

DECISION 01/2019/MB

OF THE MANAGEMENT BOARD

ON UPDATING THE MANDATE OF THE INTERNAL AUDIT PANEL

AND

REPEALING DECISION 27/2012/GB

ON ESTABLISHING AN INTERNAL AUDIT PANEL

OF THE GOVERNING BOARD OF THE EUROPEAN POLICE COLLEGE

Adopted by the Management Board

On 31 January 2019

THE MANAGEMENT BOARD,

Having regard to the European Parliament and Council Regulation (EU) No 2015/22191 of 25 November 2015 on the European Union Agency for Law Enforcement Training (hereinafter 'CEPOL') and replacing and repealing Council Decision 2005/681/JHA;

Whereas:

- (1) The Management Board has very comprehensive responsibilities related to the audit process, the system of internal control and the financial reporting process.
- (2) In the course of regular meetings of the Management Board the required and desired attention to these matters cannot be given. Therefore an Internal Audit Panel to deal exclusively with these matters was established by Decision 37/2010/GB, which was repealed and replaced by Decision 27/2012/GB.
- (3) In order to avoid overlaps in auditing assignments and increase efficiency in use of resources, it is necessary to update the mandate of the Internal Audit Panel and the way it operates, in line with the following developments:
 - the task referring to issuing an opinion on the annual accounts shall be removed having in view that this assignment is already performed annually by an external audit firm, on behalf of the European Court of Auditors; moreover, from 2014 onwards, the preparation of the annual accounts has been outsourced to the European Commission, therefore the EC Accounting Officer provides all services required by Articles 36 and 50 of the Framework Financial Regulation;
 - the task referring to providing a draft analysis and assessment of the Consolidated Annual Activity Report shall be removed having in view that in accordance with Decision 01/2014/GB adopting the Financial Regulation (article 47) this is the mandate of the MB and support is provided in this regard by CEPOL, in accordance with the guidelines provided by the EC in 2014²; moreover the Consolidated Annual Activity Report is a supporting document for the annual financial audit implemented by the European Court of Auditors, issuing opinion on the legality and regularity of transactions;
 - CEPOL has a stable and functional internal control system, therefore the frequency of visits and way of operation of the Internal Audit Panel shall be reconsidered in the light of the currently low risk profile of the Agency,

¹ OJ L 319, 4.12.2015.p.1

² Communication from the Commission on the guidelines for programming document for decentralised agencies and the template for the Consolidated Annual Activity Report for decentralised agencies Brussels, (16.12.2014 C(2014) 9641 final)

HAS DECIDED AS FOLLOWS:

Article 1

- (1) This Decision repeals and replaces Decision 27/2012/GB.
- (2) The terms of reference of the Internal Audit Panel shall be modified as set out in the Annex to this Decision.
- (3) Having in view the currently low risk profile of the Agency, as classified by the internal auditors, as well as the continuous positive audit assessments, the work of the Audit Panel shall be suspended, following to be re-activated in case the risk assessment justifies enforcing additional audits. In this respect, the regular audits performed by the Internal Audit Panel shall be replaced by exceptional ad-hoc audits to be implemented at the request of the Management Board, when a particular audit need is perceived;
- (4) The instrument of the Internal Audit Panel shall not be abolished and the Chair and members of the Audit Panel shall keep their nominations as decided via MB Decisions.

Article 2

- (1) This Decision shall take effect on the day following that of its adoption. The decision shall be valid for three years and will be updated in the course of its implementation if necessary, or after its assessment at the end of the implementation period.

Done at Tampere, on 04 February 2019

For the Management Board
<< Signature on file >>

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Mr Kimmo Himberg
Chair of the Management Board

Annex

Internal Audit Panel (IAP)

Member States shall be invited to nominate financial experts for the IAP; the nomination shall include a *curriculum vitae* of the proposed expert. The Management Board shall appoint three members and their appointment will last for three years; the mandate of the appointed auditors is extendable once for up to three additional years. The Chair of the Audit Panel shall be the longest serving as a member of the Audit Panel.

Purpose:

The IAP shall assist the Management Board in fulfilling its oversight responsibility for the audit process and the system of internal control.

Objectives:

Upon specific request, the IAP shall provide the Management Board with opinions with regards to effectiveness of the internal control system of the Agency and propose recommendations for improvement.

Tasks:

The IAP, on the request of the Management Board, shall in particular:

1. carry out audits, where a particular need is perceived;
2. follow-up the implementation of audits and assess internal control systems;
3. review the action plans provided by the Executive Director;
4. follow-up actions in response to analyses, assessments and recommendations of internal and external auditors;
5. present audit plans and reports to the Management Board for each assignment.

Profile of members:

The members of the IAP shall have a good understanding of CEPOL and of the subjects covered by the IAP.

Support:

CEPOL shall keep the IAP informed about any developments within the Agency and on the results of the internal/external audits. In this respect, the documents prepared for the MB meetings will be equally accessible to the Chair of the IAP.

The Executive Director shall attend all IAP visits and provide the information necessary for the IAP to carry out its tasks. The IAP may invite any staff member of CEPOL to attend a meeting to provide pertinent information. CEPOL shall provide secretarial support to the IAP.

Audit visits:

At the request of the Management Board, the Internal Audit Panel shall perform ad-hoc audits, based on risk assessment considerations, and where a particular need is perceived, for instance if there is an indication of significant weakness in the internal control system of the Agency. In this respect, the Chair of the MB shall send to the Chair of the IAP, with a copy to CEPOL Executive Director, a letter requesting an audit on the proposed topic.

For each assignment (ad-hoc visit), the Internal Audit Panel shall draft an audit plan stating the purpose and justification of the engagement, objectives and scope of the audit, units and services to be audited, audit methodology and timelines.

The Internal Audit Panel, supported by CEPOL, shall ensure audit planning and coordination with the internal auditor (Internal Audit Service), external auditor (European Court of Auditors) and private quality auditor performing surveillance audits in accordance with ISO 9001:2015 standards.

An audit report shall be drafted for each assignment stating the audit conclusion, findings and recommendations.

The duration of each audit visit performed at CEPOL premises shall not exceed 5 days and the costs related to transport, accommodation and meals shall be paid by CEPOL.