MODULE 7 USING SECONDARY INFORMATION TO MONITOR BUDGET IMPLEMENTATION

Audit & Legislative Oversight



THE OVERSIGHT PROCESS

Year-end accounts are prepared by each agency and submitted to the Supreme Audit Institution (SAI) for audit

SAI staff perform audits on the accounting records of executive agencies

The Legislature adopts a resolution(s) requiring corrective action from audited agencies

Oversight Process Based on the findings of the audits, the SAI issues an audit opinion to the audited agency and submits its report to the Legislative Committee responsible for oversight

The Legislative Committee submits its recommendations to the full legislature regarding corrective action to be taken by executive agencies

The Legislative Committee convenes hearings to discuss audit report findings



MODELS OF AUDIT INSTITUTIONS

- Westminster Model: UK and Commonwealth Countries
- Judicial Model: Francophone Countries, Latin America
- Board Model: East and South-East Asia,
 Latin America



TYPES OF AUDITS

- Financial
- Compliance
- Value-for-Money



TYPES OF AUDIT OPINIONS

- Unqualified
- Emphasis of matter
- Qualified
- Adverse
- Disclaimer of Opinion



OVERSIGHT ROLE OF THE LEGISLATURES

- Responsible to respond to audit findings
- Legislative Committees:
 - Public hearings
 - Reports and recommendations
- Debate and adoption of committee reports
- Corrective action
- Role differs depending on audit model
- Factors that undermine effective legislative oversight
- Factors that enhance legislative oversight

