



**ROAD MAP ON THE
FORMULATION OF
REGULATIONS UNDER THE
AUDIT SERVICE ACT 2014**

1. Background

Officials who superintend the administration of public funds are required to do so in accordance with prescribed financial regulations. The prevalence of misuse or maladministration of public funds has the tendency of derailing the development of any given state. This justifies the provision of stringent sanctions that follow mismanagement or maladministration of public funds. Therefore, the prudent use of public funds allocated for defined purposes should not be overemphasised.

Disallowance and surcharge powers are constitutional or legislative mechanisms that empower an Auditor-General or any Supreme Audit Institution to sanction illegally expended or mismanaged public funds upon officials responsible for the administration of such funds.

In Sierra Leone, the power of the Auditor-General to disallow and surcharge is provided for in the Audit Service Act of 2014, the Public Financial Management Act of 2016, and the Local Government Act of 2004 (as amended in 2022). However, the Audit Service Sierra Leone (ASSL) has been constrained in applying the aforementioned laws on disallowance and surcharge owing to the absence of Regulations guiding its implementation process.

The ASSL has consulted stakeholders relevant to the implementation of disallowance and surcharge as provided by law. Thereafter, the ASSL has developed this 'Road Map on the Formulation of the Audit Service Regulations' which explains in detail, the proposed actions that will lead to the formulation, enactment and implementation of Regulations providing for the application of disallowance and surcharge, and ancillary matters pertinent to the effective implementation of the Act.

2. ROAD MAP ON THE FORMULATION OF REGULATIONS UNDER THE AUDIT SERVICE ACT 2014

No.	Activity	Targeted objective(s)	Timeline	Status
A	INITIATION PHASE			
1.	The Establishment of a Legal Affairs Division at the ASSL	To manage the facilitation process of developing Regulations that will address the application of disallowance and surcharge and ancillary matters	May - April 2023 (short term)	Done
2.	Establishment of a Regulation Formulation Committee at the ASSL	To operationalise the legal provisions that embody the power of disallowance and surcharge; formulate an operational plan that will be popularised to identified stakeholders; and coordination of the enactment of the Audit Service Regulations	August 2023 (short term)	Done
3.	Development of a roadmap on the formulation of Regulations under the Audit Service Act, 2014.	Mapping of activities; budgeting lines; time lines of activities, etc.	August - September 2023 (short term)	Done
4.	Study tours to other Supreme Audit Institutions (SAIs) that implement disallowance and surcharge, and ancillary matters	To obtain hands-on experience on the application of disallowance and surcharge powers in other jurisdictions.	October 2023 (short term)	To be done
B	PLANNING STAGE			

No.	Activity	Targeted objective(s)	Timeline	Status
5.	Consultations with internal and external stakeholders on the relevant provisions for the application of surcharge powers, and ancillary matters pertinent to the mandate of the ASSL	Stakeholder consultation engagements to solicit their views and to obtain the fulfilment of their legislative and judicial roles; collate and submit the views of stakeholders to the ASSL Regulations Formulation Committee, etc.	Sept – June 2024 (long term)	Ongoing
6.	Establishing a Technical Working Group comprising key stakeholder representatives	To plan, execute and implement the disallowance and surcharge application strategy; formulation of draft provisions for the proposed Regulations; and other ancillary matters; collate and submit the report of work done to the ASSL Regulations Formulation Committee, etc.	Nov – Dec 2023 (medium term)	To be done
C	EXECUTION PHASE			
7.	Development of the Audit Service Regulations	Conduct of Technical Working Group Sessions; Technical Retreat for drafting of the Audit Service Regulations containing provisions disallowance and surcharge application; and other ancillary matters	Jan - June 2024 (long term)	To be done
8.	Validation workshop	Proposed provisions under the Audit Service Regulations formulated by the TWG and legal experts would be subject to validation by stakeholders	August 2024 (long term)	To be done

No.	Activity	Targeted objective(s)	Timeline	Status
9.	Training workshop on disallowance and surcharge application	Capacitation trainings on practicalities of disallowance and surcharge application in law and practice for auditors, judicial officials, State Counsel	Sept. 2024 (Long term)	To be done
10.	Regional public engagement on Audit Service Regulations.	Regional public engagements of stakeholders shall be conducted in five (5) regions in Sierra Leone to popularise the Audit Service Regulations particularly the disallowance and surcharge application process and application	July – Dec. 2024 (Long term)	To be done.
11.	Application of provisions under the Audit Service Regulations	The enacted Audit Service Regulations and the Audit Service Act, 2014 would guide the operations of the ASSL as it executes its constitutional and legislative mandates	FY2025 (Long term/ continuous)	To be done
12.	Implementation of disallowance and surcharge by ASSL	During the external audit cycle of 2025, the ASSL shall apply disallowance and surcharge processes as an audit follow-up mechanism on the Auditor-General's Report	2025 Audit Cycle Long term/ continuous)	To be done

No.	Activity	Targeted objective(s)	Timeline	Status
E	MONITORING & EVALUATION & CLOSURE PHASE			
13.	Report on disallowance and surcharge application in the Auditor-General's Report	The Auditor-General's Report on the public accounts of Sierra Leone would dedicate a chapter on the implementation of disallowance and surcharge as an additional follow-up mechanism on the Auditor-General's recommendations	Auditor-Generals' Annual Report 2025 - onwards (Long term)	To be done
14.	Monitoring and Evaluation	The ASSL Monitoring and Evaluation Division will conduct monitoring and evaluation assessments on the impact of the Audit Regulations on end-users and ASSL internal processes; assessment of the impact of disallowance and surcharge in the audit of public entities	2025 – onwards (Long term)	To be done

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