

INTERNAL CONTROL CADRE

- 18.43 The Internal Control Cadre which operates under the aegis of the Ministry of Finance and Economic Development is responsible for ensuring that all activities of Ministries/Departments have achieved their intended results; the resources used to deliver these activities/projects are consistent with the stated aims and objectives of the Ministries/Departments; and such activities are protected from waste, fraud and mismanagement and that reliable and timely information is obtained, maintained, reported and used for decision making.
- 18.44 The mission of the Internal Control Cadre is to provide quality internal audit services in partnership with Accounting Officers in the achievement of government's objective through recommendation to improve governance, risk management, control processes and value for money.
- 18.45 With the various reforms underway including greater decentralization to Ministries to reduce delays, internal audit has enlarged its scope to cover performance and procurement auditing including ex-post verification. The Internal Control cadre has therefore redefined its roles, duties and responsibilities in line with the Financial Management Kit Volume VI – International Audit Policy and Operations Manual together with the Internal Audit Standard Operating Procedures Manual. These manuals are based on the International Professional Practice Framework issued by IIA. Thus the role of the cadre has changed drastically during the past years from a cyclical/routine audit to a risk-based audit.
- 18.46 The Director, Internal Control is the administrative head of the Cadre and is responsible for providing value-added internal audit services for all Ministries/Departments in accordance with international professional and ethical standards. He is assisted by the Deputy Director, Internal Control and officers in the grade of Manager, Internal Control who ensure that internal audit activities are carried out effectively. Officers in the grades of Assistant Manager, Internal Control; Senior Internal Control Officer (Personal); and Internal Control Officer/Senior Internal Control Officer service the cadre at the operational levels.
- 18.47 In the context of the present review exercise, Management has requested for the creation of grades, reviewing of mode of appointment, change in appellation and amendment in the qualifications' requirement. We have examined all the proposals and are making appropriate recommendations.

Principal Internal Control Officer (New Grade)

- 18.48 It has been reported that following the merging of the grades of Internal Control Officer and Senior Internal Control Officer into Internal Control Officer/Senior Internal Control Officer and the subsequent demerging of the grade of Senior Internal Control Officer with a personal salary, the Ministry of Finance and

Economic Development has been encountering difficulties due to an absence of supervisory functions of internal control in Divisions/Departments of the Ministries. Request has, therefore, been made for a supervisory level in the Internal Control cadre to take charge of small units in Ministries/Departments as well as to exercise discipline, control and accountability. We are agreeable with this request and are making appropriate recommendations.

Recommendation 11

18.49 We recommend the creation of a grade of Principal Internal Control Officer. Appointment thereto should be made by promotion, on the basis of experience and merit, of incumbents in the grade of Internal Control Officer/Senior Internal Control Officer having successfully completed all papers of Fundamentals (Knowledge) and having obtained passes in Papers F4, F5 and F8 of Fundamentals (Skills) or possessing the Certificate in Business Accounting (Foundation Level) and having obtained passes in Papers P1, P7 and P8 of the Advanced Diploma in Management Accounting (Managerial Level) of the CIMA Examinations (New Syllabus) or an equivalent qualification and reckoning at least four years' service in a substantive capacity in the cadre.

Assistant Manager, Financial Operations

18.50 Consequent to the creation of the grade of Principal Internal Control Officer, the mode of appointment to the grade of Assistant Manager, Internal Control should be amended to address the salary levelling in the grading structure of the Internal Control cadre. We are, therefore, making provision for a grade of Assistant Manager, Internal Control (Future Holder) with new qualification requirements.

Recommendation 12

18.51 We recommend that appointment to the grade of Assistant Manager, Internal Control (Future Holder) should be made by selection from among incumbents in the grade of Principal Internal Control Officer (New Grade) possessing a Degree in Public Sector Financial Management or Accountancy or Finance or Mathematics or Statistics from a recognised institution or an equivalent qualification or a pass at the final examination required for admission to membership of a recognised professional accounting body and reckoning at least four years' service in a substantive capacity in the cadre or an aggregate of four years in the grades of Internal Control Officer/Senior Internal Control Officer and Principal Internal Control Officer (New Grade).

- 18.52** We also recommend that the grade of Assistant Manager, Internal Control carrying pre-PRB 2016 salary scale of Rs 31475 x 900 – 34175 x 1200 – 37775 x 1500 – 54275 should continue to be filled by promotion, on the basis of merit and experience, of officers in the grade of Senior Internal Control Officer (Personal) now restyled Principal Internal Control Officer (Personal to officers in post as at 31.12.15) until complete phasing out of the latter grade. Thereafter the grade of Assistant Manager, Internal Control should be made evanescent.
- 18.53** We further recommend that the grade of Manager, Internal Control should continue to be filled by promotion, on the basis of experience and merit, of officers in the grade of Assistant Manager, Internal Control carrying pre-PRB 2016 salary scale of Rs 31475 x 900 – 34175 x 1200 – 37775 x 1500 – 54275 and reckoning at least three years' service in a substantive capacity in the grade. On complete phasing out of the latter grade, the grade of Manager, Internal Control should thereafter be filled by promotion, on the basis of merit and experience, of officers in the grade of Assistant Manager, Internal Control (Future Holder) reckoning at least three years' service in a substantive capacity in the grade.

Internal Control Officer/Senior Internal Control Officer

Recommendation 13

- 18.54** We recommend that incumbents in the grade of Internal Control Officer/Senior Internal Control Officer having successfully completed all Papers of Fundamentals (Knowledge) and having obtained passes in Papers F4, F5 and F8 of Fundamentals (Skills) or possessing the Certificate in Business Accounting (Foundation Level) and having obtained passes in Papers P1, P7 and P8 of the Advanced Diploma in Management Accounting (Managerial Level) of the CIMA Examinations (New Syllabus) or an equivalent qualification should be allowed to move incrementally in the Master Salary Scale up to salary point Rs 42325 provided they:
- (i)** have drawn the top salary for a year;
 - (ii)** have been efficient and effective in their performance during the preceding year; and
 - (iii)** are not under report.

INTERNAL CONTROL CADRE

SCHEDULE

Salary Code	Salary Scale and Grade
01 095 097	Rs 86000 x 3000 – 92000 Director, Internal Control
01 075 089	Rs 46900 x 1525 – 49950 x 1625 – 62950 x 1850 – 68500 x 1950 – 70450 Deputy Director, Internal Control
01 070 085	Rs 39575 x 1225 – 40800 x 1525 – 49950 x 1625 – 62950 Manager, Internal Control
01 064 082	Rs 33425 x 925 – 37125 x 1225 – 40800 x 1525 – 49950 x 1625 – 58075 Assistant Manager, Internal Control
01 064 081	Rs 33425 x 925 – 37125 x 1225 – 40800 x 1525 – 49950 x 1625 – 56450 Assistant Manager, Internal Control (Future Holder)
01 058 078	Rs 28625 x 775 – 32500 x 925 – 37125 x 1225 – 40800 x 1525 – 49950 x 1625 – 51575 Principal Internal Control Officer (Personal) <i>formerly Senior Internal Control Officer (Personal to Senior Internal Control Officers in post as at 31.12.12)</i>
01 058 074	Rs 28625 x 775 – 32500 x 925 – 37125 x 1225 – 40800 x 1525 – 45375 Principal Internal Control Officer (New Grade)
01 038 071	Rs 17375 x 325 – 17700 x 375 – 19575 x 475 – 21950 x 625 – 23200 x 775 – 32500 x 925 – 37125 x 1225 – 40800 Internal Control Officer/Senior Internal Control Officer
