Seminário

O controle interno governamental no Brasil
Velhos Desafios, Novas Perspectivas

International Experience: Presentation of Two Case Study Scenarios

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Iguassu Resort – Foz do Iguaçu - Paraná
Approach to the Case studies

- Case study methodology
  - Brief *history* of each case scenario
  - Explain *project design, key features & principles*
  - Explain *source of data* and method of data collection
  - Present *findings* and draw *conclusions*

- Case 1: Audit & Control as component(s) of a large PFM Reform Program
- Case 2: Audit & Control as separate projects
Case Study 1: Source of data and method of collection

- Program design and review roles
- Review and reflection is a good way of seeing what has worked best and what hasn’t
- Desk based review of publicly available documents; evidencing by speaking to the practitioners; receipt of internal documents; using professional networks; web based reviews; meeting NGO’s and community groups.
- Getting a full understanding all of all aspects
- Triangulate
Case Study 1: Background and statistics

• Achieving technical improvements in IC and IA was one of the Government’s stated high level objectives “...to move the country toward a stable middle income future, relying substantially on its own revenue, providing jobs, and a model for efficient natural resource exploitation...”

• Different government structures and stages of decentralisation

• Long term PFM reform strategy have been on-going 10 years plus

• Large multi-donor trust funds with bilateral support

• Separate project governance structures created
Case Study 1: Technical Content

To strengthen *internal controls* throughout the public sector for improved efficiency, effectiveness and accountability in the management and use of public financial resources (Budget $3.2 million over 8 years)

- **Human Capacity for Internal Auditors to Perform their Functions Strengthened and Sustained:**
  - Short courses in Forensic Audit, IT Audit, Risk Based Audit, Fraud & Investigation
  - Long term courses (Certified Internal Auditor; ACCA or CIMA; Forensics; Certified Information Systems Auditor; ACL – audit query language)

- **Institutional Capacity of Internal Auditors to Perform their Functions Effectively Enhance:**
  - Review the IA methodology and approach
  - Revise, print and distribute the internal audit manual

- **Improved Impact of the Audit Function:**
  - Stakeholder workshops to review operation of Audit Committees in ministries, departments and agencies
  - Audit Committee awareness campaign
Case Study 1: Key Issues, Findings and Conclusions

- **Activities which worked well**
  - logistical and infrastructure support
  - Long term and short term training courses
  - Matrix of multilateral and bilateral support

- **Some challenges**
  - Not fully integrated into other reforms & weak targets for some activities
  - Audit methodology not well developed
  - Audit committees
  - Overall training programme
Case Study 2: Source of data and method of collection

- Team leader (and close on-going networking with others)
- Public Internal Financial Controls (PIFC) as “the road map”.
- Full situational analysis, designed and implementation of the project’s first phase.
- Researched and made contact with peers who had commenced these reforms earlier
- European Commission Governance / Enlargement experts and desk officers
Case Study 2: Background and Statistics

- Legacy of centralized state control structures
- Project was first in control and internal audit
- Central government, 12 regions, local councils
- Population 3 million (450,000 in capital)
- Political support & available technical assistance
Case Study 2 : Technical Content

• The *project objective* was “to define and introduce a sound and modern Public Internal Financial Control concept, including a sound and modern internal audit function, all compliant with EU and international standards, and able to respond to and serve the needs of a democratic state.”

• It was designed with *three components*
  - Development of the Policy and Legal Framework
  - Strengthening Institutional Capacities
  - Strengthen human resource management and development
Case Study 2: Key Issues, Findings and Conclusions

• **Activities which worked well**
  - High level policy paper
  - Develop, field test and refine manuals
  - Pilot audit technique
  - Internally delivered training program
  - Work placements and practical study visits

• **Some challenges**
  - Short intervention projects
  - Loss of key staff
  - Skills developments
Concluding Remarks

• Fit for purpose rather than prescriptive approach
• Lessons to be learned from both cases
• Features of successful approaches