



Seminário
O controle interno
governamental no Brasil
Velhos Desafios, Novas Perspectivas

International Experience: Presentation of Two Case Study Scenarios

14 a 16 de Maio

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

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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 \$3.2million 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 3million (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