



The Role of oversight bodies in Public resource Management

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Presentation Outline

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Introduction

- The Controller and Auditor General statutory audit mandate, powers and duties are stipulated under the provisions of Article 143 of the Constitution of the United Republic of Tanzania
- Also amplified under Sect.10 of the Public Audit Act No 11 of 2008.

NAOT Audit Mandate

The Constitutional/PAA mandates of the Controller and Auditor-General shall be to-

- authorize the use of money to be paid out of the Consolidated Fund
- ensure the money authorized to be charged on the Consolidated Fund or the money the use of which is authorized by law, have been spent for purposes connected and incurred in accordance with authorization; and

NAOT Audit Mandate

- audit and report on the accounts, financial statements and financial management of :
 - (i) the Government of the United Republic, that is to say, Ministries, Independent Departments, Executive Agencies, Public Authorities and Other Bodies and Donor Funded Projects;
 - (ii) the local government authorities;
 - (iii) the Judiciary; and
 - (iv) the National Assembly.

Types of Audit

Regularity audit

- The regularity audit conducted by the Controller and Auditor-General I includes the evaluation and examination of-
- financial statements and the underlying records;
- internal control systems and other checks;

Types of Audit

Regularity audit(cntnd)

- public procurement procedures and process;
- compliance with applicable laws, regulations and policies; and
- any other matter as the Controller and Auditor-General may consider necessary.

Types of Audit

Performance audit

- The Controller and Auditor-General, for the purposes of establishing the economy, efficiency and effectiveness of any expenditure or use of resources of the entities, is mandated to enquire into, examine, investigate and report, in so far as he considers necessary, on-
 - the expenditure of public monies and the use of resources by such Ministries, departments, agencies, local authorities and all such public authorities and other bodies.

Types of Audit

Performance audit (cntnd)

- the conduct of and performance of functions by accounting officers, head of department and chief executive officers of all such entities stipulated in section 5(c) of this Act;
- compliance with environmental laws, regulations and internal environmental policies and standards; or
- any other activity undertaken by such entities.

Types of Audit

Forensic audit

- The Office is mandated to carry out forensic/audit investigations in the event of suspected frauds, material irregularities or any misuse or mismanagement of public resources.
- Forensic audit may be initiated by the Office, client, stake holders or due to public outcry.
- The Results of the audit are communicated to the one who requested the audit and to law enforcement organs ie. DCI, PCCB and DPP.

Audit Opinion MDAs

	Unqualified Opinion	Qualified Opinion	Adverse Opinion	Disclaimer of opinion
2009/10	55	20	2	1
2010/11	69	12	0	0
2011/12	108	6	0	0

Audit Opinion LGAs

	Unqualified Opinion	Qualified Opinion	Adverse Opinion	Disclaimer of opinion
2009/10	66	64	4	0
2010/11	72	56	5	0
20011/12	104	29	0	1

Reporting of audit

- After the audits have been made te CAG shall prepare a report and:
 - submit a report to the President and the Minister or appropriate Minister.
 - The final report issued shall be laid by the appropriate Minister to the National Assembly within seven days of the next sitting of the Assembly after he/she has received it.
 - Where the appropriate Minister fails to lay the report before the National Assembly as required by law, the CAG shall forthwith submit a copy of the report to the Speaker who shall lay it before the National Assembly.

Response to CAG reports

- The accounting officers shall respond to CAG'S annual audit reports and prepare action plan of the intended remedial actions for submission to the Paymaster General.
- On receipt of the responses and action plans, the Paymaster-General shall submit to the:
 - Minister who shall lay it before the National Assembly in the next session; and
 - Controller and Auditor-General a copy of the consolidated responses and action plan.
- The CAG shall include an implementation status of the action plan in the next annual audit report.

Parliamentary Oversight Committees

- The Public Accounts Committee, Local Authorities Accounts Committee discusses the reports of the Controller and Auditor-General after they have been tabled in the National Assembly.
- Upon completion of hearings, the Parliamentary Oversight Committees will prepare and submit to the National Assembly reports which may include comments and recommendations.

Challenges

The main Challenges facing the Office include:

- Inadequate manpower
- Inadequate multidisciplinary skills, recruitment made by POPSM without considering the current developments within the audit carder.
- The law does not allow the CAG to audit Public Private Partnerships
- The law does not give the CAG mandate to access to financial information where the Government has vested interests eg, extractive industries(mining, oil and gas)

Conclusion

- To enhance proper accountability of public resources, oversight bodies such as Government Audit Offices, Parliamentary Accounts Committees and law enforcement organs should be strengthened and enhanced.
- Relevant laws which hinder oversight bodies to execute their mandate in ensuring proper accountability of public resources should be reviewed.



THANK YOU FOR LISTENING