

The Audit Office

STRATEGIC DEVELOPMENT PLAN 2014–2016

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Foreword

In conformity with its legal mandate the **Audit Office** is to prepare a three year Strategic Development Plan (SDP). This is the third SDP and is prepared for the period 2014-2016. The first SDP was prepared for the period 2007 to 2009. However this plan was supplanted late in the year 2007 and as such covered the year 2010. The SDP consists of five goals which are designed to help achieve the objectives as set forth in the **Office's** Mission Statement. It is meant to more clearly articulate the objectives of the Office as the National Assembly's principal financial oversight organ. The three year SDP is formulated in a manner to set out three annual plans for its implementation.

The 2004 Audit Act and the enabling 2005 Regulations set out the duties and responsibilities of the Auditor General in accordance with the Constitution. It also details the areas within which **PAC** exercises its general supervisory role. In this capacity **PAC** has an important role in the **Office's** successful implementation of the SDP by providing the needed input, feedback and enabling resources in addition to monitoring its timely implementation over the three year period.

This SDP has been prepared taking into consideration the achievements the Audit Office has made under two Technical Cooperation Agreements between the Inter-American Development Bank and the Government of Guyana, and for which the Audit Office was the Beneficiary. More specifically, the Technical Cooperation Agreements were geared at enhancing the Audit Office's technical and operational capacity in order to complete an adequate transition into an independent and improved national audit office, as mandated by the 2001 constitutional amendment, to improve public accountability.

The SDP encompasses the way forward for the Audit Office, and provides for the continuity of the plans set out in the previous SDP. Furthermore, **Section 4** sets out the five (5) goals with the first composed of five (5) sub goals. This first goal/sub goals is considered the necessary foundation for the successful implementation of the four (4) other goals. All five (5) are laid forth in priority order with each considered the building block essential for the subsequent step. The first three goals can be regrouped into the consolidation and enhancement of basic **Office** resources and functions with the fourth goal introducing newer and more sophisticated audit techniques and procedures.

Goal five, of the SDP is meant to continue the Audit Office's goal of informing the stakeholder community of the essential and constructive role of the Office, and to gain goodwill and better collaboration to fully realize its corporate mission as set forth in the Mission Statement.

The end objective of the timely implementation of the SDP is to allow the **Office**, at the end of the implementation period, to achieve completely its mission objectives and be the foremost financial oversight body in Guyana able to audit and report financial accountability and performance of **ALL** state/government entities and funds on a timely basis in order for the National Assembly to play its accountability and transparency role.

STRATEGIC DEVELOPMENT PLAN: 2014-2016

SECTION 1: THE AUDIT OFFICE: OVERSIGHT RESPONSIBILITY

1.1 The **Audit Act 2004** sets out:

The responsibilities and authority of the **Auditor General**; to strengthen Parliamentary oversight over the work of the **Auditor General**; to provide for the establishment and administration of an independent **Audit Office**; and to regulate such other matters connected with or incidental to the independent auditing of the finances of Guyana.

In accordance with **Article 223** of the **Constitution** the **Act** provides for an **Auditor General** for Guyana whose office shall be a Public Office; and an **Audit Office**, comprising the **Auditor General** and the officers and employees appointed thereto.

The **Auditor General** shall be the external auditor of the public accounts of Guyana and, in the discharge of his functions, shall have complete discretion in examining and reporting on the receipt, disbursement, and control of public moneys and on the economy, efficiency and effectiveness in the use of such moneys.

1.2 The National Assembly

Section 25 of the **Act** requires the **Auditor General** to report annually, and within nine months of the end of each fiscal year, on the results of his audit of the consolidated financial statements and the accounts of budget agencies in relation to that fiscal year.

The Auditor General shall in accordance with article 223 (3) of the Constitution submit reports to the Speaker of the National Assembly, who shall cause them to be laid before the Assembly.

1.3 The Public Accounts Committee (PAC)

The **Audit Office** recognizes its responsibility to account to the **Public Accounts Committee (PAC)**.

Section 3-2 of Exhibit 1 (on page 29) sets out in article 223 of the Constitution the general supervision over the functioning of the **Audit Office** and in accordance with the **Rules, Policies and Procedures Manual**.

1.4 Prerequisite for Parliament Support and Continued Involvement

An immediate consideration is the **Work Schedule** of the respective **Committees**. Of particular note is the current statutory lapse in the operations of the **Committees** while the **National Assembly** is in recess. The intended recess period should not, as is currently the case, apply to the work of the **Committees** and some form of mechanism to address continuing oversight issues should be developed and implemented.

1.4.1 The Role of the Public Accounts Committee

The Role of the Public Accounts Committee is reflected in Section 3.2 of **Exhibit 1** attached. All needed specific mechanisms have not been yet been put in place to ensure timely and effective actions by PAC and the office.

SECTION 2: THE DEVELOPMENT PLANS

2.1 The 3 Year Strategic Development Plan

In accordance with the Regulations made under the Audit Act 2004, the **Audit Office's Executive Management Committee** shall prepare a Strategic 3-year Plan for the **Audit Office** and update it annually. The Regulations further states that the **Strategic Plan** shall be discussed with the **Chairman** of the **Public Accounts Committee**.

The **Strategic Plan** will

Generally:

- address issues necessary for full and timely public accountability of all public institutions and funds;
- establish multi-year audit objectives to meet the **PAC's** requirements;
- outline strategies to accomplish broad objectives,
- provide a framework for measuring **Audit Office** accomplishments, and
- serve as the basis for annual planning.

Specifically: In order to attain its general objectives and ensure the efficient functioning of a fully staffed Office, the SDP sets out five (5) goals to be achieved over the next three years,

- **1. Enhance Personnel, Operational and Organizational Effectiveness;**
- **2. Implement Modern Management Techniques;**
- **3. Institutionalize Best Practices, Knowledge and Skills Transfers for Sustainability;**
- **4. Implement and Enhance Accountability and Professional Audit Practices and Standards and**
- **5. Create Stakeholder Awareness of Constructive Role of Office,**

2.2 The SDP Annual Work Plans

The 3 year SDP is formulated in a manner that it contains three (3) annual plans for its implementation. Each Yearly Plan would be monitored and reported upon to the Office staff and PAC. Timely required modifications would then be incorporated into the remaining phases.

SECTION 3: THE MISSION STATEMENT

The *Mission Statement* is not intended to express concrete goals but is meant to form the basis for the establishment of a three year Strategic Development Plan and from this follows the annual workplans. The intention is to provide motivation and general direction towards implementing the programmes of the **Audit Office** and a philosophy that would energize the improvement of the **Office's** performance.

Mission Statement

As the Supreme Audit Institution of the State we are committed to the promotion of good governance including openness, transparency and improved public accountability through:

- 1. the execution of high quality audits of the public accounts, entities and projects assigned by the Audit Act**
- 2. timely reporting of the results to the legislature and ultimately the public**
- 3. ensuring that the independence, integrity and objectivity of the Audit Office is recognized**
- 4. the provision of cost effective service by the implementation of the most up-to-date Audit Practices**
- 5. the recruitment and retention of the best qualified personnel to achieve set targets, on a sustained basis**
- 6. developing professional relationships with our clients, and producing reports which facilitate improvements in their operations**

**SECTION 4: THE STRATEGIC GOALS, THE SUPPORTING STRATEGIES, THE ANTICIPATED BENEFITS
THE COSTS EFFECTIVE SEPTEMBER 1, 2014**

STRATEGIC GOAL 1: Enhance Personnel, Operational and Organizational Effectiveness

SUB GOAL 1 (A): Adequate Staffing Including Promotion, Recruitment and Retention

Rationale

The achievement of the five (5) *Goals* requires a full staff contingent over the next three years. To this end the **Human Resources Division** acting in accordance with the prescriptions of the Manual would establish the best strategies for effective promotion, recruitment and retention. The Audit Office’s staff strength is currently 202 of the authorized 227, giving a vacancy rate of 11%.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. Identify, propose and plan for the right number of personnel with the right aptitudes, qualifications and experience to fulfill the objectives mandated by the Audit Act of 2004 and implement the Strategic Development Plan	<ul style="list-style-type: none"> ▪ Act upon the 2014 HR Consultancy. 	✓	✓	✓
	<ul style="list-style-type: none"> • Agree the Manpower Plan as an essential prerequisite to implementing the new Structure and to support the business processes. NEW POSTS 	✓	✓	✓
	<ul style="list-style-type: none"> ▪ Develop the respective Profiles of the Job Evaluation Manual as a basis for the recruitment, development and training strategies of the required Human Resources. NEW POSTS 	✓		
	<ul style="list-style-type: none"> ▪ Expand/redistribute staffing to cater for VFM audits and Works and Structures functions 	✓		
	<ul style="list-style-type: none"> ▪ Develop Succession Plan and Retention Strategies 	✓	✓	
	<ul style="list-style-type: none"> ▪ Review and implement continuous internal and external training plan for all levels of staff 	✓	✓	✓

Benchmarks and Benchmarking:

- Confirmation of the Audit Office’s Mission Statement ;
- Identification and description of the kinds of technical, professional and managerial skills and jobs required to accomplish the Mission Statement. These are based on the Job and Position Descriptions developed with the support of the Staff of the **Audit Office**.
- Identification of the skills available in the current labor market ;
- Description and reporting of staffing actions taken over the period, 2014 – 2016 to develop the required workforce.

Results and Expected Benefits:

- Achievement of **Items 1, 2, 5 of Mission Statement;**
- Improvement in the volume of the Audit Office activities based on the need to audit at least 288 entities per year;
- The Audit Office will increase Staff Strength in 2014 - 2016, as follows:

	Current	2014	2015	2016	Total
Senior Management	18	7	-	-	25
Supervisory	32	8	-	-	40
Non-Management	152	10	-	-	162
Total	202	25	-	-	227

The Budget for the Audit Operations Staff over the three-year period is reflected in **Goal 4: Implement and Enhance Accountability and Professional Audit Practices and Standards (2014-2016)**

- Implementation of system changes dependent on an improved skill base on current staff and setting of the basis for efficient forensic and performance auditing.
- Decrease in the current 11% vacancy rate in staffing.

SUB GOAL 1 (B): Implement Completely the New Salary/Job/Grade Structure

Rationale

Salary Administration Procedures to monitor the consistent application of the Salary Policy of the **Audit Office** should be based on the following:

- Grade demarcation lines defined in terms of point scores. The number of Grades identified reflects the hierarchical structures of the **Divisions** of the **Audit Office**.
- The **Job/Grade Structure** is in accordance with the **Office's** philosophy in providing appropriate differentials between Grades and scope for progression within Grades.
- **Internal relativities** are reflected both within **Divisions** and between categories of Employees.
- Appropriate **external relativities** have been identified and developed and influence the design principles of any new **Salary Structure Line**.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. Implement Salary Adjustments for Officers and Employees of the Audit Office	<ul style="list-style-type: none"> ▪ Appoint officers and employees at such remuneration and on such terms and conditions as the Auditor General may decide, within the framework of the budget approved for the Audit Office, taking into consideration the Rules, Policies and Procedures Manual (De-bunching) 	✓		
	<ul style="list-style-type: none"> ▪ Review and institute realistic allowances 	✓		
2. Performance Management System	<ul style="list-style-type: none"> . In accordance with the Rules, Policies and Procedures Manual, an active Performance Appraisal System should be instituted and should be based on merit (increments/promotions/training). This sub goal implements the updated organization chart as shown in Exhibit 3. 	✓	✓	
	<ul style="list-style-type: none"> . Communicate compensation plan to employees 	✓		
	<ul style="list-style-type: none"> . Train Managers/Supervisors in use of Appraisal Tools 	✓	✓	✓

Needed Implementation Resources:

Human Resources

Human Resources Manager (2014) Deputy Human Resources Manager (2014)

- Human Resources Officer (2014)
- Driver (2014)

Required Budget at 1 (C) for Human Resources Division

Benchmarks and Benchmarking:

- Annual Review of compensation for each employee based on the individual's position and performance at the **Audit Office** in accordance with Office approved policy ;
- Establishment of adequate rewards for employees' performance within each employee's current grade so as to promote the goal of providing the best practical job and career development;
- Assessment and reporting of implementation progress and status with adherence recommendations.

Results and Expected Benefits:

- Achievement of Items 1, 2, 5 of mission Statement;
- Salary Administration Policy (Section 13.1 of Rules, Policies and Procedures Manual) implemented;
- Employees properly placed in new salary structure;
- Merit increases recognized for Performance Appraisal Systems;
- Consistent methods of grading jobs and establishing Differentials;
- A well defined and comprehensible framework within which salary and career progression can be planned and controlled;
- Better employee recruitment, performance and retention.

SUB GOAL 1 (C): Enhance and Maximize Effectiveness of the Human Resource Function

Rationale

The Human Resource function of the Office involves the Planning, Control and Implementation of key programmes and the Manual to give effect to the policies and strategies of the Office with respect to its human resource objectives which are the basis for the achievement of the Mission Statement. The Office's Human Resources Management system should:

- operate in accordance with applicable laws and regulations and best HRM practices,
- establish specific definitions and requirements for all levels of employees, and
- should lay the foundation for other supplementary directives, rules, instructions or forms which may be necessary to operate the Human Resources Management/personnel system.

The **Human Resources Division** has two major functions: **Human Resources Management** and **Human Resources Development**. The proposed **Human Resources Management System** requires a dynamic leadership with multifaceted skills to coordinate the implementation requirements. Management positions should be staffed by persons of relevant qualifications and experience and who are capable of playing the leadership role amongst colleagues and subordinates to improve the efficiency and quality of the professional audit staff.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. Improve senior career paths and continuity of leadership	▪ Develop and implement a Succession Plan for the Office's Supervisory and Management Personnel	✓	✓	✓
2. Improve Communications in AOG	▪ Enhance internal communications aided by IT Dept	✓	✓	✓
3. Improve Staff Welfare	▪ Implement Medical Scheme	✓		
4. Implement the results-oriented Performance Appraisal System	▪ Develop, communicate and agree job objectives with each staff	✓	✓	✓
	▪ Conduct staff appraisals	✓	✓	✓
	▪ Implement annual performance appraisal merit system	✓	✓	✓
	▪ Use Appraisals to determine Training Needs and promotions	✓	✓	✓
5. Identify and recommend physical working environment	▪ Identify and train an Occupational Health and Safety Officer	✓	✓	✓
	▪ Continuously Assess working conditions and make recommendations for improvement to authorities	✓	✓	✓
	▪ Conduct HSSE assessments and and make recommendations for improvements	✓	✓	✓

Needed Implementation Resources:

- Deputy Human Resources Manager (2014)
- Human Resources Officer(2014)
- Driver (2014)
- Office Assistant (2014)

Required Budget:

2014 - \$6,380,820 (Employment Cost)

Total Employment Cost (2014) = \$6,380,820

Benchmarks and Benchmarking:

- Effective adherence to the Rules, Policies and Procedures Manual;
- Annual independent status report.

Results and Expected Benefits:

- Achievement of Item 5 of Mission Statement;
- The Human Resource Department operationalized and the planning, control and implementation of programmes realized in accordance with the Policies and Strategies of the Office;
- A positive working climate, in which Office staff can develop in areas as professionals in its role of the legislature's oversight organ;
- To strengthen the audit expertise and effectiveness by implementing a strong, transparent and inclusive human resource policy and function;
- An updated human resources function including the following key elements;
- Increased staff satisfaction, including adequate internal communication, clearer career paths and improve benefits.
 - New and updated Job and Position Descriptions for all professional staff;
 - A manpower planning system;
 - An improved competitive compensation and benefits system.

SUB GOAL 1 (D): Continue Strengthening Information Technology Capacity of the Office

Rationale

The **Information Systems Division** is required to develop and maintain computer application systems that meet the business needs of the **Audit Office**. In this regard, the provision of high quality and reliable computer application solutions will allow the **Office** to build and maintain secure data assets as well as put in place an efficient system to make the requisite information readily accessible to all staff to make informed decisions.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1.Enhance and maintain computer systems for the collection, storage, analysis, and retrieval of information	<ul style="list-style-type: none"> Improve data access between field offices and the head office to improve the communication and sharing of information. 	✓	✓	✓
	<ul style="list-style-type: none"> Implement systems to track and manage audits. 	✓	✓	
	<ul style="list-style-type: none"> Meetings and general activities at the AOG will be conducted in an IT environment. 	✓	✓	
	<ul style="list-style-type: none"> Use Intranet to improve communications on matters affecting staff 	✓	✓	✓
	<ul style="list-style-type: none"> Manage the integration of the Office's activities and resources concerned with all aspects of information handling, knowledge preservation in relation to Audit Plans, communication and application of Information Systems and Procedures and maintenance of equipment 	✓		
	<ul style="list-style-type: none"> Continue training in computer software, particularly in Data Analysis Applications and IDEA to be used routinely, where practical, on all financial audits to facilitate execution of the Audit Office's Work Plans 	✓	✓	✓
	<ul style="list-style-type: none"> Coordinate installation of LAN components 	✓		
	<ul style="list-style-type: none"> Maintain communication via Voice, Data Teleconferencing, Electronics including INTRANET and WAN 	✓	✓	✓
	<ul style="list-style-type: none"> Develop, procure suitable information systems to meet the changing needs of the AOG 	✓	✓	✓
	<ul style="list-style-type: none"> Manage the integration of the Office's Information System resources with the Office's activities and ensure improved knowledge preservation and electronic communication. 	✓	✓	✓
	<ul style="list-style-type: none"> Promote more widespread use of Data Analysis techniques 	✓	✓	✓
	<ul style="list-style-type: none"> Strengthen Disaster Recovery Plans by documenting and testing disaster recovery procedures. 	✓	✓	✓
		<ul style="list-style-type: none"> Promote and champion policies that will encourage widespread use of electronic communication and collaboration among AOG staff members. 	✓	✓

	<ul style="list-style-type: none"> Promote the adoption of a policy that requires staff members to use their Audit Office E-mail 	✓	✓	
	<ul style="list-style-type: none"> Promote a policy that makes it mandatory for certain categories of working paper files to be created and stored electronically. 	✓	✓	✓

Needed Implementation Resources:

- Computer Operator(2014)

Required Budget:

2014	\$ 641,061 (Employment Cost)
	<u>\$12,345,166 (Equipment)</u>
	<u>\$12,986,227</u>
2015	\$12,345,166 (Equipment)
2016	\$12,345,166 (Equipment)

Total Employment and Equipment cost (2014-2016) = \$37,676,559

Benchmarks and Benchmarking:

- All Office systems operational
- Audit staff computer literate
- Needed hardware and software acquired
- Training programmes designed and delivered
- Auditee electronic systems environment documented.

Results and Expected Benefits:

- Achievement of Items 1, 2, 4 of Mission Statement;
- The expected benefits of the improved information technology capacity of the Office are:
 - Support of the audit processes and operations;
 - Support of decision making by managers and staff;
 - Support for auditing electronic systems and for testing the integrity through all stages of the audit trail.
- High quality and reliable computer application solutions will allow the office to hold and maintain secure and readily available audit related data.

SUB GOAL 1 (E): Audit Files-Office Archives Maintenance

Rationale

The **Registry** is the central depository and redistributors of correspondence and other documentation, including most importantly **Audit Working Papers** and related documents. The administrative responsibility for Records Management should be at the level of the Director. Permanent records are under the day-to-day control of the **Registry Supervisor** who maintains an Office Archive and protects vital records including all working papers. The **Registry** has the most important responsibility of developing and maintaining a strict schedule as Audit Managers periodically transfer records and files to the permanent records storage area.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. Review and update the Office's records management systems	Review, monitor, generate, upgrade the Audit Office's Registry System	✓		
	▪ To obtain from Diagnostic Study Report	✓		
	▪ Library		✓	
	▪ Install and manage proper systems and procedures for cataloguing and classifying the Office's corporate information	✓	✓	✓
	▪ Develop an information network to collect, organize and disseminate information	✓		
	▪ Develop a Documentation Unit and implement an Information and Communication Policy.	✓		
	Archives			
	▪ Organize the safekeeping and preservation of historically valuable documents and materials in accordance with the archival policy	✓	✓	✓
	▪ Appraise historical/archival value of official and non-official records and documents and recommend retention or destruction	✓	✓	✓
	▪ Acquire relevant material for inclusion in the Audit Office's Archives	✓	✓	✓
	▪ Digitize records for easy archiving and retrieval	✓	✓	✓

Needed Implementation Resources:

Required Budget:	2014	(Equipment)
	2015	(Equipment)
	2016	(Equipment)
Total Equipment Cost		<u>\$3,000,000</u>

Benchmarks and Benchmarking:

- Enforcement of the schedule of records referral when necessary and for each Division;
- Identification and records retention liaison to make sure the policies and records schedule are followed;
- Policies relative to filing responsibilities, retention of audit files and security over audit files as provided in the relevant section of the Manual;
- Policies relative to confidentiality as provided in another section of the Manual are adhered to;
- Periodic review of file maintenance and circulation.

Results and Expected Benefits:

- Achievement of Items 2, 4 of the Mission Statement;
- The Registry maintains the Office's filing systems which consists of:
 1. Current audit working papers ;
 2. Permanent files;
 3. Issued financial statements;
 4. Report to Ministries and Parliament files ;
 5. Finance Secretary minutes and circulars;
 6. Correspondence and internal memos, and general administrative files are filed chronologically
- All files, records and communications classified in orderly and secure Environment;
- All files readily accessible for audits.

STRATEGIC GOAL 2: Implement Modern Management Practices

Rationale:

Establish and manage operational and professional activities for the efficient use of all resources while separating professional and managerial functions through a mechanism of empowerment, delegation and accountability which would allow a focus on the Office's Mission Statement.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. Improve management skills and techniques leading to greater efficiency and better staff relationships	Fill vacancies in Committees	✓	✓	
	Document the work of these Committees	✓	✓	
	Training Managers/Supervisors in modern management skills and techniques to promote better organizing, communicating, monitoring, leading and staff relationships.	✓	✓	✓

Needed Implementation Resources (No additional Budgets Required):

Committees & Composition	Terms of Reference
<p>➤ Executive Management Committee</p> <ul style="list-style-type: none"> - Auditor General - Audit Directors 	<ul style="list-style-type: none"> ➤ To advise and assist the Auditor General on all matters of policy and general management of the Office. ➤ To keep under constant review, the implementation process and monitor the resources available for sustaining the Office's ability to achieve its goals. ➤ To monitor income and expenditure on a regular basis. ➤ To coordinate preparation of the Strategic Plan of the Office. ➤ To agree on means of establishing linkages with collaborator agencies and institutions regionally and internationally. ➤ To review Manning Levels and decide on the number and quality of skills required to effectively carry out the Office's Work Plan. ➤ To review the Work Plans of the respective members of the Senior Management Teams. ➤ To finalize work plan and budget, quarterly and other Reports for submission to the Public Accounts Committee. To review and decide on recommendations of the Human Resources Management Committee.
<p>➤ Senior Management Committee</p> <ul style="list-style-type: none"> - Auditor General - Audit Directors - Audit Managers 	<ul style="list-style-type: none"> ➤ Operational Directions ➤ Implementation of Reports ➤ Work Programme ➤ Target Setting ➤ Evaluation of Projects ➤ Progress Reports ➤ Departmental Feedback ➤ Budget ➤ other
<p>➤ Human Resources Management Committee</p> <ul style="list-style-type: none"> - Director, Management Services - Human Resources Manager - Deputy Human Resources Manager - Audit Director - Audit Manager - Finance and Accounts Manager - Staff Representative 	<ul style="list-style-type: none"> ➤ To plan and keep under review the human resource needs of the Office, and monitor manning levels ➤ To review performance evaluation reports and make appropriate recommendations for action thereon ➤ To monitor and review implementation of the Office's respective Codes of behaviour, with particular attention to the implementation of the Disciplinary Code. ➤ To review and make recommendations on the compensation policy and strategy of the Office. ➤ To coordinate the Office's position in matters of consultation with the staff, and negotiation with relevant Unions. ➤ To monitor the operations of the grievance procedure and make appropriate recommendations. ➤ To develop and implement communication strategies aimed at audit clients, as well as Staff of the Office, publications e.g. Newsletters, Circulars, Notices, Information Sheets, Posters.
<p>➤ Financial Management Committee</p> <ul style="list-style-type: none"> - Director, Management Services - Financial and Accounts Manager - Audit Director - Audit Manager - Human Resources Manager 	<ul style="list-style-type: none"> ➤ Preparation and monitoring of Budget ➤ Expenditure/Income Reports ➤ Other Financial Statements/Progress Reports ➤ Final Reports
<p>➤ Information Systems Committee</p> <ul style="list-style-type: none"> - Director, Management Services - Information Systems Manager - Human Resources Manager - Finance and Accounts Manager 	<ul style="list-style-type: none"> ➤ Review reports on functionality of systems ➤ Ensure that implementation of systems achieve set targets ➤ Monitor security of the system ➤ Review and adjust relevant education and training programmes ➤ Monitor cost-effectiveness and timeliness of information flows ➤ Monitor and correct major or continuous errors or failures in systems, equipment and personnel

Benchmarks and Benchmarking:

- Timely and systematic meetings;
- Timely minutes and reports of meetings;
- Periodic activity reports to PAC.

Expected Results and Benefits:

- Achievement of Items 1, 2, 4 of Mission Statement;
- The Office will be able to:
 - Encourage a greater sense of trust between supervisor and supervised;
 - Facilitate equal and timely flow of information between supervisor and supervised;
 - Enhance understanding of Office decision making processes;
 - Promote greater accountability;
 - Foster less concentration of decision making process.
- Execute effective performance and financial reporting essential for effective governance and accountability.
- The Audit Office's business is handled in an organized coherent manner to support the establishment and administration of an Independent Audit Office;
- The work of the Committees is organized to meet the objectives of the Strategic Plan.

STRATEGIC GOAL 3: Institutionalizing Best Practices, Knowledge and Skills Transfers for Sustainability

Rationale

Prioritize employee training and development with maintenance of all relevant personal employee records and databases so as to ensure that all training is integrated into the Office procedures, documentation and practices. An ongoing training programme for internal trainers and all staff to be instituted with monitoring and benchmarking criteria developed and applied. Due emphasis to be placed on knowledge and skills transfers amongst Office staff.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. Organize employee training and career development activities	▪ Implement a Human Resource Training and Development Plan	✓	✓	✓
	▪ Identify and profile Audit Staff for training	✓	✓	✓
	▪ Assess post-training performance	✓	✓	✓
	▪ Document training undertaken by individual employees and inform/train others for relevant activities	✓	✓	✓
	▪ Identify Training Needs and develop a Training Plan from Appraisals	✓		
	▪ Review and conduct training on appraisals	✓	✓	✓
	▪ Provide training as required	✓	✓	✓
2. Promote increased capacity building opportunities for staff of the Audit Office	▪ Participate in Training Courses and provide generic training material in the interest of institutional capacity building	✓	✓	✓
	▪ Participate in Capacity building projects	✓	✓	✓
	▪ Participate in voluntary peer review programs	✓	✓	✓
	▪ Arrange Distance learning activities for Staff	✓	✓	✓
	▪ Undertake Advisory/Consultant Services	✓	✓	✓
3. Develop an Agenda for Technical Assistance and developmental activities	▪ Prepare Audit Manuals, procedures and documentation for Audit Operations Staff	✓	✓	
	▪ Develop an Agenda for support from other SAI's, INTOSAI, CAROSAI, IDI through training, technical assistance and other developmental activities.	✓	✓	✓
	▪ Integrate INTOSAI standards into AOG's work	✓	✓	✓

Needed Implementation Resources:

Human Resources

- Deputy HR Manager, Training and Development;
- Human Resources Officer
- Office Assistant
- Driver

Required Budget:

2014	-	\$ 6,380,820(Employment Cost for 2014)
		\$17,446,333 (Training Consultancy)
2015	-	\$17,446,333 (Training Consultancy)
2016	-	<u>\$17,446,333</u> (Training Consultancy)

Total Employment and Training Cost (2014-2016) = \$58,719,820

Benchmarks and Benchmarking:

- Documentation of a system to evaluate the results of training based on the objectives of the specific programme of the Audit Office Training Plan
- Documentation of a system of record-keeping, performance checks and periodic follow-ups to assess the employee's progress.

Expected Results and Benefits:

- Achievement of Items 1, 2, 4,5 of Mission Statement;
- Three levels of training outcome will be addressed:
 - Immediate: New knowledge, skills, attitudes evident immediately after training
 - Intermediate: New knowledge, skills and attitudes impacting in the wider work situation
 - Ultimate: Perceptible improvement on overall organizational effectiveness.
- Ensuring a consistently high quality of recruits, and planning effective orientation to the organization;
- Identifying the best development path for each employee, taking into account not only the individual's aspirations, but also his or her aptitude, capacity; previous experience and attitude, in relation to the organization's needs and priorities;
- Working with the Human Resources Management Committee to develop ways to fulfill the staffing requirements.

STRATEGIC GOAL 4: Enhance Professional Audit Practices and Standards

Rationale:

As a Supreme Audit Institution (SAI) the Audit Office of Guyana is a member of the Caribbean Organisation of Supreme Audit Institution (CAROSAI), whose umbrella body is the International Organisation of Supreme Audit Institution (INTOSAI). The 20th INTOSAI Congress (South Africa, 2010) adopted a comprehensive set of International Standards of Supreme Audit Institutions (ISSAI) that cover the core audit disciplines of financial, performance and compliance audits. The adoption of the ISSAI represents a milestone in the strengthening of the global public sector audit profession. INTOSAI called upon its members to use the ISSAI framework as a common framework of reference for public sector auditing and implement the ISSAIs in accordance with the mandate and national regulations of the respective SAIs.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. Audit Office adopt and comply with ISSAIs in relation to Financial and Compliance Audits	Deliver Awareness Sessions	✓	✓	✓
	Conduct Gap Analysis	✓	✓	✓
	(iii) Take action to fill gaps identified, with a view of becoming ISSAI Compliant in Financial and Compliance Audits	✓	✓	✓
2. Implement use of audit management software	(a) Procure relevant software	✓	✓	✓
	(b) Modify software to suit AOG's needs			
	(c) Train Staff	✓	✓	✓
	(di) acquire relevant hardware to roll out use of software	✓	✓	✓

Needed Implementation Resources:

Human Resources

- Substantive Auditor General and Secretariat
- Substantive Audit Directors, Audit Managers and Operations Staff
- Substantive Works & Structures Staff
- Budget:

Needed Budget:

Year	Auditor General's Secretariat	Business Unit 1	Business Unit 2	Business Unit 3	Works and Structures	Government Funding (Consultancy)	TOTAL
2014	-	\$15,932,673	\$7,694,235	\$3,706,416	\$4,782,483	\$14,000,000	\$46,115,807
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
Grand Total							\$46,115,807

Benchmarks and Bench marking:

- AOG becoming ISSAI Compliant; and
- Audit management software implemented.

Expected Results and Benefit:

- Achievement of Items 1, 2, 3 of Mission Statement;
- Office able to carry out all its mandates including Financial and Compliance Audits in accordance with ISSAIs; and
- Office able to be certified as a competent SAI to carry auditing mandates acceptable to international donor community.

STRATEGIC GOAL 5: Create Stakeholder Awareness of Constructive Role of Office

Rationale:

As the financial oversight organ of the Parliament of Guyana, the Office is the primary player in national financial good governance and as such all key stakeholders - executive ministries and entities, state enterprises, legislators, taxpayers, international donors, civil society, media - should be made aware of its duties, responsibilities, procedures and the reporting mechanism and especially its constructive oversight role. The related responsibilities of Parliament through the **Public Accounts Committee (PAC)** must also be communicated to the same stakeholder community.

OBJECTIVES	STRATEGIES	TIME TABLE FOR ACTION		
		2014	2015	2016
1. To inform the Stakeholder community of the Audit Office's role and responsibilities and create goodwill within the auditee community	<ul style="list-style-type: none"> Organize public awareness sessions with stakeholders, with specific emphasis on the hinterland areas. Stakeholder community to include: 		✓	✓
	<ul style="list-style-type: none"> Ministries and Public Entities Public Civil Society NGO's 		✓	✓
	<ul style="list-style-type: none"> Undertake Workshops/Information Sessions 			✓
	<ul style="list-style-type: none"> Publicize role (i.e. brochures, pamphlets etc.,) and work of the Audit Office 	✓	✓	✓

Needed Implementation Resources:

- Workshops, Information Sessions and Publicity;
- Regional Venues;
- Estimated Maximum Budget:

2014 -	2,000,000
2015 -	2,000,000
2016 -	1,000,000

Benchmarks and Benchmarking:

- The fact that the operations of the **Audit Office** are dispersed over several Regions, in addition to its Audit Teams having to be resident in a wide range of entities, (including Ministries, Statutory Bodies, Public Enterprises, special Projects, Trade Unions, etc.), requires that the Communication process reflect a sense of immediacy, decisiveness, supportiveness and collaboration;
- Outreach Programs will be held in Region N^os 1, 7, 8, 9, and 10.

Expected Results and Benefits:

- Achievement of Items 3 and 6 of Mission Statement;
- The Audit Office will be perceived as:
 - A Financial Management Organisation – it must ensure accountability for the receipt, disbursement and control of public monies.
 - An Investigation Organisation – it must, in addition to its routine Auditing role, conduct special investigations where these are warranted.
 - An Evaluation Organisation – following the conduct of its audits it must report findings, judgments and conclusions.
 - As a Quality Assurance Organisation– it must provide certification that targets of audited entities have been achieved at the agreed standards.
 - An Organisation of Integrity – it must conduct its business in such a manner that the integrity of its operations cannot be compromised.
 - An Organisation of Transparency – it is required to discharge its responsibilities to ensure that audited entities conduct their business in a transparent manner.
 - A Communication Organisation– it must commit itself to effective systems of communication both internally and externally.

**SECTION 5 (b): ESTIMATED MAXIMUM BUDGET FOR SDP-
(120 MG\$ of which 96 MG\$ are for SDP substantive activities)***

Strategic Goal #	Sub-goal	2014 \$	2015 \$	2016 \$	Totals \$
1: Enhance Personnel, Operation and Organizational Effectiveness	A ¹		-	-	-
	B		-	-	-
	C	6,380,820			6,380,820
	D	12,986,227	12,345,166	12,345,166	37,676,559
	E	1,000,000	1,000,000	1,000,000	3,000,000
Sub-total		20,367,047	13,345,166	13,345,166	47,057,379
2: Implement Modern Management Practices		-	-	-	-
Sub-total		-	-	-	-
3: Institutionalizing Best Practices, Knowledge and Skills Transfers for Sustainability		23,827,153	17,446,333	17,446,333	58,719,820
Sub-total		23,827,153	17,446,333	17,446,333	58,719,820
4: Implement and Enhance Accountability and Professional Audit Practices and Standards		46,115,807	-	-	46,115,807
Sub-total		46,115,807	-	-	46,115,807
5: Create Stakeholder Awareness of Constructive Role of Office		2,000,000	2,000,000	1,000,000	5,000,000
Sub-total		2,000,000	2,000,000	1,000,000	5,000,000
Totals		92,310,007	32,791,499	31,791,499	156,893,006
<i>Rounded Figure</i>					<i>\$157MGD</i>

¹The Budget for the Audit Operations Staff over the three-year period is reflected in **Goal 5: Implement and Enhance Accountability and Professional Audit Practices and Standards (2014-2016)**

EXHIBIT 1

C. 3.0 THE GOVERNANCE STRUCTURE

3.1 The National Assembly

Section 25 of the **Act** requires the **Auditor General** to report annually, and within nine months of the end of each fiscal year, on the results of the audit of the consolidated financial statements and the accounts of budget agencies in relation to that fiscal year.

The **Auditor General** shall, in accordance with Article 223 (3) of the Constitution, submit reports to the Speaker of the National Assembly, who shall cause them to be laid before the Assembly.

The governance structure established for the **Audit Office** includes the Institutions mentioned below.

3.2 The Public Accounts Committee (PAC)

The **Audit Office** recognizes its responsibility to account to the **Public Accounts Committee (PAC)**.

In accordance with Article 223 of the Constitution, the **Public Accounts Committee** will exercise general supervision over the functioning of the **Audit Office** including the functions of the **Auditor General**, in accordance with the Rules, Policies and any other law.

- Consider the budget submission for the **Audit Office** including work plans and programmes for the next fiscal year, and return to the **Auditor General** with relevant comments.
- After final review of the **Auditor General's** revised submission, the **Public Accounts Committee** within ninety days of the commencement of the next fiscal year, will forward the revised budget submission with comments to the Minister responsible for Finance for consideration, and
- Review on a quarterly basis reports on the performance and operation of the **Audit Office** in the format of a Programme Performance Statement.
- Review the Annual Performance and Financial Audit Report of the **Audit Office**.
- Arranging for the appointment of an independent auditor and report on the financial statements, accounts and other information relating to the performance of the **Audit Office** in respect of each fiscal year. This may include awarding the contract to an international firm.
- Placing special attention on the effective operation of the Human Resources Management and Development System in the **Audit Office**.
- Ensuring observance of the legal framework within which the **Audit Office** operates.

3.3 Auditor General and the Audit Office

The **Auditor General** is authorised:

- a) with the approval of the **Public Accounts Committee** to make regulations for the administration of the **Act**;
- b) to exercise complete discretion in discharging the external Auditor's to examine and report on the receipt, disbursement, and control of public monies and to promote greater economy, efficiency, and effectiveness in the use of such money;
- c) In the exercise of these functions, the **Auditor General** shall not be subject to the direction or control of any person or authority;
- d) The **Auditor General** shall represent Guyana as the Head of the Supreme Audit Institution of the Republic with the **International Organisation of Supreme Audit Institutions INTOSAI**, the Commonwealth Auditors' General and other International Accounting and Auditing Organisations and standard setting bodies.

The **Auditor General**, subject to the provisions of the **Act**, may also do anything and enter into any transaction necessary to ensure the proper performance of these functions.

**EXHIBIT 2
AUDIT OFFICE OF GUYANA - MANNING LEVEL CHART**

AUDIT OFFICE JOB/POSITION TITLES		AUTHORIZED STRENGTH		
		SMT	SUP	N-MGT
AUDITOR GENERAL'S SECRETARIAT				
	Auditor General	1		
	Administrative Assistant		1	
	Confidential Secretary		1	
	SUB TOTAL	1	2	0
AUDIT OPERATIONS DIVISION				
	Audit Director	3		
	Audit Manager	12		
	Audit Supervisor		30	
	Auditor			31
	Assistant Auditor			31
	Senior Audit Clerk			31
	Audit Clerk			50
	SUB TOTAL	15	32	143
WORKS AND STRUCTURES				
	Director Work and Structures	1		
	Manager, Work and Structures	1		
	Engineer		2	
	SUB TOTAL	2	2	
HUMAN RESOURCES AND AMINISTRATIVE DIVISION				
	Human Resources Manager	1		
	Deputy Human Resources Manager, Training & Development	1		
	Human Resources Officer	1		
	Confidential Secretary		1	
	Benefits and Compensation Clerk			1
	Employment Administration Clerk			1
	Driver			3
	Office Assistant			3
	Maid Cleaner			3
	Handyman			1
	Registry Supervisor		1	
	Registry Assistant			1
	SUB TOTAL	3	2	13
FINANCE AND ACCOUNTS MANAGER				
	Accountant	1		
	Accounting Assistant, Payments & Receipts		1	
	Accounting Assistant, Expenditure Planning & Management		1	
	Accounts Clerk, Payments			1
	Accounts Clerk, Expenditure of Votes			1
	Stores Clerk			1
	SUB TOTAL	2	2	3
INFORMATION SYSTEM MANAGER				
	Network Administrator	1		
	Programmer	1		
	Supervisor, Operations		1	
	Computer Service Technician			1
	Computer Operator			2
	SUB TOTAL	3	1	3
	TOTAL	25	40	162
	GRAND TOTAL		227	

EXHIBIT 3

Table of Anticipated Resources in place at end of SDP (2014):

THE AUDIT OFFICE MANNING REQUIREMENTS	STRENGTH						YEAR								
	Proposed			Actual (Jan.2014)			2014			2015			2016		
	SMT	SUP	N-MNGT	SMT	SUP	N-MNGT	SMT	SUP	N-MNGT	SMT	SUP	N-MNGT	SMT	SUP	N-MNGT
AUDITOR GENERAL'S SECRETARIAT	1	2	-	1	2	-	-	-	-	-	-	-	-	-	-
Sub-Total	1	2	-	1	2	-	-	-	-	-	-	-	-	-	-
AUDIT OPERATIONS															
Head of Business Unit I	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Division 2	1	3	11	-	2	13	1	1	2	-	-	-	-	-	-
Division 5	1	3	11	1	4	21	-	-	-	-	-	-	-	-	-
Division 9	1	3	9	1	2	16	-	-	-	-	-	-	-	-	-
Head of Business Unit II	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Division 1	1	3	9	1	4	8	-	-	1	-	-	-	-	-	-
Division 3	1	3	14	-	-	-	1	-	-	-	-	-	-	-	-
Division 6	1	3	22	1	3	22	-	-	-	-	-	-	-	-	-
Head of Business Unit III	1	-	-	1	-	-	1	-	-	-	-	-	-	-	-
Division 4	1	3	24	1	4	19	-	-	-	-	-	-	-	-	-
Division 7	1	3	22	1	4	13	-	-	-	-	-	-	-	-	-
Division 8	1	2	8	1	3	16	-	-	-	-	-	-	-	-	-
Forensic Audit Unit	1	1	4	-	2	6	1	-	2	-	-	-	-	-	-
Performance Audit Unit	2	2	7	1	1	-	-	-	-	-	-	-	-	-	-
Quality Assurance Section	-	1	2	-	1	4	1	-	-	-	-	-	-	-	-
Sub-Total	15	30	143	10	29	138	5	1	5	-	-	-	-	-	-
CORPORATE SERVICES															
Human Resources Division	3	2	13	1	1	12	2	-	2	-	-	-	-	-	-
Finance and Accounts Division	2	1	4	2	2	6	-	-	-	-	-	-	-	-	-
Information Technology Division	3	1	3	3	1	2	-	-	1	-	-	-	-	-	-
Works and Structures Division	2	2	-	1	2	-	1	-	-	-	-	-	-	-	-
Sub-Total	10	6	20	7	6	20	3	0	3	-	-	-	-	-	-
TOTAL	26	38	163	18	37	155	8	1	8	-	-	-	-	-	-
GRAND TOTAL		227			210			17		-			-		
															227

Increases:
 2011: 18% of Proposed Strength
 2012: 9% of Proposed Strength
 2013: 7% of Proposed Strength

NB Total strength amounts to 227 when the position of Director- Works & Structures is added.

