



AUDIT OFFICE OF GUYANA

Conflict of Interest Code

1.0 Introduction

1.1 The **Audit Office**, its officer and employees have an obligation to maintain the independence of the Office, so that its opinions, conclusions, judgments and recommendations will not only be impartial, but will be viewed as impartial particularly by knowledgeable third parties. As Auditors therefore, officers and employees must avoid situations that may lead third parties, apprised of the relevant facts and circumstances, to query whether the **Audit Office** can maintain its independence and its ability to exercise objective and impartial judgment on all issues associated with the conduct of audits, and with reporting of the audited entities.

2.0 Objective

2.1 The Objective of the **Code** therefore is:

To sustain and enhance public confidence in the integrity, independence and competence of the Audit office, its officers and employees, through:

- I. employment of suitably qualified and trustworthy personnel
- II. ensuring that employees can conduct their audits objectively and report findings, opinions and conclusions without fear of any type of degree of repercussion
- III. provision of safeguards against real, potential or perceived conflict of interest
- IV. provision of guidelines for resolving any conflict of interest which may arise

3.0 Principles

3.1 The following principles are to be observed by officers and employees:

- a) that private affairs are managed in such a manner that public confidence and trust in the integrity, objectivity and independence of the **Audit Office** is not compromised.
- b) that the manner in which they discharge their responsibilities can successfully withstand the closest scrutiny.
- c) that no advantage is taken of, or benefit derived from, information obtained in the course of discharging their official duties and responsibilities.

- d) neither direct nor indirect use, nor permission for the use, of government property or facilities of this Office of those of audited entities for other than officially approved activities

4.0 Compliance

4.1 Steps to be taken

In order to reduce or eliminate the risk of conflict of interest; or to facilitate its resolution, the following steps should be taken by the officer or employee concerned:

- a) avoid or withdraw from activities or situations that would pose a real, potential or apparent conflict of interest in respect of duties and responsibilities assigned.
- b) provide the **Auditor General** with a written statement on ownership of assets or participation in any other business or employment activity which may be construed as compromising independence of action.
- c) where necessary, divestment of the assets may be involved, except that such divestment may not be effected through transfer to a family member or other non-arm's length individual.

In case where doubt as to the appropriate method to be used the **Auditor General** will advise accordingly, taking into consideration:

- I. the employee's specific responsibilities
- II. the value and type of the assets or interests involved; and
- III. the actual costs to be incurred by divestment of the said assets and interests as against their assessed potential as a conflict of interest issue.

4.1.1 Exempted Assets

Assets which however will be exempt from the constraints of the code include the following:

- a) residences, recreational property and farms used or intended for use by Employees or their families;
- b) household goods and personal effects;
- c) works of art, antiques and collectibles;
- d) automobiles and other personal means of transportation;
- e) cash and deposits;

- f) retirement savings plans that are not self-administered;
- g) guaranteed investment certificates and similar financial instruments
- h) annuities and life insurance policies
- i) pension rights;
- j) money owed by a previous employer, client or partnership

4.1.2 Non-exempted Assets

On the other hand, non-exempt assets or interests and liabilities which must be declared in a written statement to the **Auditor General** may include the following:

- a) real property that is not an exempt asset
- b) assets that are beneficially owned, which are not exempt and are administered at arm's length
- c) secured or unsecured loans granted to persons other than to immediate family members
- d) any other assets or liabilities that could give rise to real, potential or perceived conflict of interest due to the particular nature of the officers and employees duties and responsibilities.

4.1.3 Outside Activity

Additionally, it is the responsibility of the employee to confidentially, report to the Auditor **General** any outside activity that could impose demands inconsistent with the former's official duties and responsibilities, or could compromise the objective discharge of those duties and responsibilities.

The **Auditor General** can make a determination as to whether or not a conflict of interest exists and require that such activity be curtailed or terminated, as appropriate.

Those persons who have been required to provide confidential statements to **the Auditor General** must report any subsequent changes.

4.1.4 Gifts, hospitality or other benefits

Officers and employees must not accept, directly or indirectly, any gift, hospitality or benefit offered by any entity with whom they deal in their official capacity, except the routine catering which the entity may provide for its own employees.

4.1.5 Relationships with Audit Entities

Officers and employees are required to refrain from the following:

- a) According special treatment in relation to any official matter to an entity that might profit that special consideration.
- b) Auditing transactions or activities in which they have a personal interest. Should such a situation develop the employee concerned should inform the team leader in charge of the audit, who will take the appropriate action.
- c) Offering to any entity or its representatives assistance in dealing with this Office without its prior permission.
- d) Any relationship with managers and employees in the audited entity and other parties which may influence, compromise or threaten their ability to act and be seen to be acting independently; as well as relationships which involve the risk of corruption or which may raise doubts about their objectivity and independence.
- e) Actively seeking employment with an entity that they are examining.

4.1.6 Confidentiality

Officers and Employees should not use information received in the performance of their duties as a means of securing personal benefit for themselves or for others.

They should not divulge information which could provide unfair or unreasonable advantage to other individuals or organizations, or use such information as a means of harming others.

4.1.7 Misuse/abuse of Official property, machinery or equipment

Officers and Employees should not utilize any property, machinery or equipment of the **Audit Office** outside of their official duties except with the specific authorized consent of an appropriately designated Officer.

5.0 Failure to Comply

5.1 Any Officer or Employee who does not agree to comply with the undertakings set out in this document will be subject to appropriate disciplinary action as recommended by the **Executive Management Team** or other **Review Team** appointed by the **Auditor General** for that purpose.