnel Officer
/Accounting Officer **Date**

______________________________ ______________________________

Auditor I **Date**

PERSONNEL DEPARTMENT

INTERNAL WORKPLAN 2016-2017

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
1	**HR Unit** • Pension and Leave (P&L) Records • Contract Gratuity for persons employed on contract • Service Provider Contracts	**P&L Records** • Verify salary and acting allowance paid is in accordance with classification plan for relevant year. • Verify that incremental date of each officer was approved in accordance with relevant regulations and circulars. • Verify Extended Sick Leave, Sick Leave and other types of absence from duty, was determined in accordance with prescribed rules and regulations. • Verify acting approvals were correct and payments were made. • Verify increments were awarded in acting and substantive position • Verify date of appointments and promotions of officers	100%	Monthly	• To ensure compliance with Exchequer and Audit Act, Financial Regulations and Financial Instructions, Ministry of Finance circulars and CPO Guidelines for Terms and Conditions for Contract Employment. • To ensure the HR Unit operate in an efficient and effective manner with respect to processing of employees' record of Service

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
		Contracts Gratuity • Verify cabinet approval for the existence of contract positions • Verify ministerial approval for persons employed in the contact position • Verify that Terms and Conditions of Employment for person engaged on contract were approved by the Head of the organization. • Verify salary and allowances paid according to contract • Verify that the person engaged on contract complied with the Terms and Conditions of engagement. (Sick Leave, Personal Leave, Vacation Leave and other types of absence from duty. • Verify calculations of gratuity for persons employed on contract, were in accordance with Terms and Conditions of employment.			

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
		Service Provider • Verify that approvals for service contracts were granted and deliverables were met in accordance with agreed terms and conditions.			
2	**Accounts** • Authorization of Accounting Officer • Vote Book • General Warrant • Release of Funds (under the recurrent and development programme) • Commitments • Virement of Funds • Transfer of Releases	**Authorization of Accounting Officer** • Verify that approval was granted to the Accounting Officer by Minister of Finance. **Vote Book** • Verify entries in Vote-Book under each Head and Sub-Head: Salary & Cola, Goods and Services, Recurrent & Development. **General Warrant** • Verify that the authority is given from Ministry of Finance to withdraw from the consolidated fund noting the amount of money to be allocated to the PD. **Release of Funds, Virements & Transfers** • Verify references, dates and amounts under each item of expenditure to	100%	Monthly Yearly Monthly Monthly	• To ensure compliance with Exchequer and Audit Act, Financial Regulations and Financial Instructions, CPO and Ministry of Finance Circulars and ultimately mitigate fraudulent activities and wastage of Government funds.

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
	Notification of Expenditure	ensure approval was granted by comptroller of Accounts. **Notification of Expenditure** • Verify the accuracy of sums spent on a daily basis **Commitments** • Verify previous year commitments ensuring that they are brought forward in the next fiscal year (for example, Purchase orders not paid in the previous year ought to be bought forward in current year) • Verify that release of funds are adequate to cover commitments with respect to purchases etc. • Verify that purchase orders are authorized by Accounting Officer		Monthly Monthly	• To ensure all expenditure are accounted for and reported to the Ministry of Finance in a timely manner
3	**Service Provider for Goods & Services**	• Verify that approvals for service contracts were granted and deliverables were met in accordance with agreed terms and conditions.	100%	Monthly	• To ensure compliance, accountability, accuracy, integrity, transparency, value for money and maintenance of necessary Accounting Records in accordance to new policies as outlined by the Ministry of Finance

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
4	**Application for Grant of Credit** (Grant of Credit is approved by Comptroller of Accounts and allow Ministries to incur expenditure in the sum requested)	• Verify that releases are obtained from the Comptroller of Accounts • Verify that the amount appearing on the application for the grant of credit is the same as that which was released by Comptroller of Accounts.	100%	Monthly	• To ensure adherence to Ministry of Finance (Comptroller of Accounts) directives and that expenditure is kept within limits of releases.
5	Certification of correctness and accuracy of entries with respect to: • **Departmental Vouchers** (Purchase Orders) • **Schedule of Accounts** (which allows for the tracking of expenditure)	• Verify that internal control processes were adhered to; this would ensure standard accounting procedures was followed.	100%	Monthly	• To ensure the processes and controls required to accurately manage accounting records as outlined by the Financial Regulations and other Circular is adhered to.
6	**Daily Abstract of Payment:** • Verification of daily expenditure • Cross checking with Total Expenditure in the Notification of Expenditure, Cheque Lists and Schedules of Accounts	• Verify accuracy of information to ensure that established procedures are complied with	100%	Monthly	• To provide assurance as to whether the management of the Daily Abstract is adequate and that the Personnel Department's financial position is accurately recorded and reported in a timely manner
7	**Reconciliation Statements** of Paid and Unpaid Cheques	• Verify that all cheques issued to the PD by Treasury reconciles with statement forwarded by Treasury.	100%	Monthly	• To provide compliance testing to ensure the system of internal control system is effective and free from risks

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
	Lists and Treasury Statements				
8	**Appropriation Account**	• Verify that the sums expended are in accordance with approved allocations by the Ministry of Finance	100%	Yearly	• To ensure that the Personnel Department's financial performance is accurately recorded and appropriately reported in accordance with the Treasury directive
9	**Cheques Stock**	• Verify stock of blank cheques against Registers and Cheque listings (Cancelled /Spoilt or Void Cheque statements)	100%	Monthly	• To ensure accurate maintenance of cheque register and accounting records • To ensure compliance to the established system of record keeping and accountability for stock of cheques
10	**Personnel Emoluments** • Pay record cards (examination of all Pay Record Cards with respect to: established posts, contract position, personnel files, return of personnel records, and relevant approvals) • Pay sheets (Certification of payments with respect to arrears of salary and	• Verify that relevant information and authority relating to an employees' appointment, salaries and salary deductions are stated on the pay record card and information is the same as on pay sheets. • Verify accuracy of computations and relevant approvals were secured with respect of arrears of salary and allowances.	100%	Monthly	• To access whether the payroll system is adequate which would ensure that timely and accurate payments are made to eligible officers and that sufficient and adequate payment data is received from respective departments • To ensure that payments are made in accordance with statutory requirements

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
	allowances against relevant approvals) • Acting approvals • Salary rates • Computation of Arrears • Award of Increments				
11	**Vehicle Log and Gas Order books** (Fleet card register)	• Verify that procedures in respect of Log Book and Gas Order books are adhered to. • Verify that relevant drivers are in possession of a valid driver's permit and are licensed to drive the specific grade of vehicle • Verify that drivers' Insurance policy is up-to-date. • Verify cost and quantity of gasoline was registered in appropriate gas chits.	100%	Monthly	• To ensure compliance, accountability, accuracy, integrity, transparency and maintenance of necessary Accounting Records in accordance to new policies as outlined by the Ministry of Finance
12	**Registers:** • Travelling • Advances	• Verify that procedures pertaining to processing of travelling claims and subsistence allowance are adhered to.	100%	Monthly	• To ensure that payments are made in accordance with statutory deductions as laid out by the Comptroller of Accounts Notifications

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
	• Overpayment • Telephone • Rent • Electricity	• Verify that the amount of advance and terms and conditions of repayment of loans complies with Treasury notifications. • Verify that standard procedures with respect to Overpayments were adhered to. • Verify that standard procedures are adhered to in the maintenance of relevant registers			
13	**System of Procurement/ Stores and Inventory Management** • Equipment, furniture etc. • Invoice Order Books and Register • System of Procurement	• Verify that relevant registers are maintained in accordance with Stores Regulations prescribed Ministry of Finance. • Verify that all purchases are carried out in accordance with relevant regulations (Stores and Financial Regulations)	100%	Monthly	• To ensure compliance and good governance, namely accountability, accuracy, integrity, transparency and maintenance of necessary Accounting Records • To ascertain that the Ministry receives value for money. • To ensure that the purchasing and accounting procedure are operating efficiently and effectively as outlined in the Stores Regulation

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2017	Frequency	Objective
					• To assess the adequacy of controls over the ordering process, the inventory and the disposal process
14	**Impress Cash and Cash Book**	• Verify that standard processes and procedures were adhered to. • Verify that impress was used for the intended purpose and cash book is maintained in accordance with Financial Regulations.	100%	Monthly	• To provide assurance with respect to accountability and transparency of the Cash Management System
15	**National Insurance Records**	• Verify that records are maintained in accordance with prescribed standards and procedures	100%	Monthly	• To ensure accuracy of accounting records and compliance with the statutory requirements
16	**M&M Group Plan**	• Verify that records are maintained in accordance with prescribed standards and procedures.	100%	Monthly	• To ensure compliance with agreements with relevant parties.

PERSONNEL DEPARTMENT

INTERNAL WORKPLAN 2017-2018

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
1	**HR Unit** • Pension and Leave (P&L) Records • Contract Gratuity for persons employed on contract • Service Provider Contracts	**P&L Records** • Verify salary and acting allowance paid is in accordance with classification plan for relevant year. • Verify that incremental date of each officer was approved in accordance with relevant regulations and circulars. • Verify Extended Sick Leave, Sick Leave and other types of absence from duty, was determined in accordance with prescribed rules and regulations. • Verify acting approvals were correct and payments were made. • Verify increments were awarded in acting and substantive position • Verify date of appointments and promotions of officers	100%	Monthly	• To ensure compliance with Exchequer and Audit Act, Financial Regulations and Financial Instructions, Ministry of Finance circulars and CPO Guidelines for Terms and Conditions for Contract Employment. • To ensure the HR Unit operate in an efficient and effective manner with respect to processing of employees' record of Service

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
		Contracts Gratuity • Verify cabinet approval for the existence of contract positions • Verify ministerial approval for persons employed in the contact position • Verify that Terms and Conditions of Employment for person engaged on contract were approved by the Head of the organization. • Verify salary and allowances paid according to contract • Verify that the person engaged on contract complied with the Terms and Conditions of engagement. (Sick Leave, Personal Leave, Vacation Leave and other types of absence from duty. • Verify calculations of gratuity for persons employed on contract, were in accordance with Terms and Conditions of employment.			

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
		Service Provider • Verify that approvals for service contracts were granted and deliverables were met in accordance with agreed terms and conditions.			
2	**Accounts** • Authorization of Accounting Officer • Vote Book • General Warrant • Release of Funds (under the recurrent and development programme) • Commitments • Virement of Funds • Transfer of Releases	**Authorization of Accounting Officer** • Verify that approval was granted to the Accounting Officer by Minister of Finance. **Vote Book** • Verify entries in Vote-Book under each Head and Sub-Head: Salary & Cola, Goods and Services, Recurrent & Development. **General Warrant** • Verify that the authority is given from Ministry of Finance to withdraw from the consolidated fund noting the amount of money to be allocated to the PD. **Release of Funds, Virements & Transfers** • Verify references, dates and amounts under each item of expenditure to	100%	Monthly Yearly Monthly Monthly	• To ensure compliance with Exchequer and Audit Act, Financial Regulations and Financial Instructions, CPO and Ministry of Finance Circulars and ultimately mitigate fraudulent activities and wastage of Government funds.

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
	Notification of Expenditure	ensure approval was granted by comptroller of Accounts. **Notification of Expenditure** • Verify the accuracy of sums spent on a daily basis **Commitments** • Verify previous year commitments ensuring that they are brought forward in the next fiscal year (for example, Purchase orders not paid in the previous year ought to be bought forward in current year) • Verify that release of funds are adequate to cover commitments with respect to purchases etc. • Verify that purchase orders are authorized by Accounting Officer		Monthly	• To ensure all expenditure are accounted for and reported to the Ministry of Finance in a timely manner
3	**Service Provider for Goods & Services**	• Verify that approvals for service contracts were granted and deliverables were met in accordance with agreed terms and conditions.	100%	Monthly	• To ensure compliance, accountability, accuracy, integrity, transparency, value for money and maintenance of necessary Accounting Records in accordance to new policies as outlined by the Ministry of Finance

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
4	**Application for Grant of Credit** (Grant of Credit is approved by Comptroller of Accounts and allow Ministries to incur expenditure in the sum requested)	• Verify that releases are obtained from the Comptroller of Accounts • Verify that the amount appearing on the application for the grant of credit is the same as that which was released by Comptroller of Accounts.	100%	Monthly	• To ensure adherence to Ministry of Finance (Comptroller of Accounts) directives and that expenditure is kept within limits of releases.
5	Certification of correctness and accuracy of entries with respect to: • **Departmental Vouchers** (Purchase Orders) • **Schedule of Accounts** (which allows for the tracking of expenditure)	• Verify that internal control processes were adhered to; this would ensure standard accounting procedures was followed.	100%	Monthly	• To ensure the processes and controls required to accurately manage accounting records as outlined by the Financial Regulations and other Circular is adhered to.
6	**Daily Abstract of Payment:** • Verification of daily expenditure • Cross checking with Total Expenditure in the Notification of Expenditure, Cheque Lists and Schedules of Accounts	• Verify accuracy of information to ensure that established procedures are complied with	100%	Monthly	• To provide assurance as to whether the management of the Daily Abstract is adequate and that the Personnel Department's financial position is accurately recorded and reported in a timely manner
7	**Reconciliation Statements** of Paid and Unpaid Cheques Lists and Treasury Statements	• Verify that all cheques issued to the PD by Treasury reconciles with statement forwarded by Treasury.	100%	Monthly	• To provide compliance testing to ensure the system of internal control system is effective and free from risks

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
8	**Appropriation Account**	• Verify that the sums expended are in accordance with approved allocations by the Ministry of Finance	100%	Yearly	• To ensure that the Personnel Department's financial performance is accurately recorded and appropriately reported in accordance with the Treasury directive
9	**Cheque Stock**	• Verify stock of blank cheques against Registers and Cheque listings (Cancelled /Spoilt or Void Cheque statements)	100%	Monthly	• To ensure accurate maintenance of cheque register and accounting records • To ensure compliance to the established system of record keeping and accountability for stock of cheques
10	**Personnel Emoluments** • Pay record cards (examination of all Pay Record Cards with respect to: established posts, contract position, personnel files, return of personnel records, and relevant approvals) • Pay sheets (Certification of payments with respect to arrears of salary and allowances against relevant approvals)	• Verify that relevant information and authority relating to an employees' appointment, salaries and salary deductions are stated on the pay record card and information is the same as on pay sheets. • Verify accuracy of computations and relevant approvals were secured with respect of arrears of salary and allowances.	100%	Monthly	• To access whether the payroll system is adequate which would ensure that timely and accurate payments are made to eligible officers and that sufficient and adequate payment data is received from respective departments • To ensure that payments are made in accordance with statutory requirements

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
	• Acting approvals • Salary rates • Computation of Arrears • Award of Increments				
11	**Vehicle Log and Gas Order books** (Fleet card register)	• Verify that procedures in respect of Log Book and Gas Order books are adhered to. • Verify that relevant drivers are in possession of a valid driver's permit and are licensed to drive the specific grade of vehicle • Verify that drivers' Insurance policy is up-to-date. • Verify cost and quantity of gasoline was registered in appropriate gas chits.	100%	Monthly	• To ensure compliance, accountability, accuracy, integrity, transparency and maintenance of necessary Accounting Records in accordance to new policies as outlined by the Ministry of Finance
12	**Registers:** • Travelling • Advances	• Verify that procedures pertaining to processing of travelling claims and subsistence allowance are adhered to. • Verify that the amount of advance and terms and conditions of repayment of	100%	Monthly	• To ensure that payments are made in accordance with statutory deductions as laid out by the Comptroller of Accounts Notifications

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
	• Overpayment • Telephone • Rent • Electricity	loans complies with Treasury notifications. • Verify that standard procedures with respect to Overpayments were adhered to. • Verify that standard procedures are adhered to in the maintenance of relevant registers			
13	**System of Procurement/ Stores and Inventory Management** • Equipment, furniture etc. • Invoice Order Books and Register • System of Procurement	• Verify that relevant registers are maintained in accordance with Stores Regulations prescribed Ministry of Finance. • Verify that all purchases are carried out in accordance with relevant regulations (Stores and Financial Regulations)	100%	Monthly	• To ensure compliance and good governance, namely accountability, accuracy, integrity, transparency and maintenance of necessary Accounting Records • To acertain that the Ministry receives value for money. • To ensure that the purchasing and accounting procedure are operating efficiently and effectively as outlined in the Stores Regulation • To assess the adequacy of controls over the ordering process, the inventory and the disposal process

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
14	**Impress Cash and Cash Book**	• Verify that standard processes and procedures were adhered to. • Verify that impress was used for the intended purpose and cash book is maintained in accordance with Financial Regulations.	100%		• To provide assurance with respect to accountability and transparency of the Cash Management System
15	**National Insurance Records**	• Verify that records are maintained in accordance with prescribed standards and procedures	100%	Monthly	• To ensure accuracy of accounting records and compliance with the statutory requirements
16	**M&M Group Plan**	• Verify that records are maintained in accordance with prescribed standards and procedures.	100%	Monthly	• To ensure compliance with agreements with relevant parties.
17	**Public Sector Investment Programmes:** • Job Evaluation Exercise for the Civil Service • Job Evaluation Exercise for the Prison Service • Job Evaluation Exercise for the Salaries Review Commission	• Evaluate the Projects governance (structures/mechanisms), risk management, and control processes using a systematic, disciplined and risk-based approach. Areas include: - The significant risk to the activities involved in the projects that would impact resources and operations and the means by which the potential impact of risk is kept to an acceptable level	60%	Quarterly	• To ensure compliance of contracts and agreements for services in accordance with statutory requirements • To ensure accountability and transparency of funds allocated to the projects • To evaluate and improve the effectiveness of the organization's governance structure, risk management and internal control systems

No.	Audit Area	Activities/Nature of Examination	Percent of Activities to be completed as at September 30, 2018	Frequency	Objective
	• Knowledge and Information Management System (KIM) Project • Sensitization Outreach Programme for HR Practitioners Project • Project for enhancing the research capability of the Personnel Department • Compensation Administration Framework for the determination of remuneration packages for Contract Employees.	- Provide recommendations aimed at strengthening the management of risks associated with the project/s. • Evaluate internal control framework (policies, procedures, programs, guidelines and systems) to ensure accountability of funds allocated to projects and compliance with statutory requirements. • Conduct value for money audits by evaluating policies, procedures and structures used by the organization to direct and control its activities • Analyse information gathered and ascertain specific reasons for any identified breakdowns/shortcomings • Prepare summary of findings along with appropriate recommendation where necessary.			• To ensure good governance and the realization of value for money in the execution of all projects

November 30, 2017