



**JARAMOGI OGINGA ODINGA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

DOCUMENT: PROCEDURE FOR INTERNAL AUDIT

DOCUMENT NO: JOOUST/VC/IA/OP 27

AUTHORIZED BY: VICE-CHANCELLOR SIGNATURE: *[Signature]*

ISSUED BY: INTERNAL AUDITOR SIGNATURE: *[Signature]*

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0.2 DOCUMENT CHANGES

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*JOOUST Procedure for Internal Audit***1.0 Purpose:**

To ensure efficient and effective internal auditing processes and reporting in JOOUST.

2.0 Scope:

This procedure covers internal audit processes and activities within JOOUST.

3.0 References:

- i. ISO 9001: 2015 Standard
- ii. JOOUST Quality Manual
- iii. JOOUST Six Compulsory Procedures
- iv. International Standards for the Professional Practice of Internal Auditing (Standards)
- v. International Professional Practice Framework (IPPF)
- vi. Global International Auditing Standards(GIAS)
- vii. Public Procurement & Asset Disposal Act (2015)
- viii. Public Procurement & Asset Disposal Regulations (2020)
- ix. Public Finance Management Act (2012)
- x. Public Finance Management Regulations (2015)
- xi. Public Audit Act of 2003
- xii. Internal Audit/Audit Committee Charter
- xiii. Internal Audit Manual
- xiv. JOOUST Strategic Plan 2023-2027
- xv. JOOUST Internal Audit Risk Based Work Plan
- xvi. International Public Sector Accounting Standards

4.0 Abbreviations, Acronyms and Definitions

- i. **Risk Based Audit Annual Work Plan:** A yearly planning process based on prioritized risk-based audit areas at the University.
- ii. **Audit Procedure:** The sequential steps in implementing the risk based audit annual work plan.
- iii. **HoD:** Head of Department
- iv. **Internal Audit Manual:** Standard document prepared in the internal

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audit department in guiding the staff in accomplishment of the risk based audit assignments.

- v. **Internal Auditing:** An independent, objective assurance and consulting activity designed to add value and improve an University's operations. It helps the University to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
- vi. **JOOUST** Jaramogi Oginga Odinga University of Science and Technology.
- vii. **QMR** Quality Management Representative.
- viii. **Risk-Based Audit Approach (RBAA):** Methodology that focuses on inherent, control and detection risks involved in the activities or system and assures that they are managed within the defined risk appetite level.
- ix. **VC:** Vice-Chancellor

5.0 Responsibility:

The Chief Audit Executive shall be responsible for the implementation of this procedure.

6.0 Method: This method would involve the internal audit process by providing a clear and concise overview of the purpose, scope and objectives of the audit. It sets the tone for the entire audit process, helping the audit client to understand the importance and significance of the audit. It will include:-

6.1 Planning

6.1.1 The Chief Audit Executive shall ensure identification of risk areas within the University in the last month of any financial year.

6.1.2 The Chief Audit Executive shall coordinate audit staff in interacting with audit clients to understand the audit environment and identification of the risk areas.

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- 6.1.3 The Chief Audit Executive shall categorize the risks into high, medium, or low and propose mitigation measures.
- 6.1.4 The Chief Audit Executive in consultation with the audit staff shall prepare an annual risk based audit work plan and share it with the Vice Chancellor for any further inputs.
- 6.1.5 The Chief Audit Executive shall incorporate any inputs from the VC and present the plan to Audit Risk and Governance Committee of University Council for approval.
- 6.1.6 The Chief Audit Executive shall incorporate any recommendation from the Audit, Risk and Governance Committee and ensure the implementation of the risk based audit work plan.
- 6.1.7 The Chief Audit Executive shall present audit reports on quarterly basis to the Audit, Risk and Governance Committee of the Council.

6.2 Audit Plan Implementation

- 6.2.1 The Chief Audit Executive shall notify the audit client within one week before an audit assignment is performed unless it is a surprise or spot check audit.
- 6.2.2 The internal audit team shall prepare audit working papers of the assignments they are undertaking.
- 6.2.3 The internal audit team shall execute the audit in reference to the prescribed procedures in the Internal Audit Manual. This is by ensuring sufficient and appropriate evidence and documentation is captured in the working papers.

6.3 Reporting of the Audit

- 6.3.1 The internal audit team shall hold an exit meeting with the audit client and present a summary of their findings, risks and recommendations after the audit assignment.

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- 6.3.2 The internal audit team shall prepare a preliminary report of the audit assignment signed by the Chief Audit Executive and discuss it with the audit client.
- 6.3.3 The audit client shall respond to the preliminary report within a week.
- 6.3.4 The internal audit team shall compile a final report incorporating the audit client's response if any.
- 6.3.5 The Chief Audit Executive shall sign all the final audit reports and forward the same to the VC for consideration and further action.
- 6.3.6 The Chief Audit Executive shall present summaries of the final audit reports to Audit, Risk and Governance Committee of Council on quarterly basis for deliberation.
- 6.3.7 The Chief Audit Executive shall liaise with the Chair of Audit, Risk and Governance Committee regarding the preparation of the board papers for presentation to the full council.

6.4 Follow up

- 6.4.1 The Chief Audit Executive shall ensure the audit clients in consultation with the University Management implements the agreed recommendations in the audit reports as it is the responsibility of the management to ensure that necessary actions are taken to address issues identified during audit and implement them for improvements.
- 6.4.2 The Chief Audit Executive shall submit implementation status report on the follow-up to the Audit, Risk and Governance Committee of the Council.

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1.1 The first part of the document is a general introduction to the project. It describes the objectives of the study and the scope of the work. The second part of the document is a detailed description of the methodology used in the study. This includes a description of the data collection methods, the statistical methods used for data analysis, and the criteria used for selecting the sample. The third part of the document is a description of the results of the study. This includes a description of the main findings of the study and a discussion of the implications of these findings. The fourth part of the document is a conclusion and a list of references.

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