

GHANA COMMUNICATION TECHNOLOGY UNIVERSITY



INTERNAL AUDIT CHARTER



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VICE-CHANCELLOR**



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CHAIRMAN, AUDIT COMMITTEE



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AG.DIRECTOR, INTERNAL AUDIT**

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ABBREVIATIONS

In this Internal Audit Charter unless the context otherwise requires:

- a. IAD - Internal Audit Directorate
- b. Management - Vice-Chancellor and Office Holders
- c. AC - Audit Committee
- d. IPPF - International Professional Practice Framework
- e. IIA - Internal Audit Department

1.0 INTRODUCTION

As a requirement under the Internal Audit Agency Act, 2003 (Act 658), the Internal Audit Directorate of the Ghana Communication Technology University is mandated to produce an Internal Audit Charter. The Charter outlines the scope, authority, and responsibilities of the Internal Audit Directorate (IAD) and Management as far as Internal Auditing is concerned. It also establishes the relationship between the IAD and Directorates/Departments/Faculties of the University.

2.0 MISSION STATEMENT OF THE INTERNAL AUDIT DIRECTORATE

The mission of the Internal Audit Directorate is to provide independent, objective assurance and consulting services designed to add value and improve the University's operations through a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

3.0 SCOPE OF INTERNAL AUDIT

The scope of work of the Internal Audit Directorate is to determine whether the organization's network of risk management, control, and governance processes, as designed and implemented by Management is adequate and functioning in a manner to ensure that:

- Risks are appropriately identified and managed within the University
- Interaction with the various stakeholder groups is smooth to add value to the operations of the University
- Significant financial, managerial and operating information is accurate, reliable and produced timely when needed
- The University's actions are in compliance with policies, standards, procedures and applicable laws and regulations.
- Resources are acquired economically, used efficiently and protected adequately.
- Programs, plans and objectives of the University are achieved satisfactorily.
- Quality and continuous improvement are fostered in the University's control process.
- Legislative, regulatory and all other issues impacting the operations of the University are recognized and addressed appropriately.

- The prevention and detection of fraud, abuse and waste.
- Provision of continuous update to the Management on the administration of its programs and operations and the recommendations for appropriate corrective action.

4.0 ACCOUNTABILITY

The Head (Director) of the Internal Audit Directorate (IAD) in the discharge of his/her duties shall be accountable to the Vice-Chancellor, administratively and functionally to the Audit Committee of the University.

He/she shall:

- Provide periodic assessment report on the adequacy and effectiveness of the organization's processes for controlling its activities and managing its risks.
- Report significant issues relating to the processes for controlling the activities of the University, including potential improvements to those processes.
- Provide information periodically on the status of the annual Audit plan including the adequacy and sufficiency of the Directorate's resources.
- Coordinate and provide oversight of other control and monitoring functions (e.g. risk management, compliance, security, legal, ethics, environmental and external audit)

5.0 INDEPENDENCE

To ensure the independence of the Internal Audit Directorate, the University will ensure that its reporting structure is as follows:

- ✓ The Head/Director of the IAD shall report administratively to the Vice-Chancellor of the University in a manner outlined in the Public Financial Management Act 2016, (Act 921) and the Public Financial Management Regulations (L.I. 2378).
- ✓ The Head/Director of the IAD shall functionally report to the Audit Committee in a manner outlined in the Public Financial Management Act 2016, (Act 921) and the Public Financial Management Regulations (L.I. 2378).

- ✓ Staff recruited for the IAD in accordance with the prescribed guidelines for recruitment shall report to the Head/Director of the IAD both functionally and administratively.

6.0 RESPONSIBILITIES

6.1 MANAGEMENT

The Management of the University under the policy direction and guidance of the Governing Council has overall responsibility of ensuring that budgetary resources are allocated to the Internal Audit Directorate to enable it function effectively.

It is also the responsibilities of Management to:

- a. Define organizational objectives.
- b. Formulate and implement policies, procedures and design appropriate and effective internal control systems.
- c. Monitor effectiveness and efficiency of controls in achieving objectives.
- d. Ensure the free flow of information with the IAD.
- e. Set up a risk management system for the University.
- f. Continuously assess the risk inherent in the operations/activities of the University.
- g. Ensure the implementation of key and significant Internal Audit recommendations.
- h. Discuss and address issues raised in the Internal Audit report prior to submission to the Audit Committee

6.2 HEAD/DIRECTOR OF THE IAD

The Head/Director of the IAD has the responsibility to:

- a. Develop an annual Audit plan using appropriate risk-based methodology, including any risks or control concerns identified by Management and submit that plan to the Audit committee for review and approval.
- b. Implement the annual Audit plan as approved, including, and as appropriate, any special task or projects requested by Management and the Audit committee.

- c. Maintain a professional Audit staff with relevant knowledge, skills, experience and professional certifications to meet the requirements of this charter.
- d. Establish a quality assurance and improvement program by which the Head/Director of the IAD assures the operations of Internal Audit activities.
- e. Perform consulting services beyond Internal Auditing assurance services, to assist Management in meeting its objectives. Examples may include facilitation, process design, training and advisory services
- f. Evaluate any new or changing services, processes, operations and control processes corresponding with their development, implementation and/or expansion.
- g. Issue periodic reports to the Director-General of the Internal Audit Agency, Audit Committee and the Vice-Chancellor summarizing results of audit activities.
- h. Keep the Audit Committee informed of emerging trends and successful practices in Internal Auditing.
- i. Provide a list of significant measurable individual departmental goals and results to the Audit Committee.
- j. Assist in the investigation of suspected fraudulent activities within the University and notify the Vice-Chancellor and the Audit Committee of the results.
- k. Evaluate the University's operations to ascertain whether it is in line with its legislative mandate.

7.0 REPORTING

A written report shall be prepared by the Head/Director of the IAD following the conclusion of each audit and will be distributed as appropriate. A copy of each audit report shall be forwarded to the Vice-Chancellor and the Audit Committee.

The Head/Director of the IAD shall include in the audit report the auditee's response(s) and corrective action taken or to be taken in respect of the specific findings and recommendations. Management's response shall include a timetable of anticipated completion of action to be taken and an explanation for any recommendation not addressed.

The Head/Director of the IAD shall be responsible for appropriate follow up on audit findings and recommendations. All significant findings will remain in an open issue file until cleared by the Head of the IAD or the Audit Committee.

8.0 PERIODIC ASSESSMENT

The Head/Director of the IAD shall periodically assess whether the scope, authority and responsibility as defined in this charter, continues to be adequate to enable the IAD accomplish its objectives. The result of this periodic assessment shall be communicated to the Vice-Chancellor and the Audit Committee

9.0 AUTHORITY

The Head/Director of the IAD is authorized to:

- ❖ Have unrestricted access to any and all personal books on the University's premises, records (manual or electronic), reports or property of the University upon giving reasonable notice.

The scope of such activities shall be equally unrestricted and subject to adjustment by the Head/Director of the IAD where, in his/her opinion, circumstances warrant.

- ❖ Have full and free access to the Audit Committee and Management where necessary.
- ❖ Allocate the Directorate's resources, set frequencies of audit assignments, select thrust areas, determine scopes of work and apply the techniques required to accomplish audit objectives.
- ❖ Obtain the necessary assistance of personnel in units of the organization where they perform audits, as well as other specialized services from within or outside the University.

The IAD is **NOT** authorized to:

- ❖ Perform any operational duties for the University.
- ❖ Initiate or approve accounting transactions external to the IAD.
- ❖ Direct the activities of any University employee, except to the extent that such employee has been appropriately assigned to auditing teams or to otherwise assist the internal auditor

10.0 PROFESSIONAL STANDARDS

The IAD shall be governed by the provisions of the institute of Internal Auditors International Professional Practices Framework (IPPF).

The regulations and Guidelines of the Internal Audit Agency (Ghana) shall constitute the operating procedures for the Directorate.

11.0 CODE OF ETHICS

The IAD shall be governed by the code of Ethics of the IIA which prescribes the conduct of behavioral expectations of the individuals and teams in the conduct of Internal Auditing.

The IAD is therefore expected to apply and uphold the principles of Integrity, Objectivity, Confidentiality and Competence in the performance of its work.

12.0 CONFLICTS AND DISPUTES

Notwithstanding any conflict resolution mechanism of the University, this Charter shall form the basis for the authority and actions of the IAD as far as auditing matters are concerned. Any irresolvable conflict or disputes which arise during the course of performing this function which, in the opinion of the IAD would present a significant limitation in scope shall be brought to the attention of the Audit Committee or the Director-General of the Internal Audit Agency for the ultimate resolution

13.0 AFFIRMATION, EFFECTIVENESS AND AMENDMENTS

This Charter is hereby approved by the Vice-Chancellor and affirmed by the Audit Committee thereby providing for immediate effectiveness. Any amendments hereto must be approved by the Vice-Chancellor and re-affirmed by the Audit Committee.

Vice-Chancellor

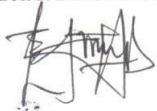


Date 15/12/2021


Audit Committee-Chairman

Date 15/12/2021

Head/Director of IAD



Date

15/12/2021

