Addis Negari Gazeta
OF THE CITY GOVERNMENT OF ADDIS ABABA

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The Addis Ababa City Government Office of the Auditor General Proclamation

Proclamation No 29/2012
City Government of Addis Ababa Office of the Auditor General Re-Establishment Proclamation

WHEREAS, it is found to be necessary to ascertain that the financial management of city government of Addis Ababa offices and organizations in various developmental and administrative activities follow proper accounting procedures, that the manner of revenue collection, fund disbursement and property management is in accordance with government rules and regulations, and that their plan and program are carried out and regulations, and that their plan and program are carried out efficiently and economically with a view to attaining their objectives;

WHEREAS, it is found to be necessary that the City government of Addis Ababa economic public be supported by a modern and reliable audit system in order to ascertain proper implementation through effective monitoring of administrative, developmental and service rendering institutions in the Addis Ababa government public sectors;
NOW, THEREFORE, in accordance with Article 14 (1) (a) of Addis Ababa City Government Revised Charter Proclamation No. 361/2003 the Council of the City of Addis Ababa has issued this proclamation.

Part One
General

1. Short Title

This proclamation may be cited as the “City Government of Addis Ababa Office of the Auditor General Re-Establishment proclamation No.29/2012.”

2. Definitions

Unless the context requires otherwise: In this Proclamation;

5. “Organization” means any production, distribution, service rendering, regulatory or any other trading organization wholly or partially owned by the city government.
6. "Donor Account" means donation or support received in cash or in kind from donors by City Government of Addis Ababa or government Office or organizations.

3. Provisions of this proclamation set out in the masculine gender shall also apply to the feminine gender.

5. Powers and Functions of the Office

1. Audit or cause to be audited the accounts of the city government of Addis Ababa.

2. Audit or cause to be audited the accounts, grants or donations given to the office and organization of the city government of Addis Ababa.

3. Audit or cause to be audited as may necessary, performance audit in order to ensure that the performance of city government of Addis Ababa and organization of the city government of Addis Ababa is done in accordance with the law economically sound and has attained the desired objectives.

4. May start auditing before closure of statement with the view to develop effective resource utilization and submit a report which is timely and supportive to decision making.

5. Audit the accounts of private contractors relating to the city government of Addis Ababa contractual work which involves a sum exceeding 1,000,000.
bIRR (one million birr); though, if it is unlawful and supported with evidence, the office can audit below 1,000,000.00 (one million birr)

6. Audit or cause to be audited accounts of private or public organizations with a view to protect government and public interest;

7. Issue directives with regard to ranking and procedure of budget and property audit in collaboration with the federal, regional and private auditor general offices;

8. Make efforts and take necessary measures, to ensure the development of the accounting and auditing profession is in the right direction;

9. Where it finds necessary, require internal auditors of any city government offices to audit the accounts and property of their offices and report the finding;

10. Give the necessary advice on the financial control, maintenance of accounts and property administration regulations to be prepared by the finance and economic development bureau of the City government of Addis Ababa;

11. As may be necessary, train internal auditors in cooperation with concerned organs; conduct study on internal auditing and forward appropriate advice to organs of the government;

12. Where it has reason to believe that any account has been kept in a presence of criminal condition and dishonest manner, impound such books, documents ledgers, vouchers and other materials related to such account;

13. Issue, renew, suspend and cancel certificates of competence of auditors and accountants who provide auditing and accounting services; it also demand payment in accordance with the directives to be issued by the city government of Addis Ababa;
14. Maintain close contact and cooperation with the audit offices of federal and regional states with the view to enhance the development of auditing.

6. Criteria for Appointment

The following shall be the criteria for appointment:
1. Shall be an Ethiopian citizen;
2. Committed to abide by the constitution of the federal democratic republic of Ethiopia.
3. Qualified in auditing or related field with experience in and knowledge of public auditing and finance;
4. A person of proven integrity, hardworking and good ethical behavior;
5. No previous court ruling for criminal proceedings;
6. Be in good health condition to carry out his duties;
7. Be neutral from any political party.

7. Appointment and Accountability of the City Governments Auditor General

1. The Addis Ababa auditor general who heads the office shall be appointed by the council of city government of Addis Ababa upon the recommendation of the mayor of Addis Ababa;
2. Addis Ababa auditor general shall be accountable to the council of city government of Addis Ababa;
3. Between sessions of the city council it shall be accountable to the mayor of the city government of Addis Ababa.

8. Appointment of the Deputy Auditor General

1. There shall be two deputy auditor generals who assist the auditor general and who shall be appointed by the City Council up on the recommendation of the Mayor based on suggestion of the auditor general:
2. One of them shall serve as Audit sector deputy auditor general and the other shall serve as certification of audit and accountancy and professional supporting core process deputy auditor general;

3. They shall be accountable to the auditor general.

9. Salary, Allowances and Pension Benefits

1. The salary, allowance and other benefits of the Auditor General and the Deputy Auditor Generals shall be based on the level of top officials of the City Government;

2. Where the officials of the office have attained the age of retirement they shall be regulated by the pension law that applies to other officials of the City Government.

10. Tenure of Service

Notwithstanding the provisions of Article 11 of this Proclamation the term of office of the auditor general and the deputy auditor generals shall be until the age of retirement.

11. Removal of the Addis Ababa Auditor General and his Deputies

The Addis Ababa auditor general and the deputies may be removed from office under the following conditions;

1. Inability to perform their duties due to apparent health condition;

2. Clear work Incompetence;

3. Lack of commitment to discharge their responsibilities and for reasons of unethical practice;

4. Involvement in corruption or committing other unlawful act;

5. Attainment of pension age;
6. Request in written form, resignation due to prolonged poor health and other sufficient reason;

7. The provisions from sub article/1/to/6/ of this Article shall be effective on the auditor general upon investigation by the concerned standing committee of the Council and when decided by the Council in accordance with its rules of decision procedure;

8. The provisions from sub article/1/to/6/ of this Article shall be effective on deputy auditor generals upon investigation by the general auditor and when decided by the Mayor of the City;

9. Notwithstanding the provisions of sub-article 7 and 8 of this Article, the Mayor may suspend an official for not more than three months period, until the City Council pass decision, in case such official is found a threat to the work appointed for.

12. Vacancies

1. Audit operations deputy auditor general shall serve as acting auditor general for a maximum of three months, if the position of auditor general is vacant due to the reasons referred in article 11 of this proclamation and for reasons of death.

2. In the absence of audit operations deputy auditor general; certification of audit and accountancy and professional suppluration deputy auditor general shall act as auditor general for the duration referred in sub-article(1) of this article.
3. When the positions of the auditor general and the deputies are vacant of the same time; the mayor of Addis Ababa shall assign from amongst the auditing directors for the duration referred in sub-article (1) of this Article.

13. Powers and Duties of the Auditor General

The auditor general shall be head of the office and shall in addition to implementing the powers and duties of the office provided for under article 5 of this proclamation, have the following powers and duties:

1. Submit a consolidated annual audit report, as may be necessary without waiting for end of the year, performed under sub-articles (1) up to (6) of article 5 of this proclamation and on the activities of the office to the council of Addis Ababa and when the council is not in session, to the cabinet of the city government of Addis Ababa.

2. Review the annual report which the city government finance and economic development Bureau submits to it closing the previous budget year revenue and expenditure, asset and liability, as well as government financial documents, and submit his comments thereof within 4 months from date of receiving such report; include the same in his annual report to be submitted to the council of Addis Ababa;

3. Organize the office so as to enable him properly discharge his duties;

4. Prepare and submit the budget and plan of the office to the Council and implement same upon approval;

5. When found necessary, it may transfer the bureau's internal budget from subject to subject with due regards to the general financial principles of the administration.

6. Prepare the structure and salary scale of the office within the city governments monetary capacity and up on approval by the city council, employ and administer the personnel necessary for the office and shall implement the salary and other benefits.

7. Where it is found necessary, delegate with the necessary instruction, and supervision, private
auditors or other professionals to carry out audits;

8. Where it is necessary, present special reports to the council before the usual submission date of the annual report on matters believed to be necessary and prompt issues.

14. Powers and Functions of the Deputy Auditor Generals

1. Powers and functions of audit operation deputy auditor general; shall,
   a. Assist the audit operation by planning, organizing, leading, coordinating and supervising audit activities of the office;
   b. Carry out duties of the auditor general in his absence;
   c. Carry out other duties assigned by the Addis Ababa auditor general.

2. Powers and duties of certification of audit and accountancy and professional supporting operation deputy auditor general shall;
   a. Assist the auditor general by planning, organizing, leading, coordinating and supervising the activities of certification of audit and accountancy and professional supporting operation;
   b. Carry out the duties of the Addis Ababa auditor general and audit operation deputy auditor general in their absence;
   c. Carry out other duties assigned by the Addis Ababa auditor general.

Part Three
Miscellaneous Provisions

15. Budget and Auditing

1. The operational budget of the approved budget of the office shall be deposited in time in the bank account opened in the name of the office;
2. The accounts of the office shall be audited by a body to be designated by the Council of Addis Ababa or the Cabinet, where the Council is not in session, as the case may be.

16. Audit Procedure and Period of Limitation

1. The office shall audit accounts in full or by a system of spot-checking whichever it deems appraise in a given case provided. The results of audits of the accounts shall contain a statement describing the nature and extent of the audit performed with respect to each account.

2. The office shall not perform audits covering beyond a period of two fiscal years prior to the fiscal year up on which the audit is to be performed unless he believes that crime has been committed.

1. The office of the general auditor shall carry out audits based on international standard on auditing.

17. Duties of Persons to be Audited

1. Any individual employees or an official, upon request by the office or the auditors of the office or representatives of the office shall, forthwith, make available correct and complete books, documents, ledgers, vouchers and all other documentary or oral evidence which the auditors deemed it useful and necessary for auditing.

2. Any person who has had in his custody or has paid or has expended or is in charge of the accounts of the money and property of the organs auditable by the office pursuant to the provisions of this proclamation, shall, upon request, have the obligation to have his accounts audited.
3. Auditable entities are obliged to take corrective measures, within 15 days from the data of delivery, on recommendations and comments included in the audit reports sent to them by the office; if they are unable to take such measures; shall inform the same and the reasons thereof to the office within the period specified herein.

4. All auditable entities shall prepare and provide appropriate for the staff appointed by the office in order to discharge its duties and responsibilities.

5. The head of any audit office, whose weaknesses were commented in the report of the office submitted to the council, have the duty to take appropriate remedial measures and inform the same to the council and the office.

18. Duty to Notify

1. The office shall notify to the council of Addis Ababa to the federal ethics and anti-corruption commission as to the justice and legal affairs.Bureau and the head of the audited office or organization concerned where, in the course of his auditing he has reasons to believe that an offence has been committed.

2. Delegate of the city government or an organ directly responsible shall immediately notify the office up on the occurrence of the following situation,

a. When the organs of the city government of Addis Ababa intend to implement organizational or other measures that could fundamentally alter the financial management system.
19. Offences and Penalty

1. Any person who;

   a. fails to produce or make available books, documents, ledgers vouchers or any other documentary or oral evidence which the office directly or through his employees or his representatives requires for auditing; or

   b. Give to the office, the auditors of the office or its representatives any information which he knows to be false or which he has no reason to believe it to be true; or

   c. Obstructs the proper carrying out of the functions of the office or

   d. fails to take measures, within the proper time on recommendations and comments included in the audit report of the office or fails to comply with the provisions of this proclamation when he is required to do so,

   Is punishable with imprisonment from five years to seven years or with a fine of birr 10,000 (ten thousand birr) or with both.
2. Any Auditor

a. In consideration for the performance or for the omission of an act in violation of the duties proper to his officiates, exacts a promise of or relation of the duties proper to his officiates, exacts promise of or receives a gift, money or any other advantage; or

b. Accepts any auditable document as genuine where he knows that it is not or unduly rejects any valuable document submitted to him by the one to be audited; or

c. Defrauds or cooperates with other by creating conducive conditions so that they can defraud or conspires in defrauding money of the city government or

d. with intent to obtain or procure undue advantage for himself or to third person or to cause him on any other person, causes to disappear or falsify or cause to be falsified or forges any books, documents, ledgers, vouchers or any other evidence submitted to him by the one to be audited;

Is punishable with imprisonment from five to ten years and with 10,000 birr (ten thousand) up to 15,000 (fifteen thousand) birr.

20. Code of Conduct and Protection of Audit Professionals

1. All auditors of the office shall discharge their duties, adhering to professional code of conduct issued by the city cabinet,

2. The auditor general, deputy auditors general and other auditors of the office shall not be liable for the audit activities they have conducted office shall not be liable for the audit activities they have conducted compatible with the national laws and the professional etiquette.
3. All report of the auditor general publisher in the interest of the council sell be treated as report of the council. No civil or criminal proceedings shall be instituted on the basis of these reports the auditor general,

21. Duty to Cooperate

Any person shall have the duty to cooperate for the implementation of this proclamation.

22. Power to Issue Regulation

The cabinet of Addis Ababa may issue regulation necessary for the implement of this proclamation.

23. Repealed and Inapplicable laws

1. The proclamation to establish the office of the Region 14 Auditor General Proclamation No. 8/1994 is hereby repealed.

2. No Proclamation, regulation, directive or a customary practice which is inconsistent with this proclamation shall have effect with respect to matters provided for in this proclamation.

24. Effective Date

This Proclamation shall enter into force as of its publication on the Addis Negari Gazette.

Done at Addis Ababa
This 18th Day of February 2012

Kuma Demeksa
Mayor of Addis Ababa City