PUBLIC INTERNAL AUDITORS
PROFESSIONAL CODE OF ETHICS

I. INTRODUCTION

In paragraph (k) of Article 67 of the Public Financial Management and Control Law, it is stipulated that the code of ethics to be followed by internal auditors shall be determined by the Internal Audit Coordination Board (the Board). Furthermore, in Article 9 of Regulation on Working Procedures and Principles of Internal Auditors, it is stated that internal auditors are obliged to comply with the audit standards and code of ethics defined by the Board and that these standards and code will be established taking into account international generally accepted standards and codes.

Within this framework, professional code of ethics has been prepared for the purpose of developing professional ethics culture in public internal auditing practices by taking Professional Code of Ethics of International Institute of Internal Auditors (IIA) and by making use of texts from other international professional bodies.

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve a public administration's operations by evaluating whether the resources are managed according to the principles of economy, efficiency and effectiveness and providing guidance. This activity is carried out according to generally accepted standards and through a systematic, continuous and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes

Professional code of ethics is composed of 'Principles' on the profession and practice of internal auditing and 'Code of Conduct' defining the type of behaviour expected from internal auditors.

II. PRINCIPLES

Internal auditors are expected to follow the principles below.

1. Integrity

Integrity of internal auditors gives confidence and thus provides grounds for developing trust for their judgement and assessments.

2. Impartiality, Objectivity and Independence

When the internal auditors are gathering, evaluating and reporting information related to their audits, they shall display highest degree of professional impartiality. Internal auditors shall evaluate all relevant conditions in a fair and unbiased manner and shall not be influenced by his interests or others'.

3. Confidentiality

Internal auditors shall respect the confidentiality of the information they obtained during audits and shall not publish or disclose them unless there is legal and professional obligation.

4. Competency

Internal auditors shall display knowledge, skills and experience necessary for he execution of internal audit services.

III. CODE OF CONDUCT

1. Integrity

In performing their activities, internal auditors;

1.1. Shall act with honesty and responsibility,

1.2. Shall follow the laws, make specific explanations required by the law and the profession,

1.3. Shall not willingly and deliberately be a party to an illegal activity or shall not take actions that are dishonourable in terms of the organization,

1.4. Shall respect legitimate and ethical goals of the organization and contribute to them,

1.5 Shall make decisions with the public interest in mind.

2. Impartiality, Objectivity and Independence

Internal auditors;

2.1. Shall be independent and objective in dealing with issues and topics under view,

2.2. Shall protect their independence from any political influence,

2.3. Shall sustain from personal or external interest or pressure,

2.4. Shall make use of information and views brought forward by the audited entity and other parties but the internal auditors' own conclusion shall not be affected by such information and views,

2.5. Shall provide accurate and objective audit reports (i.e. conclusions shall exclusively be based on evidence obtained and assembled in accordance with the auditing standards),

2.6. Shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the government,

2.7. Shall not accept anything that may impair or be presumed to impair their professional judgement,

2.8. Shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

3. Confidentiality

Internal auditors;

3.1. Shall be diligent in terms of the protection and use of information obtained during their assignment. However, she/he shall notify the authorised bodies of any activity that is illegal or not regarded as ethical, 3.2. Shall not the information they have for their personal interest or against the law or in a way to damage organization’s legitimate and ethical goals.

4. Competency

Internal auditors;

4.1. Shall only undertake assignments for which they possess the knowledge, skills and experience required by the assignment,

4.2. Shall perform internal auditing services in accordance with public internal audit standards,

4.3. Shall continuously develop their own competency and the efficiency and quality of their services.

IV. APPLICABILITY AND EXECUTION

Professional code of ethics shall be binding upon the internal audit unit and internal auditors providing internal audit service. For those who have public internal auditor certificate or are candidate internal auditors, breach of this code shall be evaluated and concluded according to the regulation and administrative arrangements of the Board. The fact that a negative behaviour is not clearly prohibited in professional code of ethics does not mean that that behaviour can be regarded as acceptable or right.

Internal auditors should conduct themselves in a manner, which promotes co-operation and good relations between auditors and within the profession.

Internal auditors;

1. Shall support the profession by its members and their co-operation with one another,

2. Shall deal with fellow auditors in a fair and balanced way.

V. CONFLICT OF INTEREST

If Internal auditors provide advice or services other than audit to an audited entity, care shall be taken that these services do not lead to a conflict on interest.

Internal auditors;

1. Shall ensure that such advice or services do not include management responsibilities or powers, which shall remain firmly with the management of the audited entity,

2. Shall protect their independence and avoid any possible conflict of interest by refusing gifts or gratuities which could influence or be perceived as influencing their independence and integrity,

3. Shall avoid all relationships with managers and staff in the audited entity and other parties which may influence, compromise or threaten the ability of auditors to act and be seen to be acting independently,

4. Shall not use their official position for private purposes and shall avoid relationships which involve the risk of corruption or which may raise doubts about their objectivity and independence.

Date:

Signature of Internal Auditor

Copy of signed Charter to be sent to the CHU for IA.