

Automation of Internal Audit and Internal Control Monitoring

Nuria Mursalieva

Head of Section, Internal Audit and Internal Control Development,
Directorate for Accounting, Internal Control and Internal Audit
Development

Ministry of Finance of the Kyrgyz Republic

The final PEFA assessment

The assessment of KR PFM system in 2020-2021 suggests improvements in IA system development.

Indicator/Parameter	Assessment			Brief rationale	
	2009	2014	2019	2014	2019
PI-26 Internal audit	D	C	C+		Productivity improved
26.1 Coverage of internal audit	D	C	B	Majority of government bodies have been audited	Majority of general budget expenditures and revenues are subject to IA. Higher productivity – broader coverage
26.2 Nature of audits and standards applied			B		IC and systems receive reasonable attention
26.3 Implementation of internal audit and reporting	D	C	C	Reports are published	Majority of scheduled audits completed
26.4 Response to internal audits	D	C	B	Many managers take prompt and sound measures	Majority of internal auditors receive adequate responses. Higher productivity thanks to greater managers' activity.

Further IA system development requires:

- full coverage of auditees (as of the end of 2022 – 9 IA functions);
- focus on evaluating IC mechanisms adequacy and efficiency;
- automation of IA evaluation monitoring system;
- automation of IA management system to manage and monitor IA function activities;
- improvements to methodological framework due to digital technologies development;
- training internal auditors in IT audit.

Digital Platform to Monitor and Consolidate IA and IC Reports

Goal: Digitalize data monitoring, collection, consolidation and presentation re. IC and IA functioning in organizations.

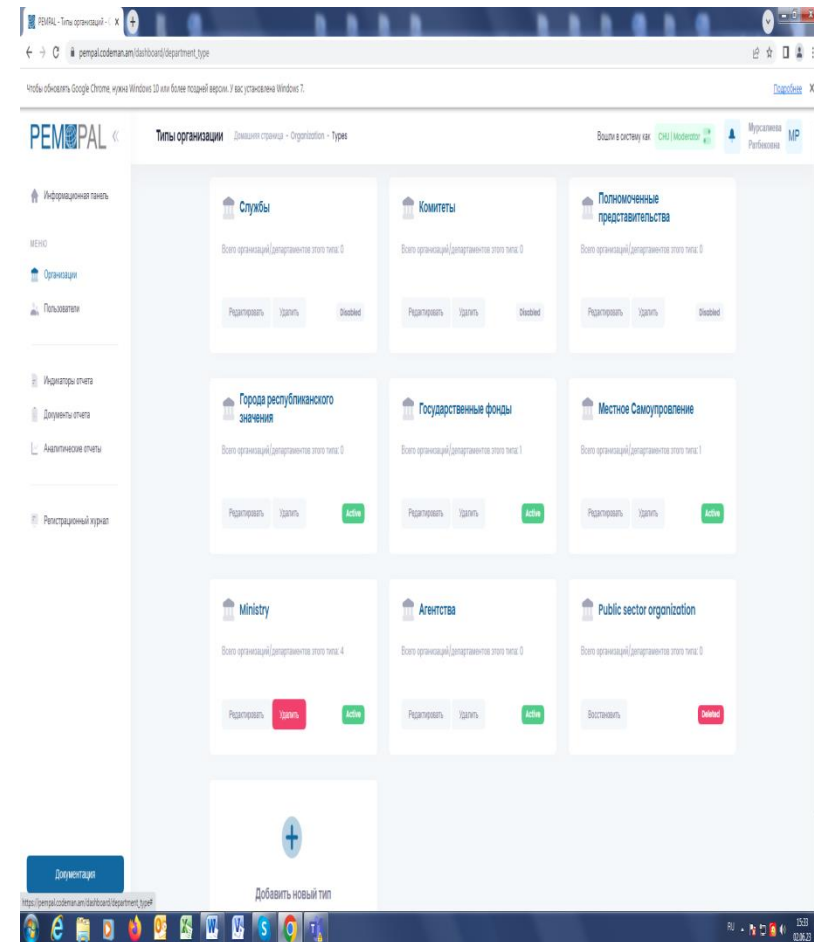
Objectives:

for public sector organizations:

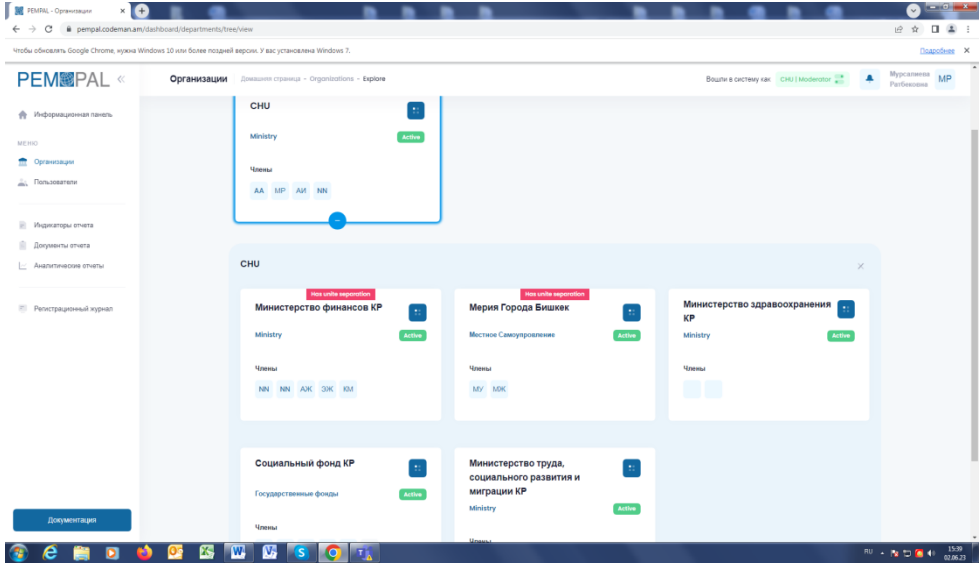
- IC and IA status report generation (including vertical and horizontal report consolidation);
- Checking (arithmetical, logical, other) IC and IA status report;
- Digital signature by users as per their access privileges;
- Passing on as per approved regulations;

for administrators:

- Generation of consolidated managerial reporting, statistics and analytics, graphic representation of IC and IA status in the public sector;
- Monitoring completeness and timeliness of reports submission as per established deadlines;
- Monitoring users' access privileges as per established system registration requirements.

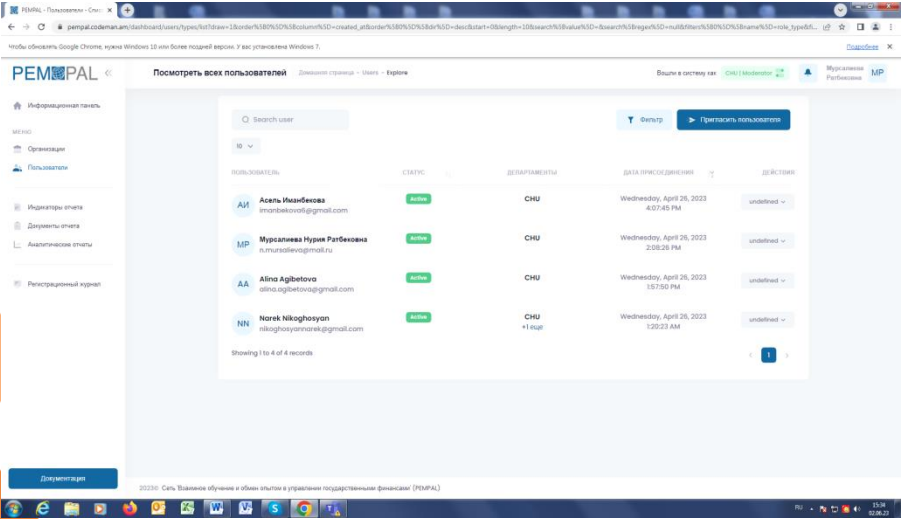


Super-Admin Functions



- The digital platform is intended to support data collection and analysis by CHU.

- The product’s proper operation requires creating all relevant organizations in the selected country, assign users with relevant functions for data management and collection.



Modules of the Digital Platform

“IC Status Report” Module:

- - “Report/Consolidated Report Generation” section;
- - “Reports Consolidation” section;

“IA Status Report” Module;

- - Report/Consolidated Report Generation” section;
- - “Reports Consolidation” section;
- - “IA External Evaluation Outcomes” section;

”CHU Reports on IC and IA Status” Module:

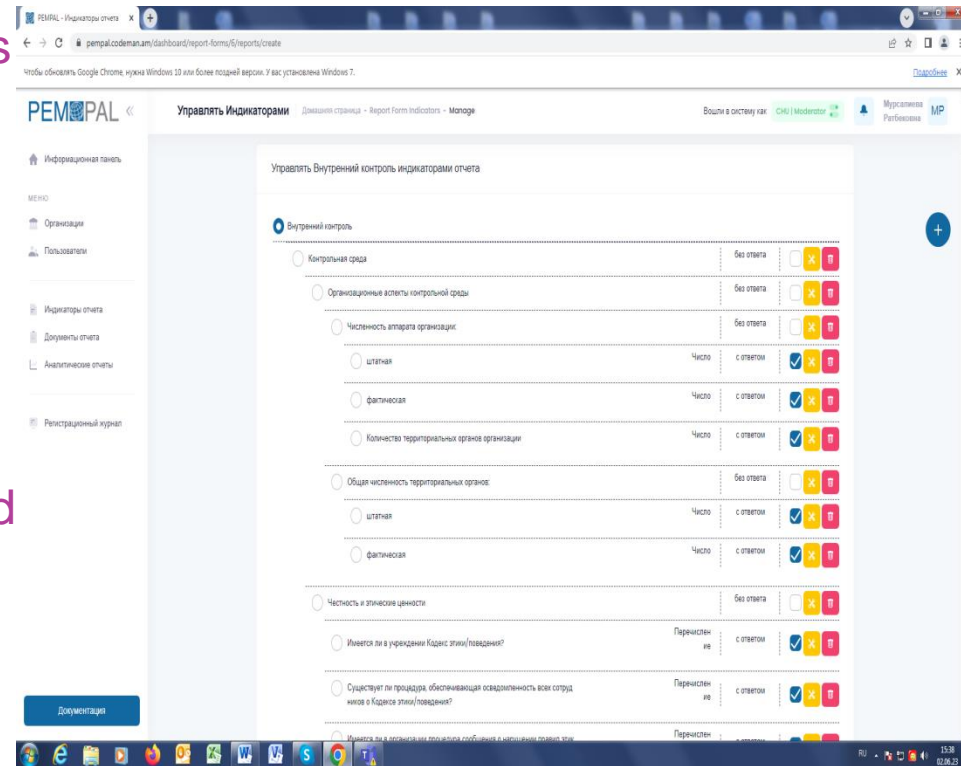
- - Reports Consolidation section;
- - Analytical Data section.

The screenshot displays the PEMPAL web application interface. The browser address bar shows the URL `pempal.codeman.am/dashboard/report-types`. The page title is "Индикаторы" (Indicators). The dashboard features three main panels for IC, IA, and CHU. Each panel displays the last update time (8:00am on Thursday 1st January 1970) and the total number of reports for that type (3 for IC and IA, 2 for CHU). Below each panel are buttons for "Просмотреть формы Индикатора" (View Indicator Forms) and "Редактировать тип" (Edit Type). A left sidebar contains navigation options: "Информационная панель", "Меню", "Организации", "Пользователи", "Индикаторы отчета", "Документы отчета", "Аналитические отчеты", and "Регистрационный журнал". The footer includes the text "2020 © Сеть Взаимное обучение и обмен опытом в управлении государственными финансами (PEMPAL)" and the system tray shows the date and time as 15:59 on 02.06.23.

IA reporting indicators – IT Platform piloting in progress

Types of data for entry: the system has four data types of indicators:

- Numerical – numerical value
- Percentage – value as percentage
- Logical – logical connection between two previously created indicators. Normally allows to calculate percentage.



Further steps:

- Completion of the IT Platform pilot. Stages:
 - 1) Reporting;
 - 2) Consolidation;
 - 3) Data analysis.
- Data entry to the IT Platform for reporting purposes re. all 3 Modules: IA, IC and CHU;
- Training of civil servants responsible for data entry;
- Amendments to IC reporting (in parallel with IT Platform pilot)

Thank you!