

Republic of the Sudan

The National Audit Chamber (NAC)

Quality Assurance Review Experience

CBC Annual Meeting

October 4, 2016

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QAR Overview

- NAC's first independent QA review – ever!
- Required by AFROSAI-E upon admission of NAC to membership in 2014.
- Conducted by AFROSAI-E team in February 2015.
- The scope covered the institutional strengths as well as quality of regularity audit.
- Based on interviews and documentation review including randomly selected audit files.
- Produced a well balanced report.

Main Findings

The Positives:

- ✓ NAC has a strategic plan and its being implemented.
- ✓ Leadership is aware of issues and willing to act.
- ✓ Staff are very eager to learn new audit approaches.
- ✓ NAC has gained more independence.
- ✓ NAC enjoys high standing among its stakeholders.
- ✓ AG has the opportunity to address Parliament and communicates the most important issues.

Main Findings

The Gaps (Institutional):

- Insufficient financial and operational independence.
- No structured system for operationalizing the strategic plan.
- Lack of performance culture with ineffective performance management system.
- Lack of a communication strategy.
- Lack of proactive media engagement and limited publishing of audit reports through website.

Main Findings

The Gaps (Regularity Audit):

- NAC did not prepare the Annual Overall Audit Plan in accordance with the RAM.
- Pre-engagement activities not consistently documented.
- Overall audit strategy not always documented.
- Detailed audit plans not consistently prepared in accordance with ISSAIs.
- Audit opinions not always expressed and often not supported by evidence.

Progress Made

- ➔ New Audit Act signed in March 2015 enhancing NAC independence and broadening its mandate (NAC is now exempted from the Civil Service Act).
- ➔ AG status elevated to be equivalent to that of the Chief Justice (previously federal minister).
- ➔ Rollout of the AFROSAI-E Regularity Audit Manual (RAM) - implemented in the audit of 2015 accounts for all entities.
- ➔ New staff appraisal system implemented (appraisal form completed following each audit engagement, performance bonus to be based on performance ratings).
- ➔ Established a communication unit and developed a communication strategy.

Lessons Learned

- ❖ Independent and unbiased evidence based assessment.
- ❖ Serves as a "reality check" to overcome complacency.
- ❖ Helps refocus development and capacity building efforts on key priorities (aligned with strategy)..
- ❖ Need to be approached with open mind and be fully transparent about issues.
- ❖ Crucial to communicate expectations and results to staff and key stakeholders.
- ❖ Turn recommendations into action plans with specified timelines and allocated responsibilities.

Thank You...