



# Chamber of Control of Georgia (CCG)

**The Rules of Procedure  
Chamber of Control of Georgia**

# **The Rules of Procedure of the CCG**

## **Chapter I**

### **General Provisions**

#### **Article 1. Scopes of the Rules of Procedure of the CCG**

Rules of Procedure of the CCG (hereinafter referred to as Rules of Procedure) determines the rules of operation of the CCG ((hereinafter referred to as CCG), its structure, functions of its structural units, terms and rules of audit preparation and conducting, rules of execution of the powers of the Council of Disputes and other organizational issues of office work and internal activities.

#### **Article 2. Status of the CCG**

1. Status of the CCG is determined in accordance with the Constitution of Georgia and The Law on CCG.

2. CCG performs its activities in accordance with the Constitution of Georgia and the law on CCG, this Rules of Procedure, as well as on the basis of the other legislative acts and bylaws of Georgia.

3. CCG has the seal with the state emblem of Georgia and its name on the face, other relevant seals and stamps, its independent balance, accounts with the state treasury, emblem and title page with its name and image of the state emblem of Georgia.

4. Location of the CCG is: 22, Irakli Abashidze Street, Kutaisi; 7, Sulokhan-Saba Orbeliani Street, Batumi; 96, Ketevan Tsamebuli Street, Tbilisi.

#### **Article 3 Legal Acts of the CCG**

1. Legal acts of the CCG are as follows:

- a) Normative act – Order of the Chairman of CCG;
- b) Individual administrative act – Order of the Chairman of CCGeorgia, orders of the Chairmen of Chambers of Control of Autonomous Republics Abkhazia and Adjara, audit document, certificate and report (conclusion) and decision of the Council of Disputes of the CCG.

2. Draft order of the Chairman of CCG shall be endorsed by the head of structural units, which has prepared the draft, Curator Deputy Chairman of the CCG and Legal Department. Draft order of the Chairman of CCG regarding starting, pausing, renewing, stopping of planned and extraordinary audit as well as changes related to its conducting shall be endorsed by head of the Planning and Analysis Department.

3. Endorsing implies written expression of his/her attitude by the authorized official on the document prepared by the structural unit of the CCG or the one, submitted to the CCG.

4. Preparation of the conclusion for the draft legal act of CCG may be assigned by the Chairman to the other structural unit and/or official of CCG.

5. Decision of the Council of Disputes of the CCG shall be signed by the Chairman of the session of the Council of Disputes and members who has made the said decision. Decision of the Council of Disputes shall enter into force in accordance with the rules established by Georgian legislation.

6. Audit document shall be adopted in accordance with the rules established by Article 15 of this Rules of Procedure.

## **Chapter II**

### **Organization and Structure of The CCG**

#### **Article 4. Management of the CCG**

1. The CCG is managed by the Chairman of The CCG.

2. Chairman of the CCG:

a. manages the activity of the CCG in accordance with the Constitution of Georgia, the Law on The CCG , the present Rules of Procedure, other legislative acts and by-law normative acts;

b. decides on the matters concerning the activities of the CCG;

c. chairs sessions of the Presidium and Council of Disputes of the CCG. In accordance with the rules established by Law on CCG, by his/her order, determines composition of the Presidium and Council of Disputes;

d. appoints and dismisses the Deputy Chairmen of the CCG, including the First Deputy, and other officials of CCG;

e. in agreement with the High Council of the relevant autonomous republic, appoints chairmen of the chambers of control of Autonomous Republics, appoints and dismisses deputy chairmen of the chambers of control of Autonomous Republics by proposal of the chairman of the relevant CCG.

f. approves statutes of the structural units of the CCG (including those of the audit departments) and of the chambers of control of the Autonomous Republics;

g. approves the Routine of the CCG;

h. determines functional-sectoral directions of the audit departments of the CCG;

i. decides on liquidation or reorganization of the audit departments as well as of other structural units of the CCG;

j. establishes the ultimate number of employees of the CCG, the manning table of the CCG and salaries in accordance with the manning table established for the CCG within the framework of the Labor Remuneration Fund;

k. submits to the Parliament the reports and statements provided for by the Constitution of Georgia and the Law on the CCG;

l. represents the CCG in relations with the international and other organizations;

m. issues the normative or individual administrative acts – the orders necessary for realization of the tasks incumbent on him/her;

n. determines functions of the First Deputy Chairman and deputy chairmen and delegates powers to them;

o. in accordance with the rules established by the legislation, provides supervision upon activities of the structural units of the CCG;

p. approves the audit plans, determines the form, method, scopes (volume), term and place of audit to be conducted throughout the entire territory of the country;

q. decides on extension of the term, suspension, termination, recommencement of the audit, in accordance with the rules established by The Law on CCG and this Rules of Procedure;

r. disposes monetary assets and material values of the CCG in accordance with the established rules;

s. in accordance with legislation, encourages the employees of CCG, imposes disciplinary punishment on them, rewards with departmental awards, letters of

commendation, money bonuses, valuable gifts, apply to the President of Georgia with solicitation on award of the employees of CCG;

t. determines amount of the monetary awards (bonuses) and, in special cases, of one-time assistances;

u. creates commissions and special working groups;

v. approves the code of ethics of the CCG;

w. submits to the Parliament the draft budget of the CCG;

x. exercises other powers incumbent on him/her by this law and other legislation.

3. Chairman of the CCG shall have deputy chairmen, including one First Deputy Chairman.

4. In the event of absence of the Chairman of CCG or his/her inability to implement his/her authorities his/her functions shall be performed by the First Deputy Chairman and in the event of absence of the Chairman and First Deputy Chairman, upon the Chairman's order – one of the deputies.

5 The First Deputy Chairman and the deputy chairmen provide leadership in certain directions of the activities of CCG and in fulfillment of their service obligations they are accountable to the Chairman of CCG.

6. One of the deputy chairmen of the CCG, upon Chairman's order, performs the function of the Parliament Secretary.

#### **Article 5. Structure of the CCG**

1. The CCG is an integrated centralized system consisting of the central apparatus (including the audit departments) and the chambers of control of autonomous republics.

2. Structural units of the CCG are as follows:

a. Audit Departments:

a.a. General Purpose Governmental Services Audit Department;

a.b. Defence, public Safety & Security Audit Department;

a.c. Economic Activities Audit Department;

a.d. Social Security Services Audit Department;

a.e Local Self-governing Entities Audit Department;

- a.f Department of Special Tasks;
- b. Legal Department;
- c. Planning and Analysis Department;
- d. Administrative Department;
- e. Internal Audit Department;
- f. Finance & General Service Department;
- g. Expert Service.

3. In the structural unit a subdivision (section, office) may be established. Structure of the structural units shall be approved by the order of the Chairman of the CCG.

#### **Article 6. Head of Structural Units**

1. Head of the structural unit is directly subordinated to the Chairman, First Deputy Chairman and the deputy chairmen.

2. Head of structural unit:

a. distributes duties among the subordinated public servants, gives them directives and instructions;

b. provides supervision upon performance of the duties by public servants of the structural unit;

c. signs or endorses the documents prepared by the structural unit;

d. within his/her competence, exchanges correspondence with the other institutions, organizations and the third persons;

e. submits the report of structural unit on performed work;

f. represents the structural unit when performing the duties, on behalf of the structural unit submits the conclusions and proposals;

g. submits to the management of the CCG the proposals on the structure of structural unit, staff, work organization, bonuses to the public servants, their awarding and imposing of the disciplinary punishment on them;

h. solicits for allocation of the material & technical means and monetary assets required for performance of the structural unit's tasks;

i. solicits for improvement of the qualification of the public servants of structural unit;

j. performs the tasks provided for by this Rules of Procedure, Statute of the structural unit and those set by the Chairman and curator deputy chairman.

2. In addition to the functions specified in paragraph 2 of this Article the head of audit department:

a conducts the audit;

b. approves the audit document.

4. Heads of the structural units may have the deputies.

### **Article 7. Functions of the Structural units**

1. Audit departments (with the exception of Department of Special Tasks), by their functional-sectoral directions:

a. conduct audit;

b. provide systematization and analysis of the information and data collected through audit, including preliminary audit;

c. develop draft working plans of the department, ensure implementation of the audit plans;

d. develop proposals and recommendations on activities to be implemented, including the measures for elimination of the violations and deficiencies, prevention, as well as for improvement of the relevant normative basis;

e. provide permanent monitoring of spending, usage, management and protection of the state funds, other material values, intangible wealth of the property value;

f. in the process of audit, collaborate with the other structural units of the CCG and other governmental bodies implementing financial & economic control;

g. fulfill the assignments of the Chairman and deputy chairmen.

2. Department of Special Tasks:

a. performs planned and extraordinary audit in accordance with the special assignment of the Chairman and with the decision of the Presidium;

b. upon the order of the Chairman conducts review of the audit conducted by the audit departments and chambers of control of the autonomous republics via repeated audit or study of the existing audit materials (cross-check); In case of study of the

existing materials of audit (cross-check) Department of Special Tasks reports to the Chairman on soundness and completeness of the audit.

c. in the audit process collaborates with the other structural units of the CCG and other governmental bodies implementing financial & economic control;

d. develops proposals and recommendations on the measures to be implemented, including those on elimination of the violations and deficiencies, their prevention, as well as on improvement of the relevant normative basis;

e. implements the assignments of the Chairman and deputy chairmen.

### 3. Legal Department:

a. Implements legal expertise and performs legal supervision: 1. of the materials to be considered at the Presidium, 2. reports of the CCG related to the government statements, 3. annual reports on the activities of the CCG, 4. legislative acts of the Chairman of the CCG, 5. resolutions of the Presidium, 6. information and materials, direction and statement to be submitted to the President, Parliament and government , 7. audit reports, upon assignment by the Chairman of CCG, materials to be sent to the law enforcement bodies;

b. provides control of realization of the materials sent to the law enforcement bodies and systematization of information;

c. provides representation of the CCG in the judicial bodies;

d. prepares draft legislative acts and bylaws and conclusions thereon;

e. provides study of the claims to be considered by the Council of Disputes and related materials and preparation for hearing.

f. implements the assignments of the Chairman and deputy chairmen.

### 4. Planning and Analysis Department:

a. develops draft annual tentative and quarterly audit plans of the CCG and ensure coordination of the activities related to planning;

b. based on the instructions of the Chairman or deputy chairmen, on the basis of proposals submitted by the audit departments and chambers of control of autonomous republics develops draft amendments and/or addenda to the annual tentative and quarterly plans;

c. prepares conclusion on measures to be conducted in relation with the extraordinary audit on the basis of application of the President of Georgia, Parliament, Temporary Investigation Commission of the Parliament and Prosecutor General or his/her deputy, as well as of the Parliamentary minority and/or the fraction not included in the Parliamentary majority; Upon assignment by the Chairman or deputy chairmen of the CCG on the basis of proposals submitted by the audit departments and chambers of control of autonomous republics studies the issue of conducting of the extraordinary audit and prepare the relevant conclusion, as well as provides preparation of the draft resolution of the Presidium on conducting of the extraordinary audit;

d. provides monitoring of implementation of the approved audit plans, prepares weekly, monthly and quarterly reports on ongoing of the audit plans implementation and submits them to the Chairman and his/her deputies;

e. on the basis of reports submitted by the structural units and chambers of control of autonomous republics prepares the draft annual report on the activity the CCG for submission to the Parliament and provides it to the Chairman of The CCG;

f. on the basis of analysis of the information provided by the audit departments and chambers of control of autonomous republics prepares reports of the CCG on ongoing annual budget implementation and report on a statement on completion of the state budget of the government;

g. conducts current analysis of the budgetary process;

h. within the scopes of its competence, provides information service, as well as dealing with the issues of information provisioning between the central apparatus of the CCG and the chambers of control of autonomous republics;

i. develops recommendations on audit, as well as draft methodological manuals and instructions, participates in the activities of training and re-training of the auditors of the CCG in accordance with the approved methodologies;

j. upon assignment by the management of the CCG, prepares or participate in preparation of the proposals and conclusions provided for by paragraph 4, 5 and 6 of Article 6 of the Law on CCG;

k. prepares conclusion on draft law on the state budget;

l. fulfills directives of the Chairman and deputy chairman of the CCG.

#### 5. Administrative Department:

a. ensures provisioning of organizational and administrative activities of the CCG, integrated office work, maintenance of the archive, control upon preservation of the state secrets;

b. provides arrangement of the work meetings of the Chairman and deputy chairmen of the CCG, maintaining of the records of proceeding, monitoring of fulfillment of the assignments and decisions of the Presidium; control upon fulfillment of the control tasks;

c. develops proposals on optimization of human resources of the CCG, prepares draft orders on appointment, movements, dismissal of the staff members, their disciplinary punishment, reward, vacations and business travels, in accordance with the established rules;

d. ensures creation of the integrated system for personnel training and improvement of qualification, preparation and maintenance of the personal files of the employees and reserve persons, provisioning of arrangement of the competitions and attestations within the system of the CCG, formation of the servants' reserves;

e. ensures collaboration with the foreign countries and their representation offices, as well as with the supreme bodies of the financial control and their international unions, preparation of the relevant documents of the CCG in the direction of international relations and control upon their implementation, protocol activities, relations with the press and other mass media;

f. fulfills directives of the Chairman and deputy chairman of the CCG.

#### 6. Internal Audit Department:

a. upon assignment by the Chairman of the CCG provides audit of financial & economic activities of the CCG; examination of lawfulness and appropriateness of obtaining, spending, use and protection of the budget assets and other material values;

b. provides control of compliance of the staff members of the CCG with the code of ethics, discipline and lawfulness, revealing and prevention of the facts of violation of the discipline, preparation of the proposals on imposing of the disciplinary punishment;

c. ensures compliance with the norms prohibiting actions incompatible with the office and their prevention;

d. provides consideration of the applications and complaints submitted in relation with the facts of abuse of power and preparation of the relevant conclusions;

e. develops recommendations for promotion of effective and reasonable use and management of the financial, material and human resources of the CCG;

f. within its competence, provides coordination of the activities of the CCG with the relevant law enforcement and controlling bodies;

g. Upon assignment by the Chairman of the CCG provides monitoring on the ongoing audit program implementation;

h. Fulfills directives of the Chairman and deputy chairman of the CCG.

#### 7. Financial & General Service Department:

a. provides planning and formation of the budget of the CCG, as well as accounting and accountability;

b. provides, in accordance with the Law on State Procurements, planning of procurements and procurement of the goods, services and works for the needs of the CCG;

c. provides accounting of the movable and immovable property, arrangement of designing, construction, current capital repair and reconstruction works and their supervision;

d. provides material and technological provisioning of the work conditions of the CCG;

e. provides functioning of the computer system of the CCG;

f. fulfills directives of the Chairman and deputy chairman of the CCG.

#### 8. Expert Service:

a. upon assignment by the Chairman of the CCG, provides expert provisioning of the audit to be conducted by the CCG, what implies possibility of involving of the expert into the audit process, to deal with the issues requiring special knowledge;

b. in cases provided for by subparagraph “a” of this paragraph conducts special research and prepares report on it;

c. fulfills directives of the Chairman and deputy chairman of the CCG.

### **Article 8 Chambers of Control of Autonomous Republics of Abkhazia and Adjara**

1. Chambers of control of autonomous republics of Abkhazia and Adjara conduct audit in accordance with the rules established by legislation.

2. Authorities of the chambers of control of autonomous republics, within the scopes of their competence shall be extended over the bodies of executive and legislative branch of the autonomous republics, local self-government bodies in the territories of the autonomous republics, as well as the legal entities of private law in which autonomous republics and the local self-governing bodies hold more than 50 per cent of shares as well as activities of the other legal entities and natural persons, organizations and institutions, related to the management and disposal of the amounts or properties belonging to the autonomous republic or local self-government bodies located on the territories of the autonomous republic.

3. By order of the Chairman of the CCG, on the issues subject to the authorities of the chambers of control of the autonomous republics, audit may be conducted by the audit departments of the CCG.

4. The chambers of control in the autonomous republic shall be headed by the chairman of the relevant autonomous republic.

5. Chairman of the CCG of the autonomous republic shall have the deputy chairman, who, in accordance with the assignment of the chairman of the relevant CCG heads the stated directions of the activities of relevant CCG.

6. CCG in the autonomous republic submits the annual report on its activities, within the term provided for by the legislation, to the Presidium and to the High Council of the relevant autonomous republic.

7. CCG in the autonomous republic, no later than within 1 month from the date of submission by the head of the government of the autonomous republic to the High Council of the autonomous republic of the annual report on implementation of the budget of autonomous republic, submits to the High Council of the autonomous republic the statement with respect of the said annual report.

8. In relation with the report of the head of the government of the autonomous republic on ongoing autonomous republic budget implementation, the CCG 5 days prior to the final meeting of the High Council of the autonomous republic, shall submit its statement. Together with the statement, to the High Council the conclusion of the CCG of the autonomous republic on the draft budget law of the autonomous republic and reasonability and lawfulness of the revenues and costs provided for by this draft budget.

9. Preparation and endorsement of the audit orders, directions, statement and reports of the chambers of control of the autonomous republics, as well as the other issues related to their activity shall be regulated in accordance with this Rules of Procedure and Statute of the chambers of control of the autonomous republics approved by the Chairman of the CCG. Chairmen of the chambers of control of the autonomous republics issue the orders related to the organizational issues of internal activities, within their competence.

#### **Article 9. Rules of organization and arrangement of the meetings of Presidium of the CCG and of decision-making**

1. Meetings of the Presidium shall be summoned by the Chairman of the CCG, with his/her incentive, or upon request of the chairmen of the Chambers of Control in the autonomous republics or no less than one third of the Presidium members.

2. The issue to be considered shall be prepared by the relevant structural unit, together with the Administrative Department.

3. At the Presidium meeting the issue shall be presented by the initiator of the issue or draft under consideration.

4. Materials related to the agenda of the meeting shall be provided to the Presidium members at least 3 days before the meeting.

5. Agenda of the Presidium meeting shall be prepared by Administrative Department and approved at the Presidium meeting.

6. Presidium meetings shall be open, with the exception of cases provided for by the law. Decision on closing of the Presidium meeting shall be made by the Presidium. List of the persons attending the Presidium meeting shall be determined by the chairman of the meeting.

7. Organization of the Presidium meeting and summoning of the attending persons shall be provided by the Administrative Department, which provides registration of the invited persons.

8. Presidium is authorized to hold the meeting if more than half of the Presidium members recorded in the list is present.

9. Presidium makes resolution on conducting of the extraordinary audit and with respect of the other issues within the competence of the Presidium record shall be made in the minutes. Resolution shall be signed by the chairman of meeting and the minutes shall be signed by the chairman and the secretary.

10. Resolution on extraordinary audit, within 5 days from the date of meeting shall be prepared by the Planning and Analysis Department.

11. Members of the Presidium shall have right to provide their differing opinions with respect of the issue discussed at the Presidium meeting with their participation, in written, within 3 days, which shall be annexed to the minutes of the meeting.

12. Implementation of the resolution of Presidium shall be provided with the order of the chairman of relevant CCG, which shall be issued no later than within 5 days from the date of adoption of such resolution.

### **Chapter III**

#### **Rules for Organizing and Conducting Audit and Implementation of the Results**

##### **Article 10. Officials of the CCG Performing Audit**

1. The CCG conducts audit in accordance with the Law on the CCG through audit departments of the CCG, auditors and auditor-probationers of the chambers of control of autonomous republics.

2. Officials of the CCG engaged in the audit activities are: head of the audit department, deputy head of the audit department, in autonomous republics – chairmen of the chambers of control, their deputies and auditors and auditor-probationers of CCG.

3. Any capable citizen of Georgia with higher education, having relevant knowledge and experience, high professional reputation and speaking in the state

language may be appointed at the position of auditor (chief auditor, senior auditor and auditor).

4. Auditor-probationer may be appointed at the position of auditor as well, in the event of successful probation at the CCG.

5. Regulations for engagement as a probationer-auditor and probation process shall be determined by the normative act of the Chairman of the CCG.

### **Article 11. Rules for preparation and approval of the Audit Plan**

1. The CCG conducts the audit activities in accordance with the annual tentative and quarterly audit plans approved by the Chairman of the CCG.

2. Draft annual tentative and quarterly audit plans shall be prepared by the Planning and Analysis Department of the CCG.

3. Planning and Analysis Department, on the basis of the decisions by the President and Parliament, relevant assignments of the Presidium and Chairman of the CCG, also taking into account the proposals submitted by the audit departments and chambers of control in the autonomous republics, submitted before 25<sup>th</sup> October of the current year, prepares the draft annual tentative and 1<sup>th</sup> quarter audit plans of the CCG (including those of the chambers of control of autonomous republics) for the following year.

4. Drafts specified in paragraph 3 of this Article, for the purpose of final consideration and agreement shall be sent to the audit departments of the CCG and chambers of control of the autonomous republics, which shall provide their comments to the Planning and Analysis Department no later than 25<sup>th</sup> November of the current year.

5. Based on the annual tentative audit plan, for preparation of the draft quarterly plans for 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarters, audit departments of the CCG and chambers of control in the autonomous republics submit their proposals and comments to the Planning and Analysis Department, respectively, on 25<sup>th</sup> February (for the 2<sup>nd</sup> quarter), 25<sup>th</sup> May (for the 3<sup>rd</sup> quarter) and 25<sup>th</sup> August (for the 4<sup>th</sup> quarter) of the planning year.

6. Head of the Planning and Analysis Department shall report to the Presidium on final agreement with the audit departments of the CCG and with the chambers of

control in the autonomous republics on the final draft audit plans, as well as the issues on which no agreement was achieved, at a time of consideration of these draft plans.

7. In the annual tentative audit plan of the CCG, as a rule, there shall be provided the proposed list of the auditees to be audited, which shall be classified by audit departments, audit forms, methods and audit scopes, as well as the information on intended commencement dates and proposed terms of audit.

8. Exact determination of the listed auditees, audit types, forms, methods, scopes, specific terms of commencement and completion of the audit in the annual tentative audit plan of the CCG shall be provided at a time of preparation of the draft quarterly plans, taking into account the proposals submitted by the audit department and by the chambers of control of the autonomous republics as well as the decisions made by the management of the CCG.

9. Taking into account the proposals submitted by the audit departments and by the chambers of control of the autonomous republics, amendments to be made to the quarterly plans shall be reflected in the annual tentative audit plan of the CCG.

10. In the quarterly audit plan of the CCG, as a rule, the exact data related to the items listed in paragraph 7 of this Article, shall be provided.

11. Presidium, normally, considers the annual tentative annual audit plan and quarterly plans of the CCG, 15 days before commencement of the relevant period.

12. Correction of the audit plan of the CCG is allowed only after its consideration by the Presidium, upon the order by the Chairman of CCG on the basis of grounded proposals of the chambers of control of autonomous republics and relevant structural units.

## **Article 12. Monitoring of implementation of the audit plan and responsibility for their implementation**

1. Planning and Analysis Department shall provide monitoring of implementation of the annual tentative and quarterly audit plans.

2. Audit departments of the CCG and the chambers of control in the autonomous republics shall submit to the Planning and Analysis Department the information on fulfillment of the quarterly audit plan and conducting of the extraordinary audit in the stated form – within 15 days from the date of completion of each quarter and on

fulfillment of the annual tentative audit plan and conducted extraordinary audit – within 30 days after the end of fiscal year.

3. Planning and Analysis Department shall on the basis of analysis of the information received from the audit departments of CCG and from the chambers of control in the autonomous republics prepare and submit in the stated form within one-week term to the Chairman of the CCG the consolidated information on implementation of the annual and quarterly audit plans.

4. Planning and Analysis Department provides monitoring of the status of conducting of the extraordinary audit by the audit departments of the CCG and by the chambers of control in the autonomous republics and for this purpose it maintains the extraordinary audit registry. Information prepared on the basis of the registry, together with the information specified in paragraph 3 of this Article shall be submitted to the Chairman of the CCG.

5. Audit departments of the CCG and the chambers of control in the autonomous republics shall bear responsibility for implementation of the annual tentative and quarterly audit plans, as well as extraordinary audit, within the stated terms.

### **Article 13. Extraordinary Audit**

1. Extraordinary audit (including the repeated audit) shall be conducted in accordance with the Law on the CCG, on the basis of request from the President of Georgia, Parliament, temporary parliamentary investigation commission, Prosecutor General of Georgia or his/her deputy; as well as upon decision by the Presidium, request from the parliamentary minority and/or fraction not belonging to the parliamentary majority.

2. Extraordinary audit may be conducted on the basis of proposal from the heads of structural units of the CCG and chairmen of the chambers of control in the autonomous republics, consideration of which, as well as making of the relevant decision shall be provided in accordance with the rules established by this Rules of Procedure.

3. Repeated audit shall be conducted in cases provided for by the legislation.

4. If the President of Georgia, Parliament, temporary parliamentary investigation commission, Prosecutor General of Georgia or his/her deputy, the parliamentary

minority and/or fraction not belonging to the parliamentary majority requests conducting of the extraordinary audit with respect of which the CCG has already conducted audit, CCG sends to the requesting entity the relevant documentation reflecting the audit results.

5. If, irrespective of receipt of the documentation provided for by paragraph 4 of this Article, the entity requesting audit still requests conducting the extraordinary audit on the relevant issues, CCG, in accordance with the rules established by this Rules of Procedure, shall conduct the repeated extraordinary audit.

6. Presidium makes resolution on conducting the extraordinary audit with the exception of cases where the extraordinary audit is conducted on the basis of request from the President of Georgia, Parliament , temporary parliamentary investigation commission, Prosecutor General of Georgia or his/her deputy, the parliamentary minority and/or fraction not belonging to the parliamentary majority.

7. Request for conducting the extraordinary audit shall be submitted for conclusion to the relevant units of the CCG and/or chambers of control of the autonomous republics. Extraordinary audit shall be conducted upon order of the chairman of relevant CCG.

#### **Article 14. Audit Organization and Terms**

1. Form, method, scopes (volume), term and place of the audit, in the entire territory of the country shall be determined by the Chairman of the CCG and the chairmen of relevant chambers of control of the Autonomous Republics of Abkhazia and Adjara.

2. Audit shall be conducted on the basis of the order of Chairman of the CCG and/or of the chairmen of relevant chambers of control of autonomous republics in accordance with the rules established by this Article and within the scopes of approved audit program.

3. Order provided in paragraph 2 of this Article shall specify composition of the audit team, team leader, the name of the auditee, audit form, method, scopes (volume), audit term, basis and a person responsible for implementation of the order.

4. Draft order on audit shall be endorsed by the curator deputy chairman, Planning and Analysis Department and Legal Department.

5. Draft order on commencement and recommencement of audit shall be submitted to the Chairman of the CCG for signature after endorsement provided for by paragraph 4 of this Article – as a rule, 3 days before the proposed date of commencement (recommencement) of audit and draft order on prolongation of ongoing audit – normally, 3 days before the date of expiry of the audit term.

6. Audit order shall be executed in three original copies, one of which shall be maintained by the audit team, one shall be provided to the auditee and the third – to the Administrative Department. Copy of the audit order shall be provided to Planning and Analysis Department.

7. Audit program shall be developed by the relevant audit department and in the autonomous republic – relevant public servant of the CCG of autonomous republic. Audit program shall be approved by the audit order of the chairman of relevant CCG. Program shall comprise integral part of the audit order.

8. Audit shall be conducted by the audit team of the CCG composition of which shall be selected by the head of relevant audit department, normally, from the auditors subordinated to him/her. In the special cases it is possible to include into the audit team the auditor from the other audit department.

9. Audit with the term of 90 days or more, may be extended for no more than 30 days in total.

10. Audit with the term less than 90 days may be extended to 90 days and after expiry of 90-day term – no more than for 30 days in total.

11. If the last day of term coincides with the day-off, the first working day following the said date shall be deemed as the last day of audit.

12. Auditee, normally, shall be notified on expected audit 5 days prior to commencement of audit, unless relevant audit order by the Chairman of the CCG provides commencement of audit without prior notification.

13. Team leader, before commencement of audit, shall submit to the head of the auditee the order, program and the list of rights and obligations of the parties.

14. Changes or additions to the audit program or audit team composition, as well as suspension, termination and recommencement of audit, also extension of the audit term shall be provided upon the order of chairman of the relevant CCG.

15. Head of the relevant structural unit and in the autonomous republics – public servant of the CCG shall submit reasonable report stating necessity of extension of the audit term, its suspension or termination to the chairman of the relevant CCG, normally, no later than 10 days before expiry of the audit term.

#### **Article 15. Audit document, Certificate, Report**

1. On the results of compliance and financial audit conducted by the CCG audit document or certificate shall be issued. Act shall be issued on the results of completed audit and it shall enter into force immediately upon its approval by the head (deputy) of relevant department; and the certificate – on the results of audit, completion of which, by any reasons is impossible. The certificate states the results of actually conducted audit and it shall specify the reasons of its incompleteness.

2. In the event of thorough study of financial and economic activities of the auditee (compliance and financial audit) the comprehensive audit shall be conducted and on its results the comprehensive audit document shall be executed.

3. In case of study of certain aspect (issue) of financial and economic activities of the auditee the subject audit shall be conducted and on its results the thematic audit document shall be drawn up.

4. Audit shall be conducted on the basis of primary documentation (originals) and/or duly certified copies. To the audit document, certificate, report (conclusion) shall be attached the copies of the relevant documents certified by the auditee.

5. Within the term stated for audit the audit team makes relevant audit document to be signed by the audit team leader and team members. Head (deputy head) of the department shall provide the audit document to the auditee for his/her information.

6. Providing of the audit document to the auditee for information means registration of the audit document by registration unit (administrative office) of the auditee or sending it by mail. If the auditee has no registration unit, transfer of the audit document shall be confirmed by the signature of the responsible person(s) of auditee. If the auditee refuses to accept the audit document, audit team shall execute the relevant report and in such case the audit document shall be deemed as transferred to the auditee.

7. Auditee is entitled to submit written comments and proposals to the CCG within 7 calendar days from the date of act transfer. If the auditee submits the comments

after expiry of the said term, before approval of the audit document, the decision on issue of their consideration shall be made by head (deputy head) of the relevant audit department.

8. Head or deputy head of audit department, together with the audit team, within 7 days from the date of expiry of the term specified in paragraph 7 of this Article, shall consider the audit document and written comments and proposals of the auditee (if any) and approve it in accordance with paragraph 10 of this Article.

9. Head or deputy head of audit department shall have right to invite the representative of auditee for participation in considering specified in paragraph 8 of this Article.

10. If there are no relevant comments to the audit document or the provided comments were not adopted, head (deputy head) of the department shall approve the audit document. In case of adoption of the comments to audit document, the head (deputy head) of the department makes conclusion, taking the comments into account, on approval of the act. Conclusion made by the head (deputy head) of the department shall be the integral part of audit document. Approved audit document shall be sent to the auditee.

11. Audit document shall detail the audit results by issues listed in the audit program. Revealed violations shall be recorded, specifying relevant article, part of the article or section. In the audit document, the facts not adequately researched and studied in the audit process shall not be assessed.

12. Audit document is the basic document - administrative act - reflecting the audit results. The Audit document could be appealed to the Council of Disputes of the CCG by the auditee envisaged by paragraph 1 of Article 27 of the Law on The CCG. The auditee envisaged by paragraph 2 of Article 27 of the Law on The CCG is allowed to appeal to the Council of Disputes of the CCG as well as to the court, in accordance with the rules established by the law.

13. Audit document shall specify the authority, term and rules for appeal against the document.

14. Form, structure, contents and other details of the audit document shall be determined by the instruction approved by Chairman of the CCG.

15. Within 10 days after the date of approval of the audit document head (deputy head) of the audit department shall submit the report to the chairman of the CCG on the measures to be taken in response to the audit results. Report shall be endorsed by the head (deputy head) of the department and curator Deputy Chairman.

16. In the autonomous republics the audit document shall be approved in accordance with the rules established by this Article, by the chairman (deputy chairman) of the relevant CCG.

#### **Article 16. Directives, instructions**

1. Directives and instructions shall be drawn in accordance with the rules established by the Law on CCG and shall be signed by the Chairman (deputy chairman) of the CCG. Directives and instructions of the chambers of control of autonomous republics shall be signed by the chairman of CCG of relevant autonomous republic.

2. Draft directives and instructions shall be endorsed by the head of audit department, curator deputy chairman and legal department.

#### **Article 17. Supervisory Procedures**

1. Audit team leader, in relation with the audit, provides supervisory procedures that implies collection and systematization of the relevant documents related to audit including preparation, ongoing performing and completion of audit. Among these documentation, together with the audit document, certificate, report (conclusion) and other necessary documents annexed to them, the orders on assigning of audit, prolonging its term, as well as other orders and documents related to arrangement of the audit, decision of the Council of Disputes and/or court decision, record of administrative violation, copies of the documents sent to the auditee and documents received from the auditee, also, in the event of submission of the audit materials to law enforcement bodies – letter on transfer of the materials, information of the law enforcement bodies on their response.

2. The materials of supervisory procedures shall also contain information on follow-up of the auditee its superior body or the body to which the auditee is accountable with respect of the directive or instructions - said organization's orders, decrees, letters, memoranda.

3. Control upon supervisory procedures shall be executed by the management of structural unit.

## **Chapter IV**

### **Council of Disputes of the CCG**

#### **Article 18. General Provisions**

1. Audit document, certificate, report (conclusion) may be appealed in accordance with the rules established by the Law on CCG.

2. Chairman of the CCG is ex officio the member of the Council of Disputes of the CCG (hereinafter referred to as Council). Composition of the Council shall be determined in accordance with the rules established by Article 28 of the Law on CCG.

3. Council makes all decisions and is engaged in the legal relations on behalf of the CCG. No additional remuneration of the Council member shall be provided.

#### **Article 19. Complaints**

1. In the complaint submitted to the Council the auditee shall specify:

- a. name and address of the Council;
- b. complainant's name and address, contact details (phone, fax, e-mail (if any));
- c. note on relevant power of a person signatory to the complaint;
- d. data of the disputed audit document (name, registration number, date of execution etc.);
- e. factual and legal bases of the complaint;
- f. demands of the complainant;
- g. number of the annexes to the complaint and the list thereof.

2. To the complaint the document evidencing authorities of the signatory shall be annexed. Complainant to the Council may be represented both, directly and through the authorized person (representative). In such case the power of attorney (proxy) drawn in accordance with the rules established by law shall be annexed to the complaint.

3. Each page of the complaint and attached materials shall be numbered and in the end of the complaint the total number of pages shall be stated in words.

4. Complaint may be submitted through leaving at the CCG (chancellery) or sent by mail. In the event of submission by mail, the complaint shall be deemed submitted within the term if it was handed to the Post Office before expiry of the term for complaining.

#### **Article 20. Preparation of the Complaint for hearing**

1. Complaint shall be transferred to the Legal Department of the CCG, which (no later than within 3 calendar days from the date of the complaint) prepares the conclusion on compliance of the formal part of the complaint. In particular, the conclusion shall specify whether the complaint was submitted within the term provided by the law, in compliance with the requirements of Article 19 of this Rules of Procedure and whether it is subject to substantial hearing by the Council or not.

2. Complaint, wholly or partially, shall not be subject to hearing by the Council, if:

a. the dispute takes place with the Council or court towards the same person, on the same disputed issue;

b. there is decision of the Council with respect of the same person and the same issue;

c. there is court decision with respect of the same person and the same issue;

d. complaint was submitted by the person without relevant authorities;

e. there is no formal basis for the dispute;

f. term for submission of the complaint provided by the law is already expired;

g. blanks in the complaint were not filled up within the stated term.

3. If the complaint does not meet with the requirements provided by paragraph 1 and 2 of Article 19 of this Rules of Procedure, the complainant shall be notified in written and no less than 5 calendar days term shall be given to him/her for filling up these blanks. For this period the term is suspended. If the blank is revealed at a time of hearing of the complaint, at the Council meeting, the complainant shall be given the reasonable term for its recovery.

4. Legal Department shall agree upon with the Chairman of Council the date of complaint hearing; ensures delivery of the complaint and annexed materials to the

Council members; as well as summoning of the Council members and complainant to the Council meeting.

5. The complainant or his representative shall be notified on the time of the meeting by mail or via existing technical facilities (including phone, fax, E-mail).

### **Article 21. Meeting of the Council**

1. Council is authorized to consider and resolve the dispute, if more than half of its enlisted members are present. Member of Council, who is the public servant of the CCG and the disputed audit document is executed directly by him/her or structural unit subordinated to him/her (or structural unit supervised by him/her ) shall have no right to attend the meeting and participate in hearing.

2. Relevant public servant of the Legal Department of the CCG attends the hearing of complaint.

3. Council meeting shall be open with the exception of cases where the issue under hearing includes state, professional, commercial or personal secrets. In such case Chairman of the meeting makes decision on conducting of the closed session.

4. After clarification of the issue of quorum and members' authorities the Chairman of meeting makes announcement on what dispute shall be considered.

5. Relevant public servant of the Legal Department of the CCG briefly presents the contents of dispute and after this the complainant (or his/her representative) shall present the complaint and relevant grounding.

6. Council members shall have the right to put the questions to the complainant, study presented evidences and materials. After this the complainant shall formulate final claim. After this the Chairman shall state that the hearing is ended.

7. Upon completion of the hearing the complainant shall leave the meeting. Council, after discussion, on the same day, within the reasonable term, shall declare the resolution part of its decision.

8. It is prohibited to violate the secrecy of discussion.

### **Article 22. Council Decision**

1. Council decision shall be deemed adopted, if majority of the attending members vote for the decision. In case of equal number of votes the complaint shall not be satisfied. Abstaining from voting is prohibited.

2. Council member, who does not agree with the decision may formulate his opinion in written and annex it to the decision.

3. Council, in result of discussion, makes decision on satisfaction, partial satisfaction or rejection of the claim.

4. If the Council concludes that the substantial circumstances related to the case are not adequately studied, it is authorized to charge the person who has execute the document, certificate, report (conclusion) to repeatedly consider and study the disputed issue only, within the term set by the Council, which term shall not be more than 20 days. In this period the hearing of dispute is suspended.

5. Grounded decision of the Council shall be prepared and sent to the complainant (or handed in the CCG) no later than within 3 working days from the date of announcement of the resolution.

6. In the event of full or partial satisfaction of the complaint the Council shall send, no later than within 3 working days, corrected audit document, certificate or report (conclusion).

7. Grounded decision shall be prepared by the relevant public servant of the Legal Department of the CCG, upon consultations with the Council members.

8. Council decision shall be signed by each member participating in hearing of the dispute.

9. Council decision shall state:

a. time and place of its adoption, composition of the Council participating in dispute hearing, name of the complainant, and disputed audit document, certificate, report (conclusion) and the subject of dispute;

b. circumstances established by the Council, normative acts, on which the Council had relied in dispute resolution;

c. Council decision on satisfaction, partial satisfaction, rejection or repeated consideration of the complaint;

d. term and rules for appealing against the resolution.

**Article 23. Entry into Force of the Council decision and Appeal against it**

1. For the entity specified in paragraph 1 of Article 27 of the Law on the CCG the Council decision shall enter into force immediately, upon announcement of the resolution part.

2. For the entity specified in paragraph 2 of Article 27 of the Law on the CCG the Council decision shall enter into force in one month from the date of delivery of the grounded decision to the party if within this term the said party has not appealed to the court.

3. In the event of appeal to the court against the Council decision it shall enter into force in accordance with the rules established by the legislation.

4. In the event of appealing to the court against any audit document, certificate, report (conclusion) of any of the structural unit of the CCG; or Council decision, the CCG shall be the defendant.

**Chapter V**

**Reports and Statements of the CCG**

**Article 24. Report of the CCG on the report of the Government On ongoing implementation of the State Budget and on annual results statements**

1. In accordance with the Constitution of Georgia, the Law on CCG, the Law on Budget System of Georgia and Rules of Procedures of the Parliament, the CCG twice per year submits to the Parliament the report, at a time of submission to the Parliament by the government the preliminary and final report and statement on fulfillment of the State Budget.

2. Report of the CCG is the conclusion made on the basis of audit and analysis of the reports and statements, prepared by Government and respectively governments of the autonomous republics, on semi-annual and annual implementation of state budget and budgets of the autonomous republics. Purpose of this report is to establish accuracy and completeness of these reports and statements.

3. Audit departments of the CCG and chambers of control in the autonomous republics provide the information on results of the above mentioned audit to the Planning and Analysis Department of the CCG respectively on ongoing implementation

of the annual budget before 1<sup>st</sup> October of the fiscal year, and on annual budget implementation results before 1<sup>st</sup> April of the next year.

4. Audit departments of the CCG and the chambers of control of the autonomous republics submit the information specified in paragraph 3 of this Article to the Chairman of the CCG.

5. Planning and Analysis Department of the CCG submits the draft report made on the basis of information and analysis provided by audit departments of the CCG and chambers of control of the autonomous republics to the Chairman of the CCG, respectively, on ongoing budget implementation – before 10<sup>th</sup> October of the fiscal year and on annual results of budget implementation – before 20<sup>th</sup> April of the next year.

6. Reports of the CCG on ongoing implementation of state budget and on the state budget implementation statements shall be considered by the Presidium.

7. The CCG no later than within 1 month from the date of submission of the annual report on budget implementation by the government to the Parliament shall submit the conclusion on the report.

8. Together with the report on ongoing implementation of the state budget, CCG provides the Parliament with the annual budget draft law report no later than 2 days before the closing session of the Budget and Finance Committee.

#### **Article 25. Annual Report on the Activities of the CCG**

1. Annual report on activities of CCG is the document prepared on the basis of the results of analysis of the audit and other activities implemented by the CCG for the fiscal year, reflecting activities planned and implemented in each direction of its activities for achievement of the key objectives stated for the CCG in accordance with the Law on the CCG.

2. Information on implemented activities include statistical and analytical data by such directions of the activities of CCG as: planning of the audit activities and implementation results; preparation and implementation of the budget of CCG; Structural and organizational improvement of the CCG, improvement of human resources management, expansion of the international relations; development of the relations and collaboration with the Parliament and other audit and control bodies and organizations.

3. Structural units of the CCG and chambers of control in the autonomous republics submit the reports on their activities for the fiscal year to the Planning and Analysis Department no later than 1<sup>st</sup> April of the year following the fiscal year. Structural units and chambers of control in the autonomous republics prepare their reports.

4. Planning and Analysis Department on the basis of reports submitted by structural units and chambers of control in the autonomous republics prepares the draft report on annual activities of the CCG and submits it to the Chairman of the CCG no later than 1<sup>st</sup> May of the next year.

5. Annual report on the activities of the CCG, in accordance with paragraph 3 of Article 32 of the Law on the CCG, before submission of the said report to the Parliament, it shall be considered by the Presidium of the CCG and it shall be sent to the Parliament no later than 1<sup>st</sup> June of the next.

6. Annual report of the CCG sent to the Parliament shall be published in the official Journal of the Parliament.