

Internal Audit Regulation of LEPL –Ivane Javakhishvili Tbilisi State University

Chapter I

General Provisions

1. Structural unit - Internal Audit Service of Ivane Javakhishvili Tbilisi State University (hereinafter - "University") - Internal Audit Service (hereinafter - "Service") represents the "State Internal Financial Control" defined by the Law of Georgia within the university system. The internal audit structural unit, which is independent in its activities, obeys only the law and is accountable to the rector and the head of administration. *(The change was made by the NI protocol of the Representative Council dated 12.02.2018);*

2. The Service is guided in its activities by the Law of Georgia on "State Internal Financial Control", current legislation and the present regulation. *(The change was made by the Protocol NI of the Representative Council dated 12.02.2018)*

3. The Service complies with the major principles acknowledged by the Constitution of Georgia, the international treaties and agreements of Georgia and administers its performance pursuant to the principles of independency, objectivity, professionalism, publicity, transparency, impartiality and fairness.

4 No one has a right to the interference in the Service performance unless otherwise stipulated by the Legislation and the present regulation

Article 2. The major goals and objectives of the Service

1.The major goals and objectives of the Service are as follows:

a. To contribute to the improvement of efficiency and effectiveness of the functions and management procedures of the University system.

b. To reveal and evaluate the existing risk factors through the inspection, study and analysis of financial resources, material and other property values and intangible benefits, expenditure, usage, legality of management and protection, objectivity, practicability, economy and effectiveness, the compliance with the effective legislation and the requirements of individual-legal acts issued by the University, accounting and financial statement as well as for the purpose of their management to develop the relevant strategy and recommendations, the implementation of which provides the University with the accomplishment of the set goals.

c. To react against the facts related to committing the official misconducts and prevent such wrongdoings pursuant the law.

Chapter II

The Functions, Rights and Obligations of Service

Article 3. The Functions of Service

1 The functions of Service are as follows:

- a) To identify and assess the existing risks facing the University system;
- b) To assess the efficiency of management, to analyze the convergence and correspondence between the financial managerial and inspecting system and the goals of the University system, to develop the recommendations with the aim of improving their efficiency;
- c) To exert control on observing and fulfilling the requirements of the Legislation of the University system, to analyze and prevent the anticipated irregularities or/and defects;
- d) To monitor and assess the provision of legitimacy and the target disposal of apportionment and expenditure of appropriations, the rational usage of the material values and other means, to identify the risks of possible violations and defects in the University system
- e) To conduct the administrative inspection of the facts of official misconduct committed by the staff in the University system, to compile the conclusion concerning the inspection and present it to the management;
- f) To compile the audit report/report/report and submitting it to the rector/head of administration; *(The change was made by the Protocol N2 of the Representative Council dated 26.03.2021);*
- g) To inspect the accounting and financial statement of University system, to establish their relevance with the current standards;
- h) To review the opinions put in writing referring to the danger, defects, risks existing or anticipated in the activities of the University system.
- i) To monitor and control the further implementation of the recommendations developed and made by Service
- j) To prepare the proposals for the Rector/ the Head of administration related to the submission of audit report to the law-enforcement authorities, in case the official inspection results in revealing the elements essential to the offence
- k) To perform of other functions defined by the Law of Georgia "On State Internal Financial Control" within its competence; *(The change was made by the Protocol N2 of the Representative Council dated 26.03.2021);*
- k) To monitor the sequence of lectures, seminars, practical and laboratory trainings according to the time-table approved by the faculties
- l) To monitor the clock in and clock out of the personnel in accordance with the internal regulation of the University and the standards of disciplinary liability.

Article 4. The Rights and Obligations of the Service

1. The Service is entitled:

- a) To implement the complex, thematic, relevant, operative, effective or financial audit in the form of the external and internal audit in the University system.

- b) To reveal the facts of violating of the Constitutional rights and legal interests of citizens and the official misconduct committed by the staff of University system and other infringements through the use of official inspection. To review and study the incoming mails, notifications, applications, complaints (within the rights and obligations stipulated by this regulations) and other kind of information and have the further reaction thereto.
- c) To take up the matter referring to taking disciplinary actions against the personnel with the Rector or/and the Head of Administration in case of revealing the violations committed by the staff of University system and formulate the recommendations in order to ensure the prevention from such infringements.
- d) To claim the requests for necessary documents without restriction and any other type of information, in a verbal or/and written form, call any personnel of the University system and obtain any relevant information or explanation within the scopes of internal audit, official inspection or its competence.
- e) To raise the issue related to the invitation of a specialist or expert, before or in the process of conducting the internal audit or official inspection upon necessity.
- f) To cooperate with the relevant structural units of the Ministry of Education and Science of Georgia, other agencies and administrative bodies. *(The change was made by the Protocol N2 of the Representative Council dated 26.03.2021);*

2.The Service is obliged:

- a) To observe constantly the regulatory legislation on the internal audit, the requirements of the present regulation, the standards and methodology of the internal audit approved by the *Georgian government, Code of Ethic and the guidelines of internal auditors;*
- b) *(Cancelled by the Protocol N2 of the Representative Council dated 26.03.2021);*
- b) To keep confidential the information pertaining to state, official, commercial and personal secrets as well as stipulated by the Legislation of Georgia, in addition, not to reveal the information having been obtained during conducting its activities, unless otherwise envisaged by the Legislation.
- c) Not to publicize the results of the internal audit or official inspection before making the report on internal audit or official inspection

Article 5. The Term of Internal Audit

The term of the conduct of audit, as a rule, shall not exceed 90 calendar days. The Rector/the Head of Administration may extend the deadline once, by no more than 30 calendar days.

Chapter III

The Structure, Management and Staff of Service

Article 6. The Structure of the Internal Audit Service.

1. The service is headed by the chief. *(The change was made by the N2 protocol of the representative council dated 26.03.2018)*

2. Depending on the objectives of the service, its structure includes the monitoring department of the service. *(The change was made by the Protocol N2 of the Representative Council dated 26.03.2018)*

Article 7. The Head of the Service

1. The Head of Service is appointed and dismissed from the post by the Head of Administration in agreement with the Rector
2. In the absence of the Head of Service (annual leave, business-trip, illness), his authority is delegated to the Deputy Head or the official, nominated by the Head of Service based on the relevant Act of the Head of Administration.
3. The Head of Service is accountable to the Rector / the Head of Administration
4. Within its remits the Head of Service shall:
 - a) administer and conduct the activities of the Service
 - b) represent the Service while performing the rights and obligations assigned to him
 - c) exercise the supervision of the staff of Service to perform their official duties properly and exert control over their observance of internal regulations.
 - d) review the incoming correspondence and make the relevant decisions pursuant to the established rules.
 - e) present the program of internal audit or/and official inspection to the Rector or/and the Head of Administration to be approved.
 - f) *present the conclusions/reports and recommendations prepared by the service to the Head of the Administration; (The change was made by the Protocol N2 of the Representative Council dated 26.03.2018)*
 - g) present the proposals to the Rector or /and the Head of Administration in order to arrange and resolve the particular issues within the scopes of its competence.
 - h) present the proposals related to the encouragement and attribution of disciplinary responsibility to the staff of Service to the Head of Administration
 - i) mediate the allocation of funds, facilities and equipment necessary to perform its functions and duty.
 - j) mediate the further professional development and retraining of the staff of the Service.
 - k) prepare the strategic and annual plans regarding the activities of internal audit and present them to the Rector / the Head of Administration to agree thereupon with;
 - l) present the plan of the internal auditory assignment and /or the project of the official inspection to the Rector or/and the Head of Administration to agree thereupon with;
 - m) monitor the fulfillment of the annual plan and the implementation of the methodology of internal audit;
 - n) *present the annual report related to the work performance to the Rector/the Head of Administration and the Council (The change was made by the Protocol N2 of the Representative Council dated 26.03.2018);*
 - o) ensure the compliance with the legislative and sub-legislative normative acts, the Governmental decisions, the directives of the Rector or/and the Head of administration as well as the control over the execution of issues within its remits.
 - p) accept the liability for the legality of the decisions made in the Service.

- q) fulfill the specific instructions and assignments of the Rector or/and the Head of Administration;
- r) perform other functions stipulated by the present regulation, the Rector's or/and the Head of Administration's legal acts and the legislation.

Article 8. The Deputy Head

1. The head has the Deputy Head who is appointed and dismissed from the post by the Head of Administration
2. The Deputy Head of the Service shall:
 - a) support the Head of Service to perform the obligations assigned to him;
 - b) exercise the supervision of the work performance of the staff;
 - c) make the pre-review of the results of conducted internal audit;
 - d) fulfill the specific instructions and assignments of the Head of Service.
 - e) be accountable to the Head of Service.

Article 9. The staff of Service

1. The staff of Service is appointed and dismissed from the position by the Head of Administration
- s) The positions provided by the staff schedule of the university for service are: head of service, deputy head of service, head of service department, expert, auditor, main specialist (category I) and leading specialist, who carry out individual instructions and tasks of the head of service and are accountable to the head of service; *(The change was made by the Protocol N2 of the Representative Council dated 26.03.2018);*
2. The employee of the Service is obliged to comply with the present regulation and the standards and methodology confirmed by the Government of Georgia, Code of Ethic and the guidelines of internal auditors as well as other regulatory legal acts of internal audit.

Article 10. The Department of Monitoring shall:

- a) Monitor the sequence of lectures, seminars, practical and laboratory training according to the time-table approved by the faculties
- b) make the comparison between the academic hours specified in the time-tables by the faculties and the forms of the professor's and teachers' workloads as well as the syllabi presented to the Learning Process Management Department by the faculties according to the academic semesters;
- c) monitor the clock in and clock out of the personnel from work under the internal regulations of the University and the standards of disciplinary liability;
- d) make the request for verbal or written information from the personnel in the process of fulfilling the official duty as deemed necessary
- e) state the infringements revealed in the process of monitoring in a written form;
- f) periodically present the results of monitoring in a written form to the Head of the Service pursuant to the internal regulations of the University and the standards of disciplinary liability.

Chapter IV

Other issues regarding the Service performance

Article 11. The Grounds to Waive

1. The employee of Service shall not participate in the process of internal audit or official inspection if under the Georgian Legislation he/she is in close relation with the audited or functionally inspected individual, or in case of existing any other circumstances providing the grounds for assumption that the employee may show the possible biased interest in the audit findings
2. The issue related to waiving the right of an employee or/and the Deputy Head of the Service to participate in the process of audit or official inspection is resolved by the Head of Service, and as regards the Head of Service - by the Rector or/and the Head of Administration.