



GOVERNMENT OF JAMAICA

**Audit
Committee
Policy**

**For Ministries, Departments
And Executive Agencies**

REVISED
January 2007

Foreword

The Government of Jamaica is committed to improving the governance structure of its agencies including its Ministries, Departments and Executive Agencies. Consequently, it has interwoven a key institution, the audit committee, in these entities' governance, accountability and transparency framework. The audit committee is an important oversight mechanism to help each Accounting Officer in the effective discharge of his stewardship over government operations, assets and services.

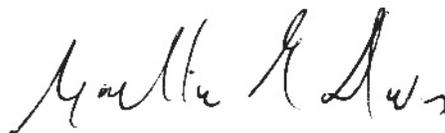
It is also expected that the establishment of audit committees within government entities will positively contribute to the improvement of their respective entity's internal control, risk management systems and practices. Already, the impact of existing audit committees is being felt and seen, especially in those entities where the Accounting Officer has developed a good rapport with the audit committee.

The revision of the audit committee policy will continue to provide guidance on the standards to be applied by the committee members as well as improve the operational activities of the committees.

Audit Committee members are encouraged to use this policy document as a point of reference in the execution of their duties.



Financial Secretary



Cabinet Secretary

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PREFACE

Introduction

Ministries, Department and Executive Agencies are expected to achieve and maintain a high level of corporate governance and transparency. The existence of the Audit Committee provides assistance in this regard by being an independent instrument of control and a review organ.

This policy document is designed to provide comprehensive guidance to the Audit Committee members in performing their oversight function.

Application

The Audit Committee Policy is issued by the Financial Secretary and will apply to all members of Audit Committees established within Ministries, Departments and Executive Agencies in accordance with Section 33 of the Financial Administration and Audit Act (Amendment).

Several specimen documents referred to in the text are included in Section Three of this publication.

Review of Policy

The Financial Secretary will issue amendments where applicable under cover of a Ministry of Finance and Planning memorandum. Individuals seeking clarification or interpretation and those who may wish to comment on the Audit Committee Policy may contact the Public Expenditure Policy Coordination (PXPC) Division of the Ministry. The policy is to be reviewed annually or as needed.

SECTION 1: FRAMEWORK

1.1 Legislation

The FAA (Amendment) Act stipulates that there should be established in each Ministry, Department and Executive Agency an Audit Committee to assist the Accounting Officer in carrying out his duties.

It also states that the 'Audit Committee shall be responsible for overseeing and assessing the adequacy and scope of the arrangement for the management of the internal and external audit functions of the department' (S 33a). (Proposal made 4/7/03).

1.2 Policy Principles:

1. The creation of Audit Committees within central government will contribute to good corporate governance and thereby improve both efficiency and accountability in the public sector.
2. The main role of the Audit Committee is to provide independent, effective oversight on the financial reporting process and internal controls of the organisation.
3. The Audit Committee is appointed to give advice to the Accounting Officer on the adequacy of audit arrangements (internal and external) and on the assurances provided in respect of risk and control in the organisation.
4. The Audit Committee shall have no executive powers and shall not be responsible for the preparation of financial statements or the implementation of proper systems of internal controls.

SECTION 2: POLICY GUIDELINES

In order to regulate the functions and structure of the Audit Committee, the following policy guidelines should be implemented by audit committee members.

GUIDELINES

1. Structure Of The Audit Committee

1.1 Composition of an Audit Committee

- There should be at least 5 and no more than 7 members on the Audit Committee. A minimum of two-thirds of the members should be independent. "Independent" for the purpose of this policy means that the member is a person other than an employee of the entity or its Agencies or any other individual having a relationship that would interfere with the exercise of independent/impartial judgement in carrying out the responsibilities of the audit committee.
- Members should exhibit adequate analytical, financial and managerial expertise in order that issues may be comprehensively addressed. To this end it is recommended that the Committee be made up of a balance of skills including at least one individual with technical skills in financial and managerial matters.
- The following officers shall not be appointed to the Audit Committee:
 1. Accounting Officers
 2. Principal Finance Officers and Chief Financial Officers of the entity.
 3. Chief Internal Auditors or Head of Internal Audit of the entity to which they are employed.

1.2 Appointment of Members

- The Ministry, Department or Executive Agency should send a list of nominees along with their respective curriculum vitae to the Internal Audit Directorate of the Ministry of Finance and Planning for sanctioning. The requisite officers in conjunction with the Audit Commission should review this list and should communicate their approval or concerns regarding the eligibility of the nominees.
- A final list of accepted nominees should be sent by the Ministry of Finance and Planning to the Cabinet Secretary and the Ministry/Department or Executive Agency. The Cabinet Secretary should arrange with the entity for the appointment of the chairman.
- An Appointment Panel comprising at least three members of the Audit Commission and the Accounting Officer should appoint the Chairman of the Audit Committee. The Cabinet Secretary or his nominee should chair this panel. (Details of the Audit Commission are contained in Section 6).

1.3 Officers not Eligible for Chair

The following persons are not eligible to be elected as Chairperson of an Audit Committee:

- The representative for the particular Ministry/Department or Executive Agency

2. Audit Committee Tenure

2.1 Tenure of the Audit Committee

In order to ensure that the level of objectivity is maintained, and that any conflict of interest whether real or perceived is minimized, guidelines relating to the tenure of Audit Committees are as follows:

- Committee members shall serve for a minimum of five (5) years and a maximum of seven (7) years consecutively. However, this would not bar any such member from further service.

- At the end of the initial five-year period, committee members may indicate their willingness to serve for another two (2) years. This should be communicated in writing to the Accounting Officer of the entity and the Audit Commission.

In the interest of continuity, an outgoing Chairman who has served seven years may serve for an additional year but not as the Chairperson of the incoming Audit Committee.

2.2 Resignation From An Audit Committee

An audit committee member, who wishes to resign, should give one month's notice in writing to the Chairman of the Audit Committee, The Accounting Officer and the Audit Commission outlining the reasons.

In the case of the chairman, the members of his committee should be informed of his resignation.

2.3 Dismantling of the Audit Committee

Members resigning from the committee upon the expiration of their tenure, should tender a letter of resignation to the Accounting Officer and the Audit Commission. All records should be handed over to the Audit Commission, which will be made available to the new committee.

2.4 Dismissal of an Audit Committee Member

The following are possible circumstances, which may lead to the dismissal of an Audit Committee member:

- Failure to attend three consecutive meetings
- Lack of Independence/Conflict of Interest
- Any other reason that the committee may deem to be just and credible

If any of the above should occur, the Chairman must refer the case, in writing, to the Accounting Officer and the Audit Commission outlining the circumstances and recommending that the member be replaced. A copy of the correspondence should be given to the member. The Accounting Officer shall review the circumstances and state in writing his position to the Audit Committee and Audit Commission within one month of receipt.

If the Accounting Officer concurs with the recommendation of the Audit Committee Chairman, he should nominate a replacement using the appointment procedures outlined in *Guideline 1.2*.

Where the Accounting Officer disagrees with the Audit Committee Chairman's recommendations, the Audit Commission will be requested to investigate and give its ruling which shall be final. This ruling will be communicated in writing to all parties concerned within one month of the Accounting Officer's submission.

3. Management Of The Audit Committee

3.1 The Audit Committee Charter

The Audit Committee should prepare documented terms of reference (charter), which should be reviewed and approved by the Accounting Officer and submitted to the Audit Commission for final approval. The charter provides a formal written point of reference which serves to empower the operations of the Audit Committee. The charter should be reviewed annually by the audit committee and any changes thereto submitted to the Accounting Officer for review and approval.

The Committee's performance should be assessed against this charter periodically.

The Audit Committee Charter should:

- Establish the committee's authority and responsibilities
- Define the scope of its operation
- Establish its objectives

The charter should include a remit to consider the adequacy of risk management and internal control as well as the accuracy of financial reporting through reviewing (inter alia):

- The mechanisms for the assessment and management of risk
- The planned activity of internal audit
- The results of the internal audit activity
- The planned activity of external audit, if applicable
- The results of the external audit activity
- The adequacy of management response to issues identified by the audit activity

- Assurances relating to the corporate governance requirements of the organisation.

A specimen Audit Committee Charter is included in Section Three of this document.

3.2 Audit Committee Authority and Responsibilities

The Authority of the Audit Committee shall include but not be limited to:

- Seek and obtain any information it requires from any employee and external parties.
- Invite officers of the organisation, internal and external auditors at meetings, as appropriate.

The Responsibilities of the Audit Committee shall include but not be limited to:

- Reviewing and approving the Internal Audit Charter
- Reviewing and approving annual audit plans, budgets and schedules (to ensure sufficient audit coverage)
- Ensuring that the Internal Audit Unit adheres to Internal Audit Standards set by the Ministry of Finance & Planning
- Perusing and discussing audit reports
- Requesting investigation of specific areas as needed

4. Ethical Behaviour

- All members of the Audit Committee have a fiduciary responsibility to demonstrate due professional care and proficiency at all times. In order to optimize their performance, they should seek relevant professional assistance where necessary. They should be and be seen to be independent of the management and audit functions. This will allow them to display objectivity and avoid cases of conflicts of interest. If there is a change in circumstances, causing a member's independence to be impaired, then that member should resign in accordance with *Guideline 2.2* of this policy.
- Where the independence of a member is impaired, but he/she is not willing to resign, the majority of the committee members shall indicate in writing their concerns and make recommendations for the member's removal in accordance with Guideline 2.4 of this policy.

5. Performance Of The Audit Committee

5.1 The Operation of the Audit Committee

- The Audit Committee shall meet at least quarterly and may invite as an attendee at meetings, the CIA for the Internal Audit Unit.
- A quorum should be present prior to the commencement of meetings. A quorum shall consist of two thirds of the membership.
- In instances where it is considered necessary, the requisite accounting or other personnel may be invited to answer any questions of the Committee pertaining to their area of responsibility.
- The Committee should also request responses from the auditee identifying the actions taken to implement the audit recommendations given and should continue to monitor the responses and corrective actions implemented.

- The Committee should periodically review and evaluate the internal audit activity to ensure that the scope and audit approach being applied are relevant to achieve the desired objectives of the entity. *(Refer to Section Three for a specimen Internal Audit Evaluation.)*
- Audit reports should be circulated to the audit committee members within five working days before the proposed committee meeting.
- The Committee shall review the audit reports, analyze audit issues and evaluate the adequacy of recommendations and the responses of the auditee. The Committee must ensure that these issues are dealt with adequately and satisfactorily.
- The duration of the meetings should allow adequate discussion of the issues. Where the Audit Committee's monitoring and review activities reveal cause for concern or scope for improvement within the entity, it should make recommendations to the Accounting Officer, through its chair, on the action to be taken.
- Sufficient interval should be allowed between audit committee meetings and main management meetings to allow follow-up actions to be effected.
- The Chairperson shall request the Accounting Officer of the entity to provide a secretary for the committee, or may appoint one of its members to be the secretary of the committee, or may avail himself/herself of the resources at his/her MDA of an individual to perform the duties of a secretary for the Committee (subject to the Accounting Officer's approval). The secretary shall assist the Chairman in:
 - a. Preparing agendas for meetings
 - b. Drafting minutes and annual report of the committee's activities
 - c. Collecting and disseminating information

5.2 Reporting Responsibilities of the Audit Committee

The audit committee reports are intended to provide information on a global level, of the anomalies noted by the internal/external audit function and how and when these were resolved. They will help to monitor the improvements made in the internal control environment as a result of the audit activity.

- The Audit Committee shall present a report after each committee meeting to the Accounting Officer within four weeks after the sitting of the audit committee. The report will highlight the following (inter alia):
 - Discussions and decisions on audit issues
 - Internal audit plan and status report
 - Updates on outstanding management responses

A sample report "Committee Meeting Report" is included in Section Three.

The Audit Committee should submit an exception report to the Financial Secretary, Ministry of Finance and Planning (Attention: The Public Expenditure Division) on a quarterly basis, outlining any negative trends, for example, lack of management response. The Ministry of Finance and Planning will communicate with the Accounting Officer in an effort to resolve outstanding issues. Where these have not been resolved, the issues should be presented to the Audit Commission for further action.

The Committee should also prepare an annual report within four months of the end of the financial year, comprising all major activities for the year. This report should be submitted to:

- a) The Audit Commission
- b) The Accounting Officer. Where the Accounting Officer heads a Department or Executive Agency, a copy of the report should be submitted to the Accounting Officer of the Portfolio Ministry.
- c) Financial Secretary
- d) Chairman of the Advisory Board (Executive Agencies)
- e) Auditor General
- f) Chief Internal Auditor
- g) Audit Committee members

The annual report may include but is not limited to the following:

- Details of attendance at meetings
- Conclusion on the adequacy and effectiveness of internal controls in the entity
- General comments on the quality of internal audit reports submitted
- Results of the evaluation of financial and other data

A sample of the report "Annual Audit Committee Report" is included in Section Three.

5.3 Training of Audit Committee Members

The Ministry of Finance & Planning in conjunction with the Cabinet Office will make provision for training Audit Committee members on an on going basis. Ministries/Departments and Agencies also have the responsibility of ensuring that audit committee members are kept abreast of current financial and audit committee practices as well as the operations unique to that particular entity.

5.4 Auditor/Audit Committee Relationship

- The Head of Internal Audit and the senior member of the external audit team have the right of access to the Audit Committee. The lines of communication should facilitate independence from management and encourage internal and external auditors to speak freely, regularly and on a confidential basis with the Audit Committee.
- The Audit Committee should provide an open avenue of communication between the internal auditor, the external auditor and the Accounting Officer.

6. The Audit Commission

6.1 The Role of the Audit Commission

The main role of this independent body is to ensure the continued effectiveness of Audit Committees. It will promote best practice in the operation of the Audit Committees by monitoring the performance of audit committees against this policy.

6.2 Appointments and Composition of the Audit Commission

The Audit Commission should be appointed by the Cabinet Secretary. It should consist of at least five and no more than seven members, with at least one member from each of the following groups:

- Senior Directors, Office of the Cabinet Secretary
- Senior members of the Institute of Chartered Accountants of Jamaica
- Senior members of the Institute of Internal Auditors
- Divisional Heads, Ministry of Finance & Planning
- Senior Directors, Auditor General's Department

6.3 Officers not Eligible for Membership

Current members of audit committees are not eligible for membership.

6.4 Independence and Tenure

Members of the Audit Commission should exhibit the same basic requirements for membership in an audit committee.

Members of the Audit Commission shall serve for a maximum of five (5) consecutive years. This would not bar any such member from further service.

6.5 Audit Commission Authority

The Authority of the Audit Commission shall include but not be limited to:

- Seek and obtain information from relevant entities to resolve outstanding issues presented by audit committees
- Summon members of Management, Auditors or other persons as it deems necessary, to appear before the committee throughout its proceedings.
- Dismantle non-performing audit committees or dismiss non-performing members thereof
- Seek professional and legal advice from any government regulatory body.

6.6 Audit Commission Responsibilities

The Responsibilities of the Audit Commission shall include but not be limited to:

- Maintain a copy of the Audit Committee Charters
- Review of periodic Audit Committee reports
- Ensure that Audit Committees operate within the ambit of the Government of Jamaica Audit Committee policy.

6.7 Operation of the Audit Commission

The Audit Commission shall meet at least semi-annually to discuss issues raised in the committee reports as well as assess the effectiveness of the Audit Committees.

- A Chairperson shall be appointed based on the decision of the Commission members
- The Chairperson shall appoint a Secretary who shall prepare a report subsequent to meetings being held
- A quorum, consisting of two thirds of the membership, shall be present prior to the commencement of meetings.
- The Audit Commission should keep copies of the charters of Audit Committees and perform annual reviews to determine their pertinence.
- The Audit Commission should review the annual audit committee report to identify and resolve outstanding issues.
- The Audit Commission should evaluate the performance of the Audit Committees
- The Audit Commission shall be the temporary custodian of audit committee records during the transition of an audit committee.

SECTION 3: SPECIMEN DOCUMENTS

ANNEX I

Generic Audit Committee Charter

The Audit Committee of the Ministry of shall consist of a minimum of five members. Audit committee members shall be appointed by an appointment panel upon the recommendation of the Audit Commission. All committee members shall be independent of the management functions of the entity and shall include one member who will represent the interest of the entity. The audit committee members shall collectively have sufficient financial and managerial experience and ability to enable them to discharge their responsibilities.

The purpose of the committee shall be to assist the entity in its oversight of the integrity of the financial statements, compliance with the relevant Acts and policies, the independence and qualifications of the independent auditor and the performance of the entity's internal audit function and independent auditors.

In furtherance of this purpose, the committee shall have the following authority and responsibilities:

- To review the entity's internal system of audit and financial controls and the results of internal audits
- To review the annual audit plan and periodic status report
- To review and investigate any matter pertaining to the integrity of management, including conflicts of interest or adherence to standards of business conduct as required in the policies of the entity.

- To review the entity's financial reporting and accounting standards and principles
- To discuss with management and the independent auditor, as appropriate, any audit problems or difficulties and management's response to issues raised in audit reports.
- To discuss with management and the independent auditor the annual audited financial statements.

The committee shall meet quarterly to discuss issues pertaining to any of the above issues.

The committee shall have authority to retain such outside counsel, experts and other advisors, as the committee may deem appropriate.

Where applicable, the committee may give advice on the retention terms of the external auditors.

The committee shall report its recommendations to the Accounting Officer. Half-yearly reports and the annual report of the committee's activities will be submitted to the Audit Commission.

The committee shall review at least annually, the adequacy of this charter and recommend any proposed changes to the Accounting Officer.

The committee shall be subject to an annual evaluation by the Audit commission.

ANNEX II

Specimen Committee Meeting Report

Audit Committee

Report to the Permanent Secretary and Ministry of Finance and Planning

Meeting held on April 1, XXXX

The committee met on April 1, XXXX and discussed the items listed on the agenda of the meeting for action. These included the following:

- Audit of the

The Entity as part of its annual audit program, conducted an audit of the Head Office for the period September 1, XXXX to February 28, XXXX. The audit evaluated the effectiveness of the control environment, compliance with the relevant Acts and policy guidelines issued and the integrity of the financial reports. The report highlighted a generally acceptable level of internal controls except in the area of disbursements where sporadic deviations from management's control policy were noted. The Committee concurred with the recommendation given that senior management should ensure that all internal controls are adhered to prior to approval.

- Internal Audit Plan and Status Report

The CIA presented the Internal Audit Status report for the period January 1, XXXX to March 31, XXXX pointing out key audits and initiatives undertaken in the department. All regulatory and financial audits were completed as required. The Internal Audit Unit remains on target based on the annual audit plan.

- **Management Response Update**

Management's response to audit queries is outstanding in a number of cases. *(These outstanding audit queries should be highlighted.)* The committee continues to emphasize the urgency and importance of these responses and urges the CIA to maintain dialogue with the respective individuals to this end. Management response to the audit report for the first quarter has been received. *(The audit committee should evaluate and comment on whether the responses adequately address the concerns of the auditor and where necessary communicate this to management as well as the Accounting Officer.)*

- **Audit Planning Overview**

The audit approach by the internal/external auditors was presented. This highlighted the continued use of the business risk approach for the financial year XXXX/YYYY. The audit is expected to commence on February 15, XXXX and the first draft of the financial statements and management letter are expected by March 7, XXXX.

ANNEX III

Generic Annual Audit Committee Report

These generic reports should not be viewed as prescriptive but are intended to be a guide. The Audit Committee report may include areas of concerns or observations as considered appropriate, that have not been outlined in these generic reports.

Name of MDA

Report of the Audit Committee

We are pleased to present our report for the financial year ended March 31, XXXX.

Audit Committee members and attendance

The audit committee consists of the members listed below. Quarterly meetings were held as per the approved charter and during the current year four meetings were held:

<u>Name of Member</u>	<u>Number of Meetings Attended</u>
John Doe (Chairman)	4
Brigg Holms	4
Sally Botha	3
T. Hindi	4
A. Khan	4

Audit Committee Responsibility

The Audit Committee reports that it has adopted a charter that has been approved by the Accounting Officer. The affairs of the committee are in compliance with the charter and the committee has discharged all its responsibilities as contained therein.

The effectiveness of Internal Control (select the appropriate paragraph below)

The system of internal control is effective as the various reports of the Internal Auditors, the matters of emphasis and management letter of the external auditors have not reported any significant or material non-compliance with prescribed policies and procedures. The audit activities for the year have been guided by the results of periodic risk assessment.

OR

The system of internal control is not effective as compliance with prescribed policies and procedures is lacking. During the year under review, several instances of non-compliance were reported by internal and external auditors, which resulted from a breakdown in the functioning of controls. The weaknesses previously reported have not been addressed satisfactorily by the Accounting Officer. This is evidenced by the lack of response to the audit committee's queries and the non-implementation of recommendations made by the auditors. *(It is very important that the audit committee substantiate these statements and should, where necessary sight instances of the failure by the Accounting Officer and his/her management to be responsive to audit or the audit committee queries etc.*

The quality of the current year Internal Audit and Management quarterly/monthly reports in accordance with Government guidelines

(Select the appropriate paragraph below)

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Internal Audit Unit and the Ministry (via other units) during the year under review. However, it was noted that (e.g. reconciliations are not prepared on a timely basis for several accounts). *(State Here e.g. weakness identified; areas that require improvement; solutions or recommendations that would aid in the overall improvement of the internal or external audit function.*

OR

The committee is not satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Internal Audit Unit and the Ministry (via other units) during the year under review. Critical issues noted are:.....

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed with the Accounting Officer and where applicable, the Principal Financial Officer/Director of Finance, the audited/un-audited annual financial statements to be included in the annual report
- Reviewed the Auditor-General’s Annual Audit Report (management letter) and management responses
- Reviewed changes in accounting policies and practices
- Reviewed significant adjustments resulting from the audit

The Audit Committee concurs and accepts the conclusions of the Accounting Officer or where applicable the Board of Directors, on the annual financial statements and is of the opinion that the audited annual financial statements can be accepted and read together with the annual report.

.....

Chairperson of the Audit Committee

Date:.....

ANNEX IV

Specimen Audit Committee Evaluation

	<u>Rating</u> 5- very strong 4- strong 3- satisfactory 2- adequate, improvement needed 1- significant improvement needed	<u>Comments</u> <i>(Please attach additional pages for comments, if needed)</i>
Organisation		
1. The audit committee charter clearly sets forth the nature and scope of responsibilities, and has been approved by the committee and the Accounting Officer	5 4 3 2 1	
2. The audit committee membership meets regulatory requirements. members have the requisite background and skills, and they actively provide input.	5 4 3 2 1	
3. The audit committee's actions reflect independence from management, ethical behaviour, and the best interest of stakeholders.	5 4 3 2 1	
Oversight of the Financial Reporting and Audit Process		
4. Minutes and reports to the Accounting Officer reflect the significant activities, actions, and recommendations of the committee.	5 4 3 2 1	
5. There is meaningful discussion and consideration of the entity's financial reporting risks and the related internal controls, which are reflected in the audit committee's discussions and agenda items.	5 4 3 2 1	
The audit committee's actions demonstrate its direct responsibility for the oversight of the work of the internal and external auditors.	5 4 3 2 1	

	<u>Rating</u> 5- very strong 4- strong 3- satisfactory 2- adequate, improvement needed 1- significant improvement needed	<u>Comments</u> <i>(Please attach additional pages for comments, if needed)</i>
7. There is appropriate consideration of the internal audit department's annual audit plans, resources, and ability.	5 4 3 2 1	
8. There is appropriate consideration of the internal audit department's reports, management response, and improvement actions.	5 4 3 2 1	
9. There is appropriate consideration of the reports and other communication from the external auditors.	5 4 3 2 1	
10. Any and all matters identified that require follow-through are resolved.	5 4 3 2 1	
Overall Evaluation		
What is your overall assessment of the performance of the audit committee?	5 4 3 2 1	

ANNEX V

Specimen Evaluation of Internal Audit Units

Evaluation of Internal Audit Unit	YES	NO	Comments
1. Does the Unit appear to be using its time and resources effectively and efficiently?			
2. Are the Unit's size and structure adequate to meet its established objectives?			
3. Is the experience level of the internal auditors adequate?			
4. Is the technical knowledge of the Internal Auditors sufficient to ensure that duties are performed appropriately?			
5. Does planning of the Unit's work include written audit plans and programs?			
6. Are the internal audit reports issued on a timely basis?			
7. Do the internal audit reports include sufficient detail for effective action by management and or the audit committee?			
8. Does management respond in an appropriate and timely fashion to significant recommendations and comments made by the internal auditors?			
9. Do internal audit procedures encompass operational as well as financial areas?			
10. Is there anything that could be done in the future to maximize the Unit's effectiveness and efficiency?			
11. Does the internal audit team			

<u>Evaluation of Internal Audit Unit</u>	YES	NO	Comments
have a periodic 'peer review' performed and, if so, what were the results of the latest review?			
12. Is the Unit's work concentrated in areas of high risk and sensitivity?			
13. Does the internal audit team keep itself informed of, and involved in professional activities?			
14. Are the internal auditors' views regarding controls, the risk of fraud, and compliance matters properly documented?			
15. Has the charter of the internal audit unit been evaluated by the CIA and management to determine if it is still appropriate?			