

## Audit Service Regulations, 2011

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## Audit Service Regulations, 2011

IN exercise of the powers conferred on the Audit Service Board acting in consultation with the Public Services Commission by article 189(3)(b) of the Constitution and section 35 of the Audit Service Act, 2000 (Act 584) these Regulations are made this 15th day of February, 2011.

### *Application*

#### **Application**

1. (1) These Regulations apply to members of the Audit Service, and to individuals and institutions engaged by the Auditor-General for the purpose of discharging the duties of the Auditor-General under the Constitution and the Audit Service Act, 2000 (Act 584).

(2) Members of the Service shall in matters related to audit operations and administration of the Service be subject only to the direction of the Board and shall not be regarded as holding an office in any Ministry, Department or Agency.

### *Matters related to the Board and corporate goals of the Service*

#### **Notification of vacancy on the Board**

2. (1) In the event of a vacancy in the position of chairperson of the Board, the Secretary to the Board shall within seven days communicate the vacancy to the President who shall appoint a chairperson in accordance with article 189 (1) of the Constitution.

(2) In the event of a vacancy in the position of a member of the Board, the chairperson shall within seven days communicate the vacancy to the President who shall appoint a member in accordance with article 189(1) of the Constitution.

#### **Notification of end of tenure**

3. The chairperson shall notify the President of the impending end of the tenure of office of a member of the Board six months before the end of the tenure of office.

#### **Meetings of the Board**

4. (1) The Board shall have at least six regular meetings each year, as provided under section 6(1) of the Act.

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(2) The Board shall develop a calendar for its regular meetings for the year.

**Terms and scope of activities for committees**

5. The Board shall

- (a) determine the terms and scope of activities for its committees, and
- (b) establish a system to regularly monitor the performance of the committees

established under section 7 of the Act.

**Engagement of consultants and experts**

6. The Board shall ensure due compliance with the Public Procurement Act, 2003 (Act 663) when engaging consultants and experts to assist in the performance of functions conferred on it by the Constitution and the Act.

**Grounds for the removal of a board member**

7. Subject to the Constitution, a member of the Board other than the ex-officio member may be removed from the Board by the President acting on the advice of the Council of State on the following grounds:

- (a) a medical report showing the inability of the member to perform the functions of that member and discharge the duties of the Board because of infirmity of mind or body;
- (b) proven charges against a member considered sufficient for the removal of the member, after applying due process of law and observance of the rules of natural justice; or
- (c) adverse findings from a commission of enquiry appointed by the President under article 278 of the Constitution.

**Corporate governance**

8. (1) The Board is responsible for the corporate governance of the Service and is ultimately accountable and responsible for the overall performance of the Service.

(2) The Board shall

- (a) develop a charter of its responsibilities to be disseminated to its stakeholders, and

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(b) carry out activities that promote and secure its constitutional role in

- (i) public sector financial management, and
- (ii) the accountability process of the country.

(3) The Board shall include in its activities continuing education on the relevance and necessity for a Service which is politically, administratively, financially and operationally independent.

**Internal control and risk management**

9. The Board shall ensure that

- (a) effective, efficient and transparent internal control and risk management systems are established within the Service, and
- (b) periodic assessment of the effectiveness of the internal controls and risk management systems is undertaken by the Service and the outcome reported to the Board.

**Policy formulation and administration of the Service**

10. (1) The Board shall formulate policies for the administration and management of the Service and cause communication channels to be established within the Service, to ensure timely and effective circulation of its policies at all levels of the Service.

(2) The Board may establish links with individuals, organisations and associations in and outside the country on the terms that the Board considers appropriate to ensure

- (a) the promotion of the effective and efficient administration of the Service; and
- (b) the due performance of auditing activities by the Service in accordance with internationally recognised best practices.

**Corporate plan**

11. (1) The Board shall cause the Service to develop and implement a five year corporate plan and shall, at the end of the period issue a new corporate plan for the next five years.

(2) The Board shall in the development of the corporate plan

- (a) have due regard to the requirements of the Constitution, the Act, and other relevant laws and programmes of Government, public sector agencies and the expectation of stakeholders in financial management and accountability processes in the country, and

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- (b) seek inputs from management, other staff of the Service and civil society.
- (3) The Board shall cause organisational goals based on the corporate plan to be established and used
  - (a) as a basis to assign responsibilities, duties and deliverables by officers and staff of the Service, and
  - (b) to assess performance.
- (4) The Board shall develop a system to coordinate, monitor and evaluate the effectiveness and efficiency of implementation of the corporate plan.
- (5) In furtherance of sub-regulation (4), the Board shall cause
  - (a) regular and periodic performance reports to be submitted in the course of the financial year by the Service,
  - (b) an independent review where necessary to be conducted to confirm or determine the continuing relevance and the realisation of the objectives in the corporate plan, and
  - (c) the independent review is to be conducted by a person appointed by the Board in accordance with the Public Procurement Act, 2003 (Act 663).
- (6) The Board may cause the corporate plan to be reviewed in the course of the year and at the end of each year and revise the corporate plan to reflect changes occasioned by new developments or an emerging trend consistent with the framework of the corporate plan.

*Matters related to the Service***Structure and responsibilities of the Service**

12. (1) The Board shall determine and periodically review the organisational structure of departments and offices of the Service.

(2) The Board shall ensure that the scope of operations and activities of established departments and offices of the Service incorporates

- (a) the responsibilities conferred on the Auditor-General by the Constitution and the Act, and
- (b) administrative and support structures required for the effective and efficient performance of the functions and responsibilities of the Service.

*AUDIT SERVICE REGULATIONS, 2011***Performance monitoring and quality control**

13. (1) The Board shall adopt measures it considers necessary to ensure that

- (a) the Service, in the performance of the auditing functions specified in sub-regulations (1) and (2) of regulation 27, and
- (b) other persons or institutions appointed by the Auditor-General to perform audit functions

adhere to international auditing standards and best practices applicable to the various entities covered by these Regulations.

(2) The Board shall establish a performance appraisal system in the Service to

- (a) set out performance targets and goals,
- (b) continuously and annually monitor performance of individual staff,
- (c) identify training needs of appraisees to address weaknesses and deficiencies,
- (d) award incremental credits,
- (e) assess staff for promotion,
- (f) institute disciplinary action, and
- (g) disengage staff who are unable to consistently meet performance targets set for them after they have received adequate and relevant training.

(3) The Board shall cause a quality control mechanism including peer review to be established within the Service and at the institutional level by external bodies to provide assurance on the effectiveness of existing quality control procedures in the Service.

(4) The Board shall take measures it considers appropriate to address and rectify deficiencies and omissions identified by the quality control mechanism.

**Recruitment and progression in the Service**

14. (1) The Board shall, in consultation with the Public Services Commission, be responsible for the appointment of officers and other employees in accordance with article 189 (2) of the Constitution.

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(2) The Board shall develop a Scheme of Service for the Service which shall indicate the following:

- (a) recruitment and placement policies;
- (b) entry requirements into various grades of the Service;
- (c) the career path, development and progression in the Service; and
- (d) job descriptions for key positions in the Service.

(3) Vacancies in the Service shall be filled in accordance with the Scheme of Service either by promotion, transfer, recruitment or appointment, consistent with article 189(2) of the Constitution.

**Human resource development**

15. The Board shall formulate policies that promote the effective organisation and development of training programmes in the Service at all levels of operation and ensure that modern technologies, standards and best practices in management, accounting, auditing and information and communication technology are used in the Service.

**Report on appointments**

16. (1) The Auditor-General, a member or a committee of the Board shall submit a periodic report to the Board on the exercise of the powers delegated under article 189 (2) of the Constitution and section 4 (3) of the Act.

(2) The report shall be in a form determined by the Board.

**Qualification for posts in the Service**

17. (1) A person does not qualify for a position in the Service, unless that person possesses the requisite qualification and experience prescribed in the Scheme of Service.

(2) The Board shall take into consideration the Constitution, international conventions, protocols and treaties ratified by the Republic that seek to promote justice, fairness and human dignity especially on gender and matters of persons with disability when recruiting to fill a vacant position in the Service.

(3) The Board shall not appoint a person into the Service if that person has been convicted of an offence relating to fraud or dishonesty.

*AUDIT SERVICE REGULATIONS, 2011***Conditions of service**

18. (1) The Board acting in consultation with the Public Services Commission shall

- (a) establish posts below the position of Auditor-General in the Service,
- (b) determine the human resource competency and skills mix required by the Service to perform and support the range of auditing activities mandated under these Regulations, and
- (c) determine and approve conditions of service of members of the Service other than the Auditor-General.

(2) The Board, in performing its functions shall, among other things, take into consideration the oversight responsibilities and advisory roles that the Service is required to undertake in the public sector to ensure the recruitment and retention of trained and competent officers.

**Code of ethics**

19. The Board shall establish and publish a code of ethics for members of the Service.

**Public Complaints Unit**

20. The Board shall establish a Public Complaints Unit to receive complaints from the public.

**Discipline in the Service**

21. The Board is responsible for discipline in the Service and shall for this purpose establish a system of discipline and related procedures to be maintained by the Service.

**Prudent use of resources**

22. Members of the Service shall ensure that

- (a) the system of financial management and internal controls established for the Service is maintained,
- (b) resources entrusted to them are economically, efficiently and effectively applied in a transparent manner towards the achievement of approved goals and objectives of the Service, and
- (c) assets of the Service are safeguarded against losses of any kind including abuse, fraud, willful or accidental wastage and destruction.

*AUDIT SERVICE REGULATIONS, 2011***Awards for exceptional performance**

23. The Board shall institute awards to recognise and reward meritorious and exceptional performance of functions by members of the Service.

**Facilities and logistics**

24. (1) The Board shall provide to members of the Service appropriate facilities and logistics required for optimal performance of their duties.

(2) The facilities and logistics include

- (a) office accommodation,
- (b) transportation,
- (c) office facilities, equipment, materials and furniture,
- (d) library and research facilities,
- (e) a safe environment,
- (f) social and recreational facilities,
- (g) human resource development and training facilities, and
- (h) relevant operational documents including auditing and accounting standards, audit programmes, manuals and guidelines.

**Retirement and gratuity benefits**

25. (1) In accordance with article 187 (14) and paragraph 20 of Part IV of the First Schedule of the Constitution, members of the Audit Service who have attained the voluntary or compulsory retiring age shall be paid gratuities and pensions from the Consolidated Fund.

(2) A member of the Audit Service, other than the Auditor-General who has served the Service for ten continuous years or more, shall be paid retiring benefits from the Consolidated Fund.

(3) A contribution or deduction made under an enactment towards a member's pension shall cease to apply to a member of the Service and the deductions made shall be considered as voluntary contributions, and shall be refunded with interest at the Bank of Ghana prevailing rate.

(4) The final emoluments enjoyed by members of the Service other than the Auditor-General at the date of retirement of that member from the Service shall be the basis on which pensions and gratuities shall be calculated.

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(5) A member of the Service who has served for less than ten continuous years shall, unless as specified in these Regulations, be entitled to receive proportionate gratuity for the period served.

(6) The pensionable emoluments to be used in the calculation of pensions and gratuities shall be the basic salary and other allowances, approved by the Board and enjoyed by members of the Service at the time of retirement other than allowances in respect of housing, entertainment, leave, utilities, and clothing.

**Calculation of pension**

26. (1) Members of the Service who have met the qualifying service period and conditions for retirement from the Service shall opt for reduced pension and gratuity or full pension six months before the date of retirement and once the option is made the member cannot change it.

(2) The full pension payable to a retired member of the Service shall be calculated as the product of the length of service in months multiplied by the final pensionable emoluments attached to the post from which the member retired and the Appropriate Pension Constant of  $1/480$ .

(3) Gratuity shall be paid at the rate of twenty-five percent of full pension multiplied by twenty years.

(4) A member of the Service who opts for reduced pension shall receive monthly pension at the rate of three-quarters of the pensionable emoluments attached to the post from which the member retired and that pension

(a) is the basis on which pensions and gratuities shall be calculated, and

(b) shall be indexed, at the same rate as to any subsequent revision of the salary structure of active members of the Service.

(5) Retiring benefits due to a member as a result of the abolition of a post, injury, termination of appointment, marriage by a female member, premature retirement or retirement on medical grounds and any other circumstances determined by the Board, shall be calculated at the same rate as specified in these Regulations.

