



2018-2019

Head 02: Auditor General

A summary of the Auditor General's Expenditure, Divisions and Projects
Financial Scrutiny Unit, Parliament of the Republic of Trinidad and Tobago

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About this Guide

This guide provides a summary of expenditure for the Office of the Auditor General for the period 2013-2019. It provides Members of Parliament and stakeholders with an overview of the Department's responsibilities. The primary purpose of this guide is to consolidate the information contained within the various Budget Documents pertaining to the Office of the Auditor General and provide readers with an analysis of same. This guide is based primarily on:

- the Draft Estimates of Recurrent Expenditure;
- the Estimates of Development Programme; and
- the Public Sector Investment Programme.

Head 02: Auditor General

Department Overview¹

The Office of the Auditor General is an independent office. The Auditor General, in accordance with section 117 (1) of the Constitution of the Republic of Trinidad and Tobago, is appointed by the President of the Republic after consultation with the Prime Minister and the Leader of the Opposition and shall hold office in accordance with section 136 of the Constitution².

The staff of the Office of the Auditor General are public officers who form the Auditor General's Department. Their role is to ensure that Auditor General efficiently discharges these functions thereby enhancing public accountability. (Sections 117(5) to (6) of the Constitution).

In serving the people of the Republic of Trinidad and Tobago, the Auditor General must audit and report on the public accounts of Trinidad and Tobago and of all officers, courts and authorities of Trinidad and Tobago and is also empowered to carry out audits on financial statements of all state-owned or controlled enterprises. The Reports of the Auditor General must be submitted annually to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance. (Sections 116(2) to (4) of the Constitution).

Mission³

To independently audit and report on the use of public resources for the benefit of the country and its people, and to lead by example.

Vision

¹ Auditor General's website accessed on September 18, 2018: <http://www.auditorgeneral.gov.tt/>

² Constitution of the Republic of Trinidad and Tobago <http://laws.gov.tt/pdf/Constitution.pdf>

³ Auditor General's website accessed on September 18, 2018: <http://www.auditorgeneral.gov.tt/content/mission-and-vision>

To be an Independent Supreme Audit Institution that effectively promotes Accountability, Transparency and Integrity in the use of Public Resources.

Core Values

Values are the principles that represent the key ideas and ideals through which the Auditor General's Department is governed. They are the fundamental thoughts that shape behaviour and operations. In this context, and based on its Beliefs and Philosophy, the Department's core values include:

1. Integrity - The Auditor General's Department has built its image on this platform. All staff will contribute to the furtherance of this value.
2. Accountability and Transparency - These values will be foremost in the operations of the Auditor General's Department on a daily basis.
3. Endorsement of open communication - Employee participation and involvement in the business of the Auditor General's Department is a basic principle of its operations.
4. Confidentiality - This is in force at all times.
5. Professionalism - All staff would operate with professionalism at all times.
6. Participatory Leadership - Leadership in the Auditor General's Department goes beyond the 'open door policy.' Key staff are empowered to make decisions.
7. Service Orientation - Superior service to the Government and people of Trinidad and Tobago will be the strongest orientation of the Auditor General's Department.

Role and Function⁴

⁴ Auditor General's website accessed on September 18, 2018: <http://www.auditorgeneral.gov.tt/content/appointment-role-and-function>

The Auditor General is required by law to examine and report annually to Parliament on the accounts of Ministries, Departments, Regional Health Authorities, Regional Corporations and such State Controlled Enterprises and Statutory Boards for which the Auditor General is the statutory auditor. The portfolio also includes the audit of:

- The accounts of projects funded partly or wholly by International Lending Agencies;
- All pensions, gratuities and other separation benefits paid by the State in accordance with the Pensions Acts and other Agreements; and
- The grant of credit on the Exchequer Account in accordance with the requirements of section 18 of the Exchequer and Audit Act, chapter 69:01.

The audit services take the form of financial audits, compliance audits and value for money audits intended to promote:

- Accountability;
- Adherence to laws and regulations; and
- Economy, efficiency and effectiveness in the collection, disbursement and use of funds and other resources.

Auditor General (Accounting Officer): Mr. Majeed Ali

Where the Department spends its money

2018-2019 Estimates of Expenditure

The budget allocation for the Auditor General Department is comprised of:

- The Draft Estimates of Recurrent Expenditure in the sum of **\$42,770,455.00**.

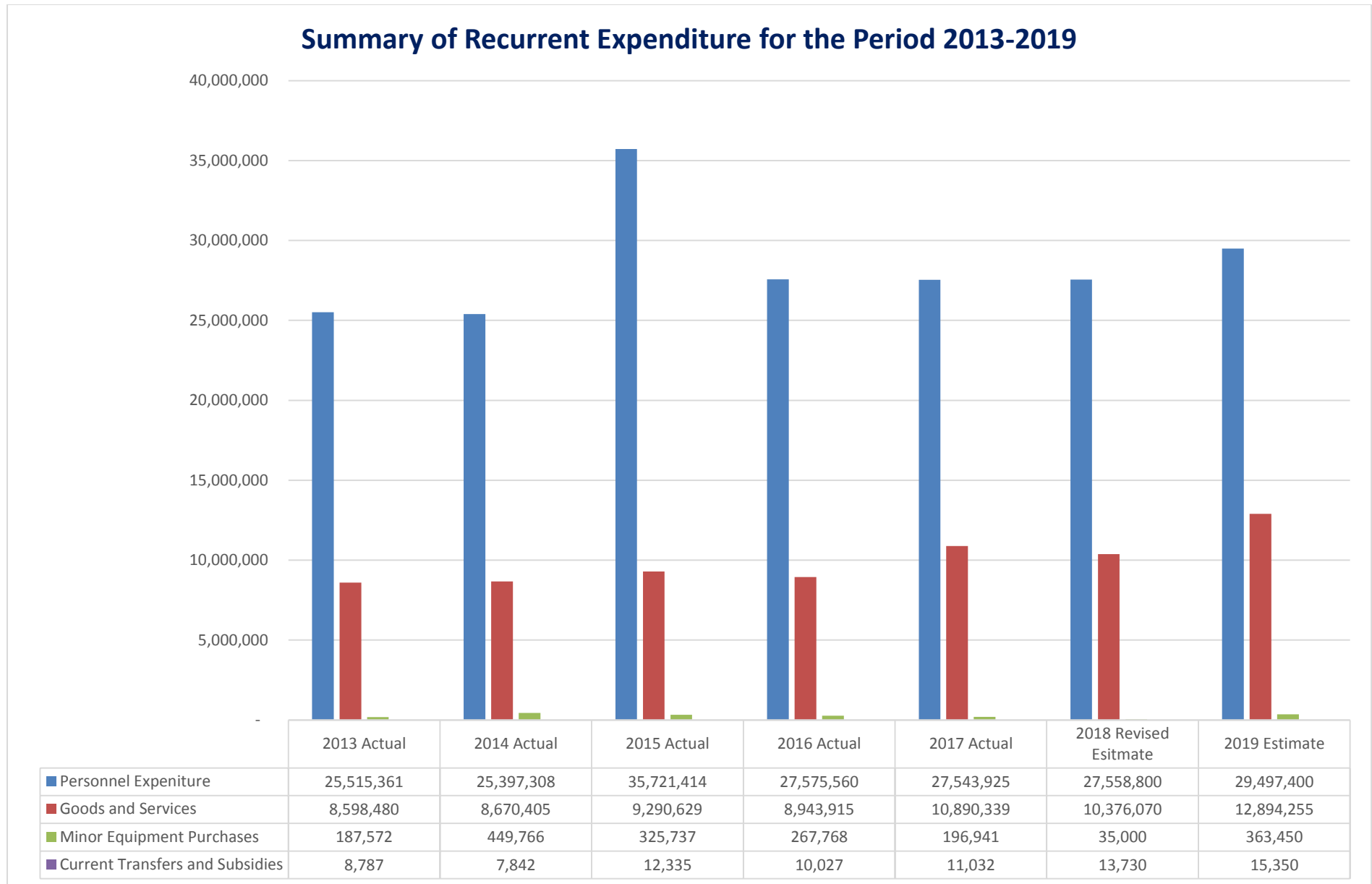
The Estimates of Recurrent Expenditure include:

- 01 Personnel Expenditure; - **\$29,497,400.00**;
- 02 Goods and Services;- **\$12,894,255.00**;
- 03 Minor Equipment Purchases; **\$363,450.00**; and
- 04 Current Transfers and Subsidies; **\$15,350.00**;

The Auditor General Department's:

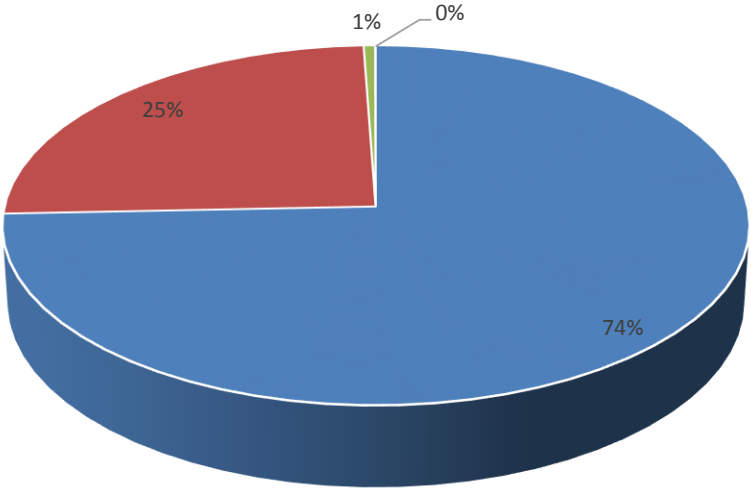
- Recurrent Expenditure as a percentage of the total Recurrent Expenditure budget is **0.08%**.

Summary of Recurrent Expenditure for the period 2013-2019⁵



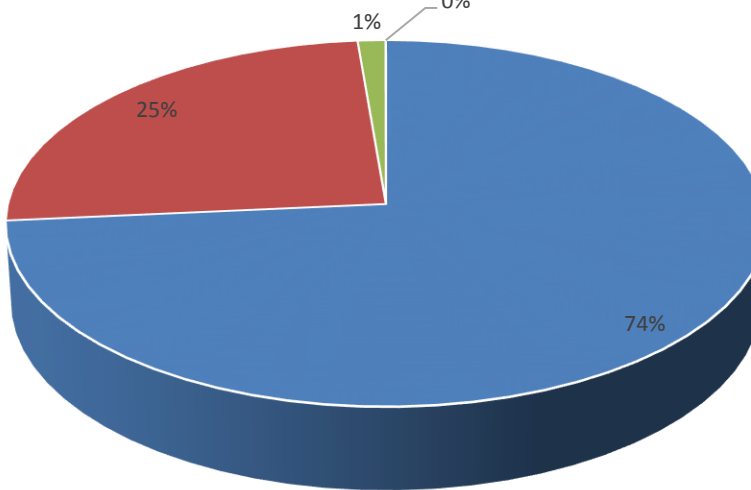
⁵ Estimates of Recurrent Expenditure 2019, accessed on October 2, 2018: <https://www.finance.gov.tt/wp-content/uploads/2018/10/Numbered-Draft-Estimates-Recurrent-Expenditure-2019.pdf>

2013 Actual



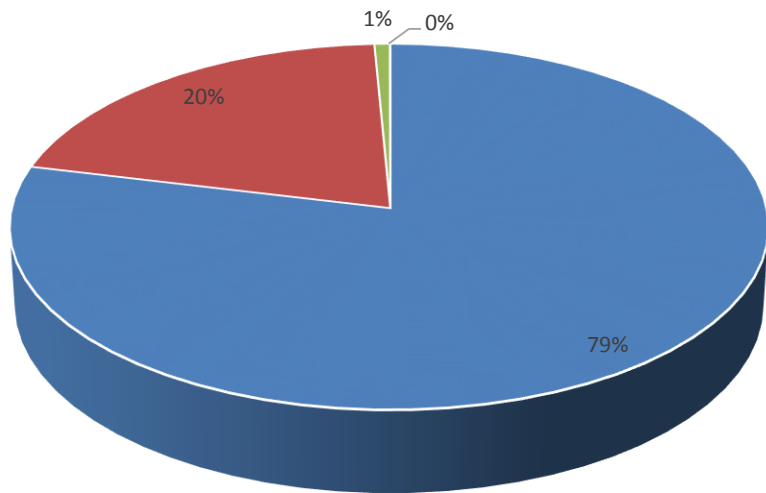
- Personnel Expeniture
- Goods and Services
- Minor Equipment Purchases
- Current Transfers and Subsidies

2014 Actual



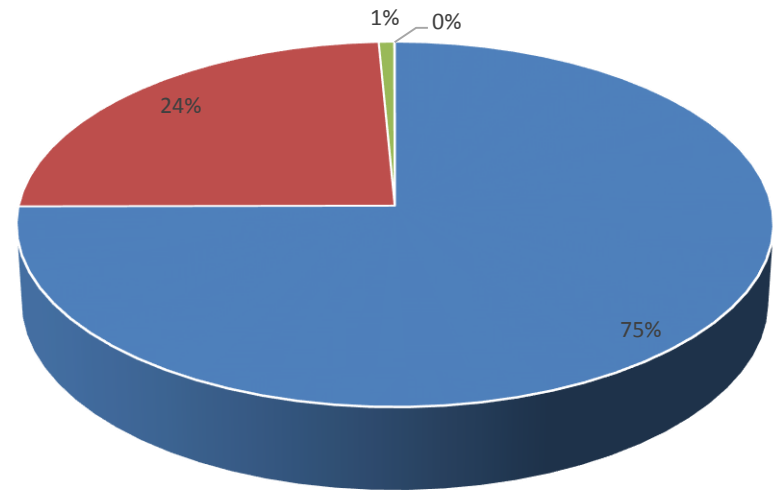
- Personnel Expeniture
- Goods and Services
- Minor Equipment Purchases
- Current Transfers and Subsidies

2015 Actual



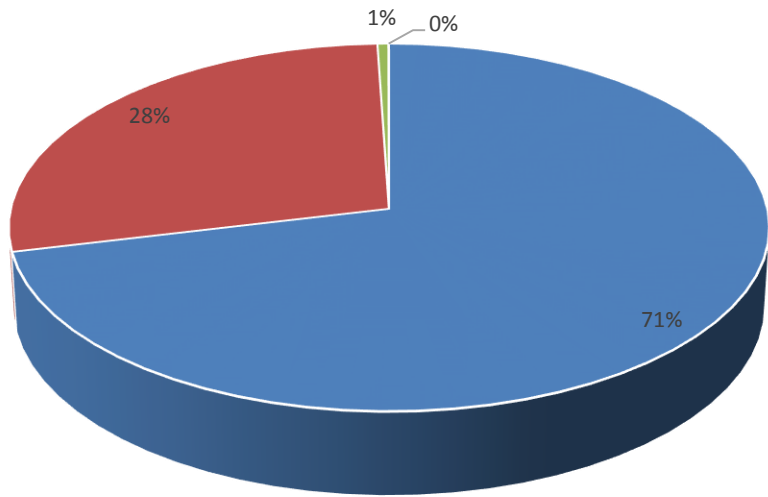
- Personnel Expeniture
- Goods and Services
- Minor Equipment Purchases
- Current Transfers and Subsidies

2016 Actual



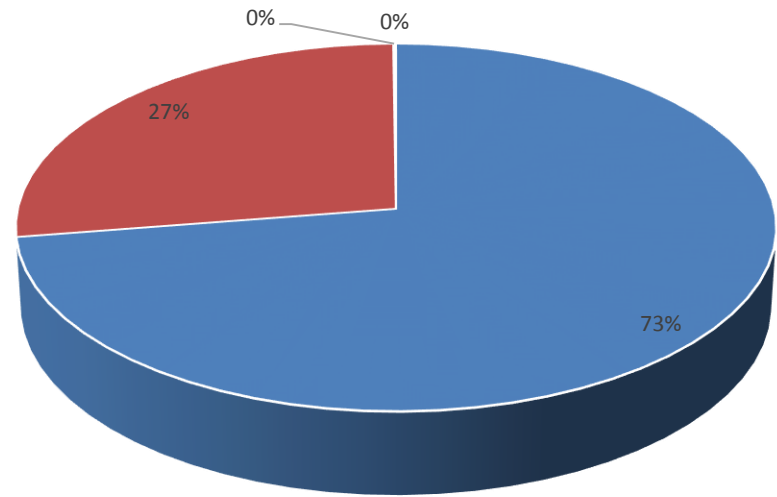
- Personnel Expeniture
- Goods and Services
- Minor Equipment Purchases
- Current Transfers and Subsidies

2017 Actual



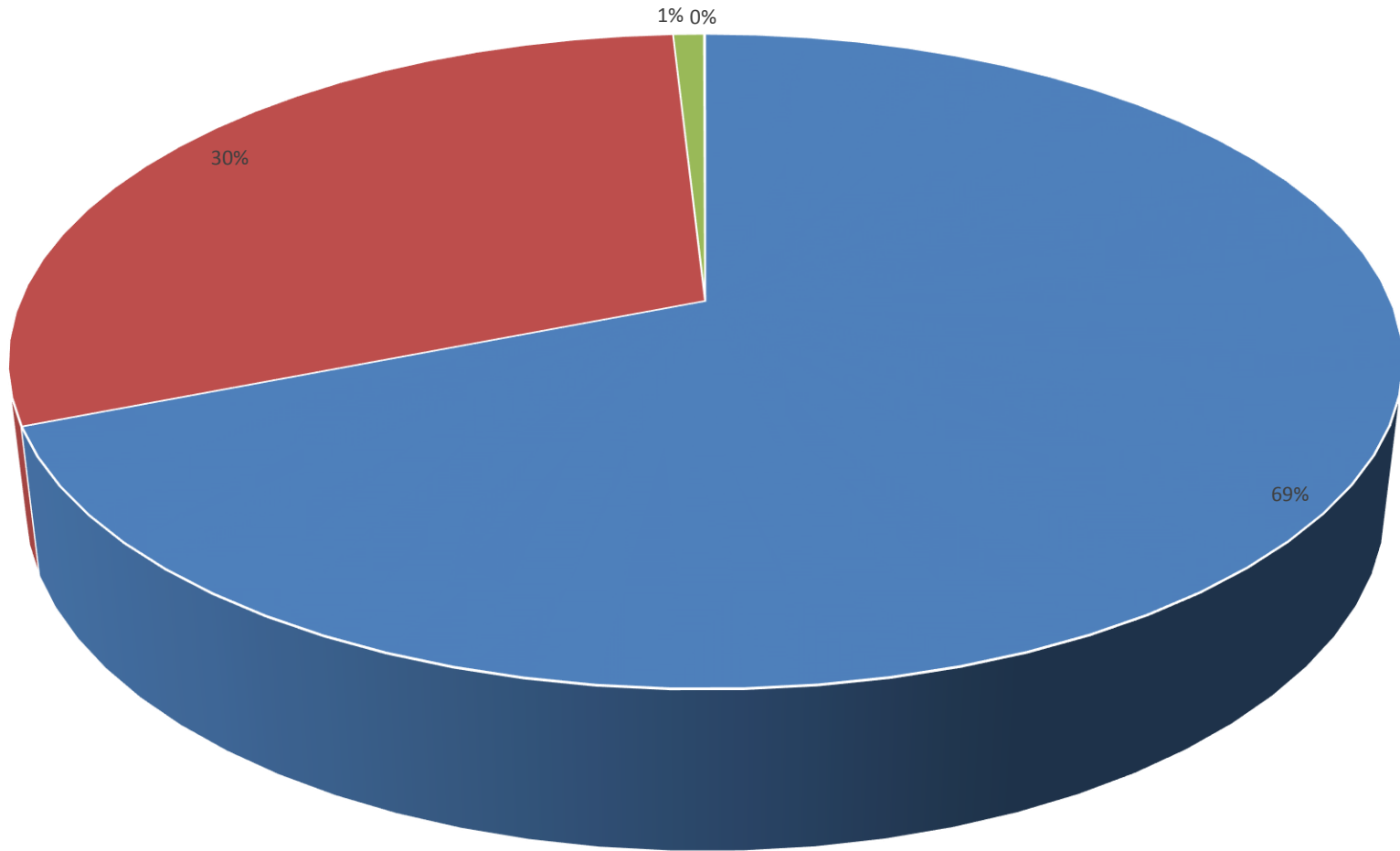
- Personnel Expenditure
- Goods and Services
- Minor Equipment Purchases
- Current Transfers and Subsidies

2018 Revised Estimate



- Personnel Expenditure
- Goods and Services
- Minor Equipment Purchases
- Current Transfers and Subsidies

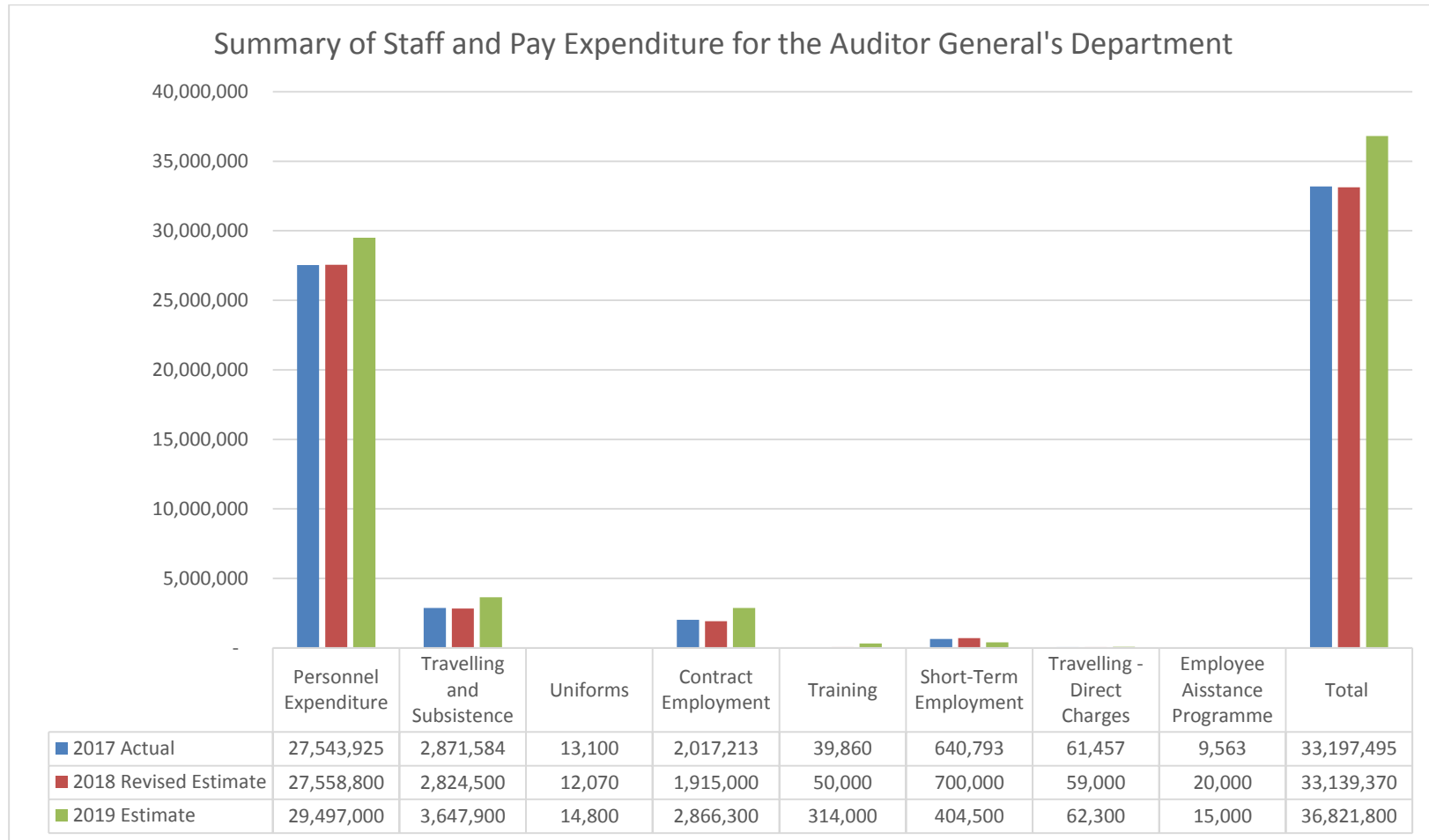
2019 Estimate



■ Personnel Expeniture ■ Goods and Services ■ Minor Equipment Purchases ■ Current Transfers and Subsidies

Staff and Pay⁶

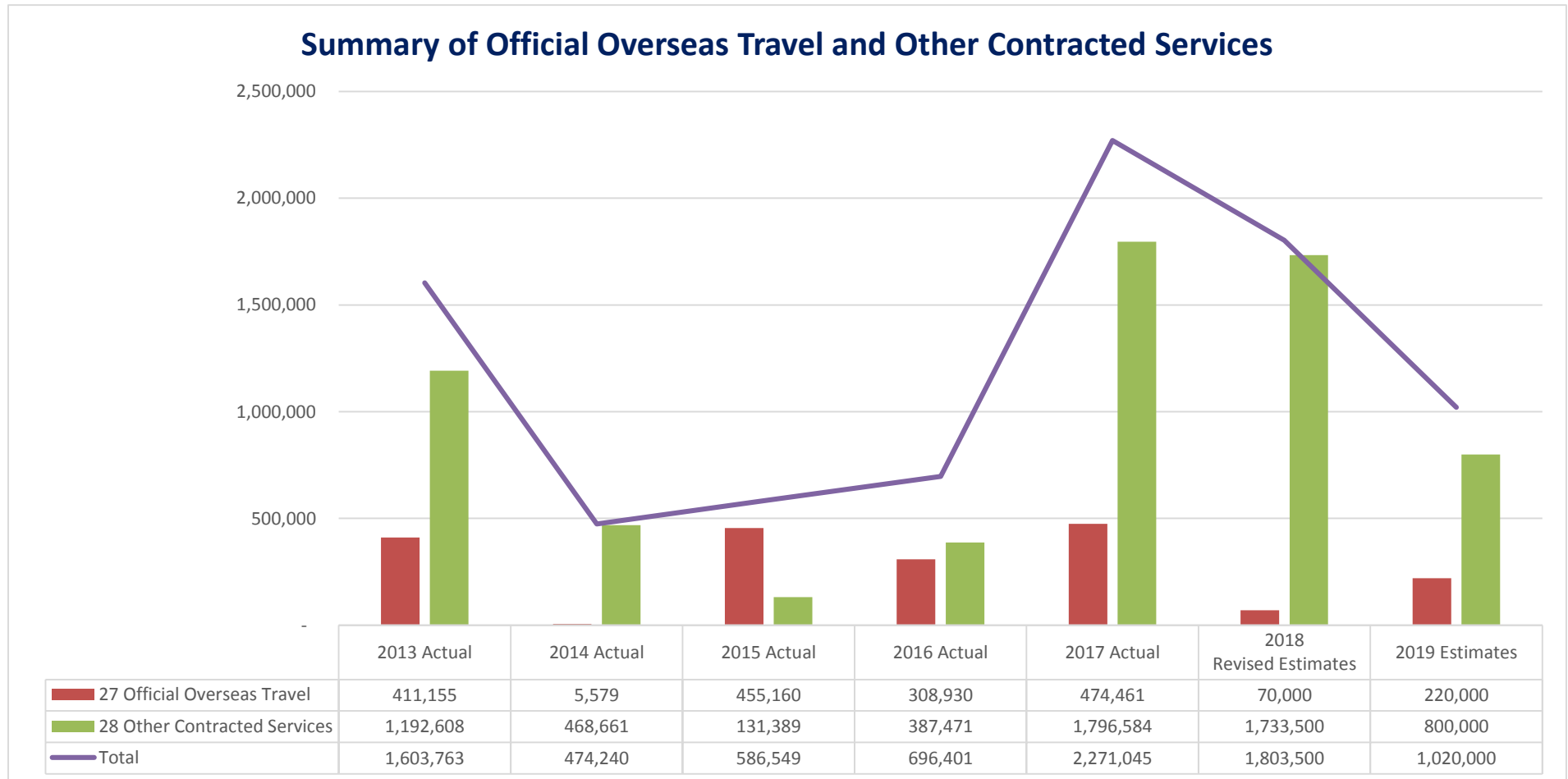
The allocation of staff expenditure for the year 2019 was \$ 36,821,800 which represents a increase of approximately 11% from the last fiscal year 2018. The following chart provides a breakdown of all expenditure related to staff from 2017-2019.



⁶ Draft Estimates for Details of Estimates of Recurrent Expenditure for the Financial Year 2018 <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Recurrent-Expenditure-2018.pdf>

Expenditure Unique to the Auditor General's Department

Unique Expenditure refers to expenditure items incurred by the Auditor General's Department that may not feature in other ministries or departments. The following graph illustrates the Summary of Official Overseas Travel⁷ and Other Contracted Services⁸ for the period 2013 to 2019.



⁷ Official Travel Overseas is intended for the auditing of the Overseas Missions of the Ministry of Foreign Affairs.

⁸ Other Contracted Services is used to outsource auditing services.

Key Statement from 2017 Standing Finance Committee Debate

During the Standing Finance Committee debate of 2017, the following statement was made in relation to the emphasis of the Auditor General for fiscal year 2017/2018⁹:

“the Office of the Auditor General is the supreme audit institution for Trinidad and Tobago with the responsibility to audit public expenditure..”

⁹ Minister of Finance, Standing Finance Committee Hansard of Ministry of Attorney General and Legal Affairs 23 Oct17, Accessed September 17, 2018

The Department's total allocation as a percentage of the National Budget for the period 2013 to 2019.

Year ¹⁰	Total Allocation ¹¹	National Budget ¹²	Percentage of National Budget
2013	\$ 35,308,457.00	\$ 59,174,226,196.00	0.060%
2014	\$ 35,569,801.00	\$ 65,020,886,424.00	0.055%
2015	\$ 46,216,729.00	\$ 61,966,922,675.00	0.075%
2016	\$ 37,629,111.00	\$ 56,573,913,053.00	0.067%
2017	\$ 39,015,350.00	\$ 54,883,153,410.00	0.071%
2018	\$ 37,983,600.00	\$ 54,330,404,592.00	0.070%
2019	\$ 42,770,455.00	\$ 55,582,977,415.00	0.077%

- Total allocation for the Ministry as a percentage of the National Budget increased by 0.007% to the Auditor General's Department between the period 2017/2018 and 2018/2019.

¹⁰ For the Fiscal Years 2013-2017, actual figures were used to calculate the total allocation. However, estimates were used to calculate the total allocation for the Fiscal Years 2018 and 2019.

¹¹ Total Allocation for the Auditor General's Department = Recurrent Expenditure + Consolidated Fund

¹² The National Budget = Total Recurrent Expenditure + Total Consolidated Fund

Analysis of Summary of Expenditure

Recurrent Expenditure refers to the payments for expenses which are incurred during the day-to-day operations of the Ministry for personnel expenditure, goods and services, minor equipment purchases, current transfers and subsidies.

- Recurrent Expenditure for Fiscal Year 2018/2019 is **\$42,77,455.00**. This represents **0.08%** of the total Recurrent Expenditure for the financial year 2018/2019.
- Recurrent Expenditure for Fiscal Year 2017/2018 was **\$37,983,600** (revised). Comparing this figure with Fiscal Year 2018/2019, there is an increase of **\$4,786,855** or **12.6%**.
- The largest portion of the allocation has consistently gone to sub-head Personnel Expenditure. This figure has been steady at around **74%** of the total allocation for the years 2013 to 2019 accounting for **69%** in Fiscal Year 2018/2019
- **Minor Equipment Purchases** has remained at an average of **1%** from 2013 to 2019.
- The percentage allocation of expenditure to **Goods and Services** is **30%** for the financial year 2018/2019.
- Furthermore, **Current Transfers and Subsidies** has been steady at less than **1%** over the period 2013-2019.

Summary of Development Programme Expenditure for the period 2013-2019

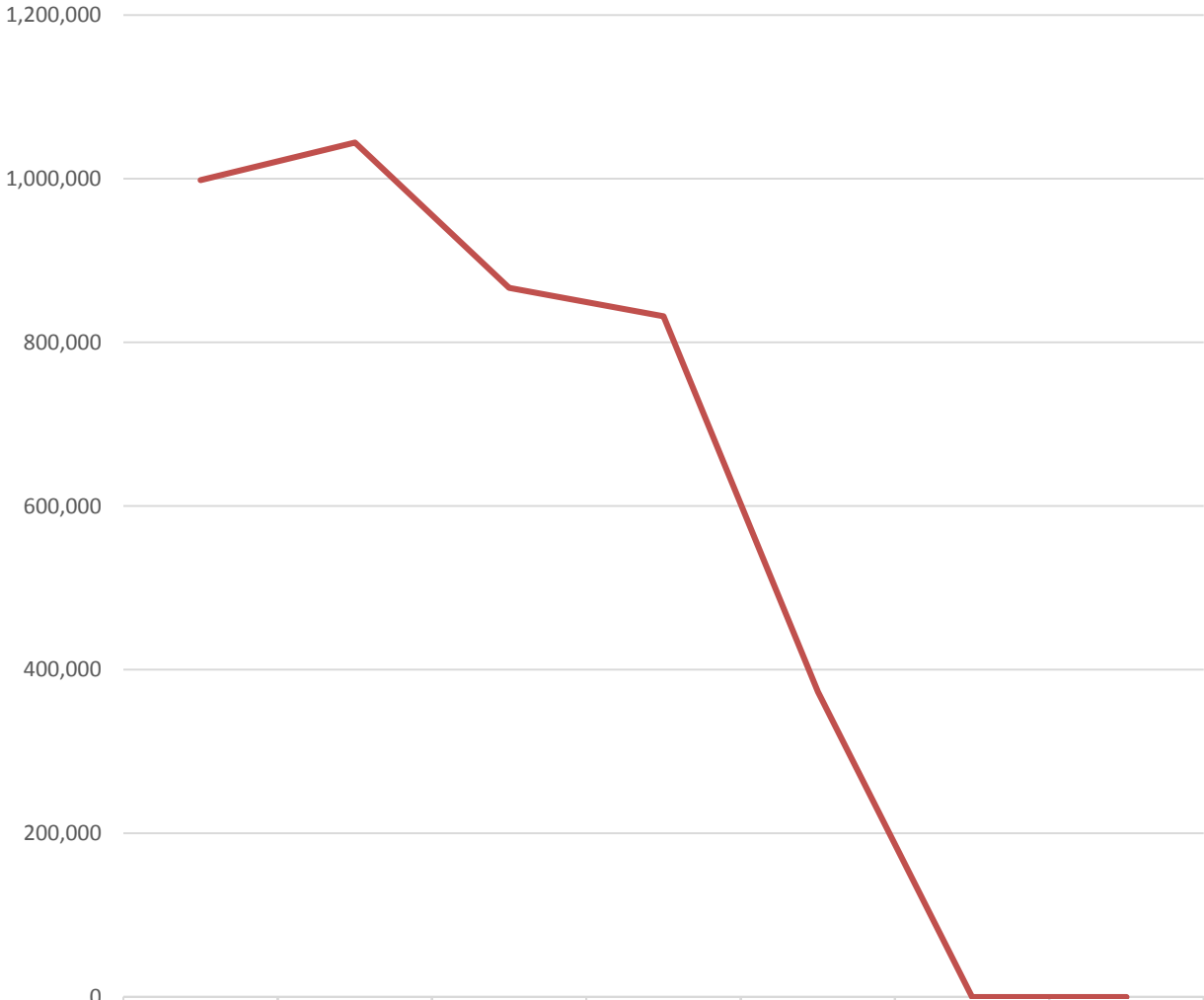
Development Programme is capital expenditure aimed at improving and enhancing development in different areas of Trinidad and Tobago which includes; human resources, economic and social development.

The Public Sector Investment Programme (PSIP), which represents the capital expenditure component of the National Budget, is the instrument used by Government to effect its vision and policies. It is a budgeting and strategic planning tool made up of projects and programmes, designed to realise the goals set out in the Government's overarching policy.

The PSIP budget document provides a detailed description of the programmes and projects and includes a review of the implementation of projects and programmes in the previous financial year and highlights the major projects and programmes to be implemented in the upcoming financial year.

- The Public Sector Investment Programme is intended to achieve:
 - the country's social and economic development goals; and
 - enhance the quality of life of all citizens.

Summary of Development Programme Estimates for the period 2013-2019



	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Revised Estimates 2018	Estimates 2019
005 Multi-Sectoral and Other Services - Consolidated Fund	998,257	1,044,480	866,614	831,841	373,113	0	0

Major Programmes and Developments

The following table illustrates the major programmes and projects under the Auditor General's Department and the actual or estimated expenditures for the last three years.¹³

Development Programme 2019	PROJECTS	2017 Actual	2018 Estimate	2018 Revised Estimate	2019 Estimate
005-06-A-001	Institutional Strenghtening of the Auditor General's Department	373,113	-	-	-

¹³ Estimates of Development Programme 2019, accessed on October 2, 2018: <https://www.finance.gov.tt/wp-content/uploads/2018/10/Numbered-Draft-Estimates-Of-Development-Programme-New-2019.pdf>

Committee Inquires Related to the Ministry of Education

Inquiry	Report Status	Ministerial Response	Key Recommendations ¹⁴
<p>1. <i>The First Report of the Public Accounts Committee for the First Session of the Eleventh Parliament on the Examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial years 2014 and 2015 with specific reference to the Auditor General's Department</i></p>	<p>Report Presented H.O.R- 03.02.2017 Senate-31.01.2017</p>	<p>Presented H.O.R - 17.03.2017 Senate - 21.03.2017</p>	<ul style="list-style-type: none"> By strengthening its staff compliment, the AGD will be able to execute more special audits. This will allow for detailed scrutiny of public expenditure in areas that may remain unexamined in a general audit of the Public Accounts. The AGD is encouraged to pursue proposals with the Public Service Commission to increase its staff compliment to 20 qualified persons by March 2017.

¹⁴ Key Recommendations relate to recommendations that may have a financial impact on the Ministry

General Useful Information

- Government of India Ministry of Finance (Department of Economic Affairs) Aid Accounts & Audit Division, India
<http://aaad.gov.in/>
- National Audit Office, UK: <https://www.nao.org.uk/>
- Office of the Auditor General of Canada, CAN: <http://www.oag-bvg.gc.ca/internet/index.htm>
- Australian National Audit Office, AUS : <https://www.anao.gov.au/>