

[REPUBLIC ACT No. 3456]

AN ACT PROVIDING FOR THE CREATION, ORGANIZATION AND OPERATION OF INTERNAL AUDIT SERVICES IN ALL DEPARTMENTS, BUREAUS AND OFFICES OF THE NATIONAL GOVERNMENT.

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. The title of this Act shall be "Internal Auditing Act of 1962."

SEC. 2. There shall be created, organized and operated in all departments, bureaus and offices of the National Government, internal audit services which shall assist management to achieve an efficient and effective fiscal administration and performance of agency affairs and functions.

SEC. 3. The Internal Audit Service shall be under the direct administrative supervision and control of the chief and/or assistant chief of the agency. It shall be organized as an independent staff unit and shall correspondingly perform staff functions. It shall be responsible for instituting and conducting a program of internal audit for the agency. The chief of the Internal Audit Service shall have the rank and salary equivalent to the third ranking official of the agency. He shall report directly to the chief or assistant chief of the agency.

SEC. 4. The Auditor General shall be responsible for the promulgation and enforcement of general policies, rules and regulations on internal auditing. He shall coordinate and schedule the gradual installation of internal audit services in all departments, bureaus and offices in the

National Government, and shall develop for execution, working plans and training programs to maintain continuously the effectiveness of these internal audit services. The Internal Auditing Coordinating Staff of the General Auditing Office shall assist the Auditor General in the discharge of these responsibilities.

SEC. 5. Such sums as may be necessary for the implementation of this Act shall be included in the annual General Appropriations Act beginning with the fiscal year nineteen hundred and sixty-three.

SEC. 6. This Act shall take effect upon its approval.

Approved, June 16, 1962.

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