



# **Annual Action Plan 2021**

## **Department of Management Audit**

**Ministry of Finance**  
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# **1. INTRODUCTION**

## **1.1 Annual Action Plan**

This Annual Action Plan of Department of Management Audit, for the year 2021 is prepared in line with the Public Finance Circular No 02/2020 dated 28.08.2020 issued by the Department of Public Finance under the Ministry of Finance in order to implement the approved Budget proposals under the annual Appropriation Act. This Department has approved 41.5 million of rupees of Recurrent Expenditure and 4.4 millions of rupees of Capital Expenditure under the Expenditure Head 324. These allocations will be used to fulfill the objectives of this Department of Management Audit with the Human resource and other assets owned by the Department.

Also, This Annual Action Plan 2021 has developed on the assumption that the post COVID new normal situation will give opportunity to achieve the outputs as planned. At the moment Department of Management Audit is working under the Health guidelines issued by the Ministry of Health and circulars issued by the Presidential Secretariat and other authorities on preventing the natural pandemic of COVID-19 virus outbreak. It will take every possible measure to work online and work-from-home strategies so that it is immensely important to keep the safety of the staff of the Department. Therefore, only limited number of staff of the Department is reporting to work daily until the situation become normal so that to keep the necessary social distancing to prevent pandemic outbreak. Yet it is expected to revise this Plan, if necessary, on middle of the year 2021 according to the country situation and necessities arising for service provisions of the Department.

## **1.2 Establishment of the Department**

The Department of Management Audit was established on 01.02.2008 as a Treasury Department under the cabinet decision No 08/0200/306/012 in order to strengthen the internal control of the treasury disbursements to government agencies specially Ministries and Departments.

## **1.3 Vision**

To be the most outstanding and value adding Management Audit Partner for the best performance and accountability of public service

## **1.4 Mission**

Providing assistance and guidance to achieve the expected outcomes of public sector organizations through strengthening of internal control as a Treasury Department

## **1.5 Objectives**

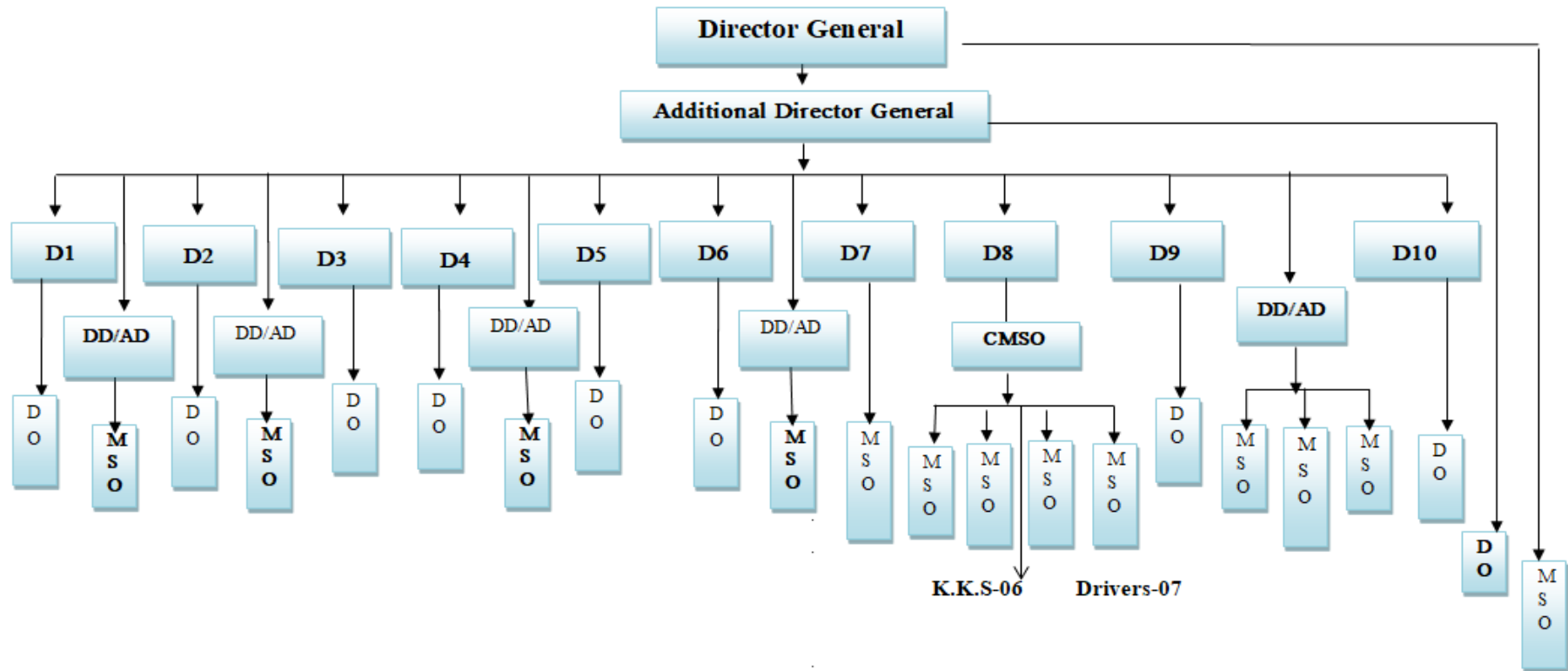
1. Contributing to enhance the productivity of internal audit in public sector.
2. Strengthening of internal audit through Audit and Management Committees.
3. Introducing Guidelines required strengthening the internal auditing.
4. Strengthening the internal audit process in development projects.
5. Disclosure of irregularities that already occurred and might be taken place in future in the public sector through special investigations and introduction of preventive measures and recommendations to avoid such situations and occurrences.

## **1.6 Functions**

1. Perform as the apex body of the public sector internal audit in order to uplift and enhance the quality and efficiency of internal auditing.
2. Introduce circulars and guidelines on internal auditing with periodical updating.
3. Coordinate and guide internal audit units in public sector organizations.
4. Capacity development of internal auditors in the public sector organizations.
5. Represent Audit and Management Committees in each Ministries, Departments, District Secretariats, and Special spending units with guidance.
6. Monitor and guide the internal audit activities of development projects under the Ministries.
7. Conduct special investigations and special audits.
8. Participate to the meetings of Committee on Public Accounts, and prepare and submit the Integrated Treasury Report to the COPA.
9. Take actions under the relevant provisions of the National Audit Act.
10. Give necessary Contribution to public sector institutions on achieving sustainable development goals through internal audit activities.

## 2. ADMINISTRATION

### 1.4 Organizational Structure



D1- Director (Human Resource Development)  
 D2- Director(Investigation & Circular)  
 D3- Director (AMC Coordination)  
 D4- Director(Internal Audit Report Review)  
 D5- Director (Performance Review)

D6- Director (Provincial Council Coordination)  
 D7- Director (District Secretariat Coordination)  
 D8- Director (Administration)  
 D9- Director (Project – Foreign Fund)  
 D10- Director (Project – Local Fund)

DO - Development Officer  
 MSO - Management Service Officer  
 CMSO - Chief Management service Officer

## 2.2 Cadre as at 31.12.2020

Post	Cadre		
	Approved	Actual	Vacant
<b>Director General</b>	01	01	-
<b>Additional Director General</b>	01	01	-
<b>Director (SLAS)</b>	01	01	-
<b>Director (SLAcS)</b>	07	07	-
<b>Director (SLPS)</b>	02	02	-
<b>Deputy/ Assistant Director (SLAcS)</b>	05	05	-
<b>Development Officer</b>	09	09	-
<b>Public Management Officer</b>	14	14	-
<b>Driver</b>	07	03	04
<b>Office Employee</b>	06	05	01
<b>Total</b>	<b>53</b>	<b>48</b>	<b>05</b>

### 3. ACTIVITY PLAN 2021

Area of responsibility	Activities	Responsible Officer	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Output	Outcome
Human Resource Development	1.1 Preparation of annual Training Plan	Director (HRD)	√	-	-	-	-	-	-	-	-	-	-	-	Training Plan for 2021	Increased public service quality
	1.2 Conduct Training Programmes for the DMA Staff		-	-	1	-	-	-	-	-	-	-	-	-	Number of training programmes	Cooperative working environment in DMA
	1.3 Conduct Training Programmes for the supportive staff of Internal Auditors		-	1	-	-	2	1	-	2	1	-	1	-	Number of training programmes	Developed capacity of supportive staff of internal audit units
	1.4 Conduct Training Programmes for the Chief Internal Auditors and Internal Auditors		1	-	1	1	-	-	1	-	-	1	-	-	Number of training programmes	Developed capacity of CIAs and IAs.
	2.1 Preparation of Human Resource Development Plan for DMA	Director (Admin)	√												Human Resource Development Plan	Structured training for everyone of DMA staff
	2.2 Allocation of local and foreign training programmes for staff of DMA		√	√	√	√	√	√	√	√	√	√	√	Number of training programmes	Increased public service quality	

Committee on Public Accounts	3.1.Preparation of Treasury Reports using information collected from Treasury Departments/other respective organization and submission to the COPA	Director (AMC) & DD (COPA)	√	√	√	√	√	√	√	√	√	√	√	√	Number of Treasury reports	Support to strengthening public sector accountability through COPA activities Number of COPA summary reports
	3.2 Coordination with relevant Parliament staff regarding COPA matters		√	√	√	√	√	√	√	√	√	√	√	√	Number of queries resolved	
	3.3 Facilitating COPA Director to send the Treasury report to COPA	ADG, All Ds & DDs/ADs appointed to AMCs	√	√	√	√	√	√	√	√	√	√	√	√	Number of COPA reports facilitated	
	3.4 Attending to the Committee on Public Accounts (COPA) as a facilitator by representing DMA		√	√	√	√	√	√	√	√	√	√	√	√	Number of COPA meetings attended	
	3.5Preparation and submission of COPA summary to DG (DMA) after attending COPA meetings		√	√	√	√	√	√	√	√	√	√	√	√		
Audit and Management Committees	4.1Appointing treasury representatives (reps) from DMA to AMCs	Director (AMC) & DD (COPA)	√	-	-	-	-	-	-	-	-	-	-	-	Number of audit entities that appointed reps	Ensured smooth operation of AMCs



	4.2 Coordinating collection of CIA's quarterly assessment reports		√	-	-	√	-	-	√	-	-	√	-	-	Number of reports collected	
	4.3 Updating Internal Auditor Database		√	√	√	√	√	√	√	√	√	√	√	√	Updated Internal Auditor Database	
	5.1 Representing AMC Meetings as a Treasury representative and contribute to achieve vision of the organization and 2030 Agenda of United Nations on sustainable development goals.	ADG, All Ds & DDs/ADs appointed to AMCs	√	√	√	√	√	√	√	√	√	√	√	√	Number of AMC meetings participated	
	5.2 Preparation of AMC meeting Reports by each treasury rep		√	√	√	√	√	√	√	√	√	√	√	√	Number of AMC reports prepared	
	7.1 Identifying the matters by DMA representatives that cannot be resolved through AMCs	ADG, All Ds & DDs/ADs appointed to AMCs	√	√	√	√	√	√	√	√	√	√	√	√	Number of identified matters	Coordinating Treasury Departments and other institutions on matters identified during AMCs
	7.2. Forwarding the identified matters to Finance Ministry AMC or to the relevant institutions as relevant for necessary actions.	Director (Coordination & reviewing of internal audit reports)	√	√	√	√	√	√	√	√	√	√	√	√	Number of forwarded matters	

Special Investigations	8.1 Conducting National Level Special Audits assigned by relevant Authorities	Director (Special Investigation & Circulars)	√	√	√	√	√	√	√	√	√	√	√	√	Number of Special Audit reports	Contributing to minimize irregularities in public sector
	8.2 Conducting Special Audits identified by DMA representatives		√	√	√	√	√	√	√	√	√	√	√	√	Number of Special Audit reports	
	8.3 Conducting Special Investigations assigned by relevant Authorities		√	√	√	√	√	√	√	√	√	√	√	√	Number of Special investigation reports	
Development of Guidelines and Circulars	9.1 Issuing new or amended Guidelines as applicable	Director (Special Investigation & Circulars)	√	√	√	√	√	√	√	√	√	√	√	Number of Guidelines issued	Regularizing the internal audit process	
	9.2 Issuing new or amended Circulars as applicable		√	√	√	√	√	√	√	√	√	√	√	Number of Circulars issued		
Performance Monitoring of Internal Audit Units	10.1 Conducting periodic evaluations on performance of Internal Audit Units of Ministries/ Departments/ District Secretariats (external assessment)	Director (Performance Monitoring of IAUs)					√	√	√	√	√	√		Number of Evaluations of IAUs	Ensuring Continuous improvement of Internal Audit function	
	10.2 Providing feedback where necessary and coordination for improvements										√		√	Number of feedbacks shared		

	10.3 Making random visits to selected ministry/Departments /District Secretariat to evaluate overall performance							√		√		√			Number of visits	
Implement ation of Provisions in National Audit Act	11.1 Collecting internal audit reports from different audit entities through emails and distribute to relevant AMC representatives of DMA	Director (Coordination & reviewing of internal audit reports)	√	√	√	√	√	√	√	√	√	√	√	√	Number of IA reports distributed	Gathering internal audit reports according to provisions of the National Audit Act
	11.2. Submitting a quarterly summary report to DG(DMA)		√	-	-	√	-	-	√	-	-	√	-	-	Number of summary reports submitted	
Coordinati on on Provincial Council internal auditing	12.1Updating database on Internal Audit Units of Local Government Authorities	Director (Provincial Council coordination)	√	√	√	√	√	√	√	√	√	√	√	√	Updated database	Regularizing and strengthening the Internal Audit Units of Provincial Councils and Local Government Authorities
	12.2 Arranging training programs for staff of internal audit units of local government authorities		-	-	√	-	-	-	√	-	-	√	-	Number of training programmes		
	12.3 Updating data base on internal audit units of Provincial councils		√	√	√	√	√	√	√	√	√	√	√	√	Updated database	

	12.4 Arranging training programs for staff of internal audit units of Provincial Councils		-	-	√	-	-	-	-	√	-	-	√	-	Number of training programmes	
Coordination on District Secretariats and Divisional Secretariats internal auditing	13.1 Review of existing internal audit function of District Secretariats and suggest improvements	Director (District Secretariat Coordination)	√	√	√	√	√	√	√	√	√	√	√	√	Number of written suggestions made through DMA	Coordinating and monitoring internal audit activities in District Secretariats and Divisional Secretariats
	13.2 Updating internal auditor database of District Secretariats		√	√	√	√	√	√	√	√	√	√	√	√	Updated database	
	13.3 Taking necessary actions for internal audit issues of Divisional Secretariats arising during District AMCs		√	√	√	√	√	√	√	√	√	√	√	√	Number of issues solved through DMA	
	13.4 Prepare and submit quarterly summary report of District Secretariat's AMC to the DG	√			√			√			√			Number of reports		
	13.5 Gather of CIAs quarterly assessment reports	√			√			√			√			No. of Assessment reports		
	13.6 Update & maintain DMA database for assign Ministries, Departments, DS office	√	√	√	√	√	√	√	√	√	√	√	√	√	Updated database	

Internal Audit of Foreign Funded Projects	14.1 Reviewing project internal Audit Plans while checking compliance them to the DMA 1-2019	Director Development Projects)	√	√	√												Number of project audit plans collected and evaluated	Strengthening Internal Audit Activities of Foreign Funded Projects under Ministries
	14.2 Updating existing database on Foreign Funded Projects ( by collecting projects details on ongoing and completed projects through ERD, DPMM, and Budget Estimate)		√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	
	14.3 Preparing an Assets Management Audit Checklist for the Foreign Funded Projects												√	√	√	Issued Assets Management Checklist		
	14.4 Amending DMA 5-2010 Circular		√	√	√												Amended DMA 05 Circular	
	14.5 Collecting and Reviewing project audit reports/observation issued by Chief Internal Auditors & Project Internal Auditors at regular basis		√	√	√	√	√	√	√	√	√	√	√	√	√	√	No. of audit reports collected and reviewed	

	14.5.1. Distributing of project audit reports at regular basis to the DMA representatives for further reviewing of special audit issues identified by the Internal Auditors at relevant Ministry AMCs		√	√	√	√	√	√	√	√	√	√	√	√	No. of Project Audit reports distributed	
	14.5.2 Prepare a Quarterly Summary Report using Project Audit Reports received to the DMA					√			√				√		No.of Summary reports prepared	
	15.6 Joining with AMC Representatives, conduct periodic assessment meetings on performance of project audit of CIAs, PIAs, and other Audit Staff					√			√				√		No.of performance assessment meetings conducted	
General Administration	16.1 Preparation of Annual Action Plan	Director (Administration)	√	-	-	-	-	√	-	-	-	-	-	√	Approved Annual Action Plan	Ensuring smooth operation of the Department to implement the functions
	16.2 Preparation of Performance Report for 2020		√	√	√	√	√	-	-	-	-	-	-	-	Performance report	
	16.3 Personal Management of DMA staff		√	√	√	√	√	√	√	√	√	√	√	√	On time completion of personal file matters of the staff	
	16.4 Vehicles and other asset management and procurements		√	√	√	√	√	√	√	√	√	√	√	√	On time completion of supply and maintenance	

Financial Management	17.1. Daily Cash Management	Assistant Director (Finance)	√	√	√	√	√	√	√	√	√	√	√	√	Monthly Allocation/ Expenditure Reports	Maintaining sound Financial Management within the Department, managing available provisions, while adhering to regulations and reporting requirements
	17.2 Stores Management/ Inventory Management		√	√	√	√	√	√	√	√	√	√	√	√	Availability of correct and accurate Reports on time	
	17.3 Preparation of Monthly Accounts Summaries		√	√	√	√	√	√	√	√	√	√	√	√	Monthly Accounts Summaries	
	17.4 Preparation of Annual Estimates									√	√				Annual Estimates	
	17.5 Preparation of Financial Statements		√	√											Financial Statement	
	17.6 Preparation of Advance B Account		√	√											Advance B Account	
Overall Supervision	18.1 Monitoring the implementation of existing internal audit policy and duties of staff of the DMA	Additional Director General	√	√	√	√	√	√	√	√	√	√	√	Number of issues identified	Ensuring smooth functioning of the Department through overall supervision and reporting necessary improvements to DG	
	18.2. Preparation and submitting quarterly Action Plan progress reports to DG		√			√			√			√		Number of Progress reports		
	18.3. Supervision of activities Admin & financial activities		√	√	√	√	√	√	√	√	√	√	√	√		On time completion of activities

## 4. FINANCIAL MANAGEMENT

### 4.1 Procurement Plan 2021

Procuring Entity (Department/Line Agency/Ministry etc.)	Description 1	Vote Particulars 2	Procurement Category(Goods, services, Works, Information Systems, Consultancy Service etc)	Estimate Cost (Rs.Mn)*	Source of Financing/Name of the Donor	Procurement method(ICB, LIB, LNB, NCB and National Shopping etc)	Level of Authority(CA PC, SCAPC, MPC, DPC, etc)	Priority Status U=Urgent, P=Priority, N=Normal	Current status of Procurement Preparedness activities	scheduled date of commencement	scheduled date of completion	Reference to Action Plan	Remarks
Department of Management			<b>Works</b>										
			<b>Goods</b>										
Audit	stationery and Office Requisites	1201	stationery and Office Requisites	0.70	Cf(11)	shopping/Direct	DPC	N		January	December	No 17.2	
			Purchase of Capital item	0.85	Cf(11)	Shopping/Direct	DPC	N		January	December	No 16.4	
	Furniture and office equipment	2102	I. Furniture and office equipment (0.1)										
	Plant Machinery and equipment	2103	11. Plant Machinery and equipment (0.75)										
			<b>Related Services</b>										
			Training										
	Staff Training	2401	1. Staff Training	3.10	Cf(11)		DPC/HO	N		January	December	No 1.1, 1.2, 1.3, 1.4	
	Consultant Service												

  
 Prepared by

  
 Approved by the Head of Department



## 4.2 Imprest Plan for 2021

### Imprest requirement plan for the Year 2021

#### Department of Management Audit

	Expenditure items (with Expenditure Codes)	Cash Requirement for the approved expenditure plans																
		Jan	Feb.	March	1 st Qtr total	April	May	June	2 nd Qtr total	July	August	September	3 rd Qtr total	October	November	December	4 th Qtr total	Grand Total
i	Salaries and allowance (1001 and 1003 )	3,795	3,791	3,791	<b>11,377</b>	3,791	3,791	3,791	<b>11,373</b>	3791	3791	3791	<b>11373</b>	3791	3791	3795	<b>11377</b>	<b>45,500</b>
ii	Other Allowances paid with salary(Except object code 1003)	860	854	854	<b>2,568</b>	854	854	854	<b>2,562</b>	854	854	854	<b>2562</b>	858	854	856	<b>2568</b>	<b>10,260</b>
ii i	Overtime and Holiday pay (1002)	12.5	12.5	12.5	<b>37.5</b>	12.5	12.5	12.5	<b>37.5</b>	12.5	12.5	12.5	<b>37.5</b>	12.5	12.5	12.5	<b>37.5</b>	<b>150</b>
iv	All other Recurrent Expenditure	505	443	445	<b>1,393</b>	443	443	443	<b>1,329</b>	443	442	442	<b>1327</b>	448	442	451	<b>1341</b>	<b>5,390</b>
	<b>Total Recurrent</b>	<b>5,172.5</b>	<b>5,100.5</b>	<b>5,102.5</b>	<b>15,375.5</b>	<b>5,100.5</b>	<b>5,100.5</b>	<b>5,100.5</b>	<b>15,301.5</b>	<b>5,100.5</b>	<b>5,099.5</b>	<b>5,099.5</b>	<b>15,299.5</b>	<b>5,109.5</b>	<b>5,099.5</b>	<b>5,114.5</b>	<b>15,323.5</b>	<b>61,300</b>
v	Reimbursable Foreign Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi	Other all Capital Expenses	700	50	325	<b>1,075</b>	700	50	375	<b>1,125</b>	700	50	350	<b>1100</b>	700	50	350	<b>1100</b>	<b>4,400</b>
vi i	Public Officers Advance Account	400	400	400	<b>1,200</b>	400	400	400	<b>1,200</b>	400	400	400	<b>1200</b>	400	400	400	<b>1200</b>	<b>4,800</b>
vi ii	Deposit Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ix	Other Advance Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Grand Total</b>	<b>6,272.5</b>	<b>5,550.5</b>	<b>5,827.5</b>	<b>17,650.5</b>	<b>6,200.5</b>	<b>5,550.5</b>	<b>5,875.5</b>	<b>17,626.5</b>	<b>6,200.5</b>	<b>5,549.5</b>	<b>5,849.5</b>	<b>17,599.5</b>	<b>6,209.5</b>	<b>5,549.5</b>	<b>5,864.5</b>	<b>17,623.5</b>	<b>70,500</b>