

Approved on:-----

By the Representative Council of Shota Meskhia State
Teaching University of Zugdidi

Regulations of the Office of Internal Audit of LEPL - Shota Meskhia State Teaching University of Zugdidi

Article 1. General Provision

The Office of Internal Audit is a structural unit of LEPL - Shota Meskhia State Teaching University of Zugdidi, the activity of which is regulated by legislation of Georgia, the Statute of the Teaching University and the Regulations thereof.

Article 2. The organizational structure of the Office of Internal Audit

1. As defined by the staff list and payroll budget of Shota Meskhia State Teaching University of Zugdidi, the number of the staff unit for the positions of the Head of the Office of Internal Audit shall be one salaried employee and the Office shall be managed by the Head of the Office of Internal Audit.
2. The Head of the Office of Internal Audit shall be appointed/dismissed by the Rector, upon the recommendation of the Head of Administration.

Article 2. Objectives and Functions of the Office of Internal Audit

1. Objectives and functions of the Office of Internal Audit shall be as follows:
 - A) Assessment of risk management quality that faces the Teaching University;
 - B) Development of recommendations for enhancing the efficiency, effectiveness, and productivity of activities of the Teaching University;
 - C) Assessment of the credibility, accuracy, and completeness of financial and other information;
 - D) Conducting study and analysis (Compliance Audit) of the legality and purpose of spending, use, management and protection of funds, and other tangible assets, as well as intangible assets of state property by the Teaching University;

E) Conducting analysis and assessment (Efficiency Audit) of efficiency, cost-effectiveness, and productivity of the activities and decisions taken in the field of using and managing financial, human, material and other resources;

F) Studying accounting and financial reports and statements of the Teaching University in order to determine their compliance with the Georgian legislation and standards (Financial Audit);

G) Testing and assessing the adequacy of information technology and system security in order to ensure confidentiality, integrity, and accessibility of information (IT Audit);

H) Studying and revealing the facts of the offense at the Teaching University, abuse of power and/or curriculum of the Teaching University, establishing the causes and implementing preventive measures;

I) Controlling the observance of discipline by the staff of the Teaching University (academic, administrative and other);

J) Detecting and responding to the facts of conflicts of interests of the staff (academic, administration) of the Teaching University;

K) Controlling the implementation of legislative and regulatory acts, government resolutions and other matters at the Teaching University.

Article 3. The Rights and Obligations of the Head of the Office Internal Audit

1. In the process of the internal audit, the Head of the Office of Internal Audit shall be authorized to obtain any and all information and documents and have access to the databases, regardless of their forms (electronic version, etc.).
2. The Head of the Office of Internal Audit shall cooperate with the Structural Units of the Teaching University during the process of assessment of the financial management and control system.
3. Heads of the structural units, within their competences, shall cooperate with the Head of the Office Internal Audit and provide him/her with relevant assistance in the process of carrying out an internal audit.
4. The Head of the Office of Internal Audit shall be guided by the provisions of the present Regulations and other applicable regulatory acts of the Teaching University and Georgia, governing the activities of internal audit.
5. The Office of Internal Audit is structured under the Rector and shall report to the Rector.

6. The Head of the Office of Internal Audit, when assessing the financial management and control system, shall facilitate (without participating) the implementation of the financial management and control system of the Teaching University through the Financial Office; he/she shall be responsible for its smooth functioning and continuous development.
7. The Office of Internal Audit, in the process of internal audit/monitoring of the action plan, shall cooperate with the Head of the Quality Assurance Service, the Head of the Legal Office and other structural units of the Teaching University.
8. At different stages of implementation of the financial management and control system, the Head of the Office of Internal Audit shall assess the efficiency and productivity of the internal control with respect to the goals of the Teaching University, in the following directions:
 - A) Whether the objectives set forth by the Strategic Plan/three-year action plan/one-year action plan of the Teaching University are in compliance with its mission.
 - B) Whether the objectives are specific, measurable, achievable, relevant and time-bound;
 - C) Whether the management structure is in conformity with the goals of the Teaching University;
 - D) Whether the Heads of Structural Units have the authorities to achieve the delegated goals;
 - E) Whether risk management is conducted at all levels of the Teaching University, with respect to each structural unit and the goals of Teaching University;
 - F) What control mechanisms are there to mitigate the risks related to the implementation of the process;
 - G) How accurate and reliable the channels of communication and information flow at the Teaching University are, which are necessary for achieving the goals;
 - H) Whether there is an agreement, in accordance with the requirements set forth in the Rules for Establishing Financial Management and Control System, with the Head of Structural Unit and the Head of Administration about the provision of services within the budget and whether the goals, performance indicators, and reporting systems are included;
 - I) Whether there is an accounting system available;

Article 4. Types of Internal Audit

1. The types of internal audit are:
 - A) System Audit;
 - B) Compliance Audit;
 - C) Efficiency Audit;
 - D) Financial Audit;
 - E) Information Technology Audit.

Article 5. Report of the Internal Audit

1. The Head of the Office of Internal Audit shall prepare quarterly and annual reports on performed internal audit, which should contain the following:

- A) Information on carried-out internal audit;
- B) Major conclusions and recommendations on the financial management and control system existing at the Teaching University;
- C) Information on any restrictions of activities of the Head of the Office of Internal Audit during the internal audit process;
- D) Proposals on the development of internal audit mechanisms.

2. Annual report of the internal audit shall be submitted to the Rector until the end of the reporting year.

3. Quarterly report on internal audit shall be submitted to the Rector no later than 20 days prior to filing balance sheet to the controlling authority.

Article 8. Annual Report of Internal Audit

Annual report of the internal audit shall be compiled no later than January 30 of the following year and be in compliance with the internal audit regulatory legislation and the key requirements of international standards.

Article 9. Final Provisions

The amendment to the regulations shall be made in accordance to the rule established by the legislation, and by the resolution of the Representative Council.

