



Ref: DG/TA/NTCE/2024/05

22nd October, 2024

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NOTICE NUMBER: IAA/05/10/2024

EXPIRATION OF INTERNAL AUDIT CHARTERS OF PUBLIC INSTITUTIONS

Reference is made to Regulations 1 (1-3) of the Internal Audit Regulations, 2011 (L.I.1994) and 219 of the Public Financial Management Regulations, 2019 (L.I.2378) which require *internal audit of a covered entity to be conducted in accordance with standards and procedures set by the Internal Audit Agency (IAA).*

2. The IAA is further mandated under Regulations 219 (2) of the PFMR 2019 (L.I. 2378) *to prepare and publish directives and guidelines for the implementation of its standards and procedures.*
3. Regulation 7 (1)(b)(d) and 12 (2) of the Internal Audit Regulations, 2011 (L.I.1994) also, require a Head of Public Institution to *ensure that internal audit plans are consistent with the Internal Audit Unit's (IAUs) charter, goals and processes for undertaking Internal Audit functions of the Institution in accordance with standards set by the IAA.*
4. The statutory functions of an IAU of a public institution (to be indicated in an approved Internal Audit Charter) are those provided for under section 83 of the Public Financial Management (PFM) Act, 2016 (Act 921) and section 16 (1- 5) of the Internal Audit Agency Act, 2003 (Act 658).
5. It will be recalled that, the IAA, in 2017 adopted the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF), for the Public Sector of Ghana, together with the 2017 model of the Internal Audit Activity Charter as the practice guide for the development of Internal Audit Charter for public institutions.
6. In 2024 and with the introduction of the new Global Internal Audit Standards (GIAS) the Board of the IAA, signaled a national adoption of the new International Professional Practices Framework (IPPF) and the GIAS (2024) for the conduct of Internal Audit in the Public Sector effective, **January 2025.**

7. Standards 6.1 and 6.2 of the newly adopted GIAS (2024), requires an Internal Audit Unit (IAU) of a Public Institution to have an **approved Internal Audit Charter to operationalize its mandate.**

8. The Internal Audit Charter is “ ***a formal document that includes the internal audit function’s mandate, organizational position, reporting relationships, scope of work, types of services, and other specifications.***”

9. To sustain its relevance, effectiveness and responsiveness to changes in the organization’s environment, the IAA set and communicated the national standard for revising Internal Audit Charters of public institutions to be **four (4) years, beginning 2020**, in addition to periodic reviews necessitated by a:

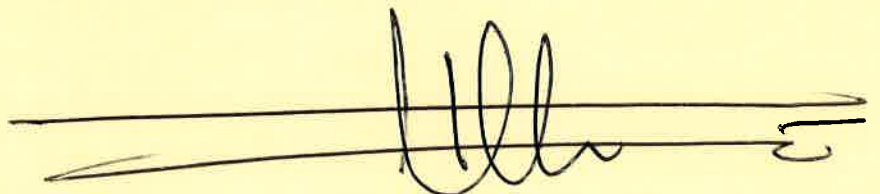
- (a) Change in Head of Institution or IAU;
- (b) Significant change in the scope of work of the IAU; and
- (c) Significant change in the business processes of the Institution.

10. Public Institutions are by this notice reminded that all Internal Audit Charters in use by the IAUs **expires on 31st December 2024** and must therefore be revised in accordance with the new IPPF and GIAS (2024) for implementation effective January 2025.

11. Heads of Public Institutions and IAUs are advised to ensure that copies of revised Charters as approved by their Management and Audit Committees are deposited with the Agency not **later than 31st December, 2024.**

12. Attached is a link to the Template for guidance and Calendar for Complying with the Internal Audit reporting requirements of Public Institutions under the PFM Act 2016 (Act 921). <https://pdf.ac/172EuF>

13. Please accept the continued assurances of our highest consideration.



E.O. OSAE (Ph.D, FCA)
DIRECTOR-GENERAL

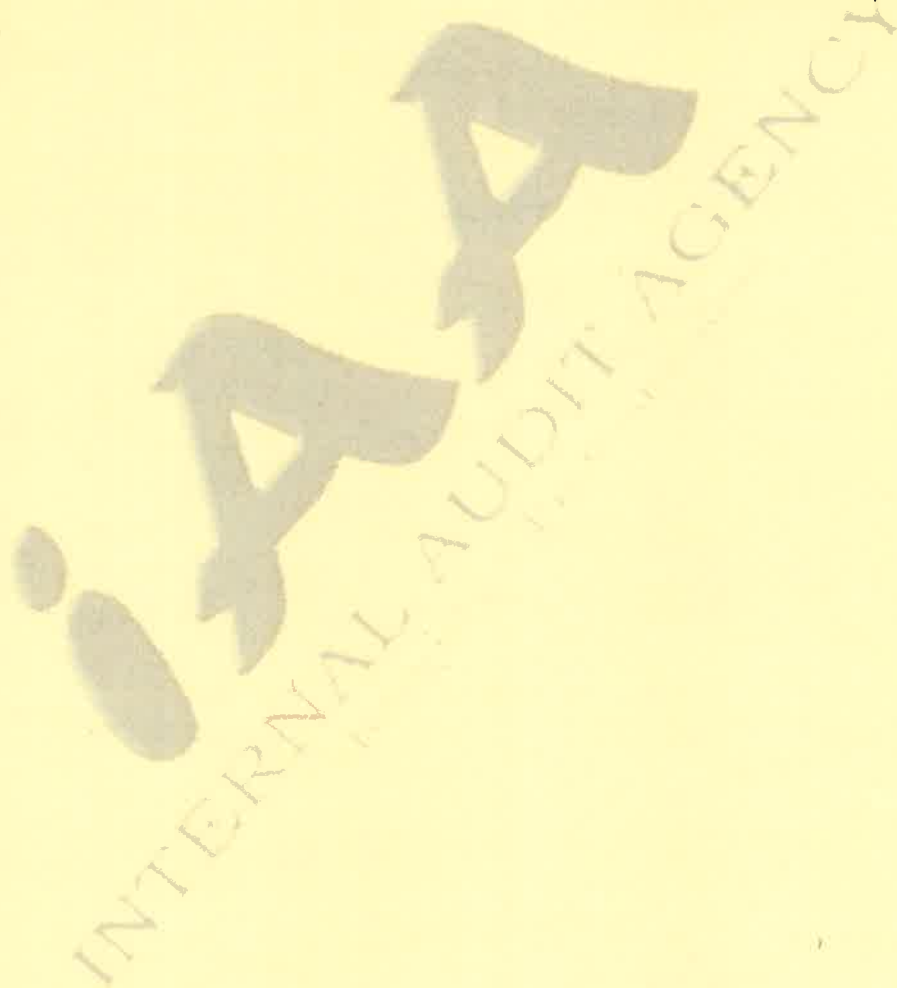
DISTRIBUTION

- 1. Chief of Staff, Office of the President**
- 2. Hon. Minister For Finance**
- 3. Head, Office of the Head of Civil Service (OHCS)**

4. **Head, Office of the Head of Local Government Service (OHLGS)**
5. **All Principal Accounts Holders (PAHs)**
6. **All Principal Spending Officers (PSOs)**
7. **Heads of Covered Entities**
8. **Heads of Internal Audit Units**
9. **Chairpersons, Audit Committees**

Cc:

Minister of State, MoF
Deputy Ministers, MoF
Chief Director, MoF



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CALENDAR FOR COMPLIANCE WITH INTERNAL AUDIT REPORTING REQUIREMENTS

NO.	TYPE OF REPORT	DEADLINE FOR SUBMISSION	ACTION REQUIRED	RESPONSIBILITY
1.	Internal Audit Charter	<p>Immediately any condition under 'Action Required' occurs</p> <p>ALL Internal Audit Charters are required to be revised by end of December 2024.</p>	<p>Reviewed every 4 years or when a change in condition occur, e.g., change in Head of Institution or IAU, significant change in scope of operations of Institution</p>	<p>Prepared by the Head of the Internal Audit Unit</p> <hr/> <p>Affirmed by the Head of the Institution</p> <hr/> <p>Approved by the Audit Committee Chairperson</p> <hr/> <p>Cover Letter signed by the Head of the Institution</p> <hr/> <p>Submitted by the Head of the Internal Audit Unit</p>
2.	Risk-Based Annual Internal Audit Plan for 2024	31st January, 2024	(Prepared and finalised at the end of December 2023)	<p>Prepared by the Head of the Internal Audit Unit</p> <hr/> <p>Affirmed by the Head of the Institution</p>

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				Approved by the Audit Committee Chairperson
				Cover Letter signed by the Head of the Institution
				Submitted by the Head of the Internal Audit Unit
3.	1 st Quarter Internal Audit Report for 2024	30th April, 2024	Prepared and finalised at the end of March 2024	Prepared by the Head of the Internal Audit Unit
				Cover Letter signed by the Head of the Institution
				Submitted by the Head of the Internal Audit Unit
4.	2 nd Quarter Internal Audit Report for 2024	31st July, 2024	Prepared and finalised at the end of June 2024	Prepared by the Head of the Internal Audit Unit
				Cover Letter signed by the Head of the Institution
				Submitted by the Head of the Internal Audit Unit
5.	3 rd Quarter Internal Audit Report for 2024	31st October, 2024	Prepared and finalised at the end of September 2024	Prepared by the Head of the Internal Audit Unit
				Cover Letter signed by the Head of the Institution

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				Submitted by the Head of the Internal Audit Unit
6.	Revised Internal Audit Charter	31st December, 2024	Revised, Signed, Approved and submitted to the agency by 31 st December, 2024	Cover letter signed by Head of Institution
7.	4 th Quarter Internal Audit Report for 2024	31st January, 2025	Prepared and finalised at the end of December 2024	Prepared by the Head of the Internal Audit Unit
				Cover Letter signed by the Head of the Institution
				Submitted by the Head of the Internal Audit Unit
8.	Annual Internal Audit Performance Report, 2024	31st December, 2024	Prepared and finalised at the end of December 2024 to cover the period, 4 th Quarter 2023- 3 rd Quarter 2024	Prepared by the Head of the Internal Audit Unit
				Cover Letter signed by the Head of the Institution
				Submitted by the Head of the Internal Audit Unit
9.	1 st Half-year Audit Committee's Report, 2024	31st July, 2024	To report any concern in relation to the covered entity to the Principal Account Holder, Minister for Finance, Director-General of the Internal Audit Agency, Chairperson of the Board or	Prepared by the Audit Committee Secretary
		31st January, 2025		Approved by the Audit Committee Chairperson
				Cover Letter signed by the Head of the Institution

	2 nd Half-year Audit Committee's Report, 2024		Council of the covered entity and Auditor-General	Submitted by the Audit Committee Secretary
10	Annual Statement of Status of Implementation of Recommendations for 2024	30th June, 2025	Prepared and attached to the Annual Audit Committee's Report as Appendix	Prepared by the Principal Spending Officer Endorsed by the Sector Minister Cover Letter signed by the Head of the Institution Submitted by the Principal Spending Officer
11	Annual Audit Committee's Report for 2024	30th June, 2025	Prepared including Annual Statement of Status of Implementation of Recommendations	Prepared by the Audit Committee Secretary Approved by the Audit Committee Chairperson Cover Letter signed by the Head of the Institution Submitted by the Principal Spending Officer