Republic of the Sudan
The National Audit Chamber (NAC)

Quality Assurance Review Experience
CBC Annual Meeting
October 4, 2016
Contents

1. QAR Overview
2. Main Findings
3. Progress Made
4. Lessons Learned
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...