

Najvyšší kontrolný úrad Slovenskej republiky



AUDITS PLAN 2019

**SUPREME AUDIT OFFICE
OF THE SLOVAK REPUBLIC**

Bratislava, December 2018

SUPREME AUDIT OFFICE OF THE SLOVAK REPUBLIC

I approve

*the audits plan 2019 of the Supreme Audit Office
of the Slovak Republic*

Karol Mitrik
Chairman

1. INTRODUCTION

The year 2018 was the year when the NKU SR carried out new steps in the planning of control activities. A new process model of the planning process has been developed. The Planning Board was set up as the advisory body in the planning area to review the timeliness and possible contribution of the proposed topics. In accordance with the timing of the planning process of the control activity for 2019, the sections and regional branches submitted 70 proposals for review by 31 May 2018. The role of the Planning Board has been to assess these proposals and to suggest which proposals are appropriate to be continued or have been proposed for the stockpile. Topic suggestions were evaluated from four aspects: topicality and relevance of the topic, possible added value, timeliness and controllability. Of the 70 topics for the audit, the Planning Board recommended the next planning process - to process 12 proposals into the project 12 proposals. In the next period, the number of themes was extended to 22, which were elaborated in the Audit Projects and presented to the College on 06th and 07th November, 2018. The solution of the capacity and timing of the audit activity plan followed. Based on free capacities review, three additional audit themes were added - the total number of audits proposed for the audit activity plan for 2019 would be 25. The resulting time and capacity layout table of audits is shown in Annex 2.

2. AUDIT ACTIVITIES PLAN 2019

The audit plan for the year 2019 is based on strategic documents of the Office:

- Strategic areas of focus of audit activity for 2018-2020
- Priority Areas of Focus of Audit Activity of the SAO SR for 2019

It focuses on key areas such as effective and transparent public administration (13 audits), and sustainable public finances (5 audits), respectively transport infrastructure and information and communication technologies (2 audits). Audit themes were selected based on an assessment of the main risks to the spending and the implementation of public policies.

The audit plan of the SAO Audit Office for the year 2019 contains 25 audits. Two audits are planned to prepare an opinion on the State Final Statement of the Slovak Republic for 2018 and the opinion on the draft State Budget of the SR for the year 2020 under the statutory obligation (§ 5 paragraph 1 of the Act on the SAO SR). The other 23 audits will focus on the assessment whether policies and programmes achieve their objectives and create added value, as well as to audit of the management of selected entities. One audit is planned as a year-round audit (Implementation of the measures taken to remedy the shortcomings identified from the audits performed by the SAO SR). The number of audited entities and the number of auditors for this audit will be specified over the year with regard to free capacities. Within the timetable, 4 audits will run until 2020.

The coordinators in 19 cases are the Sections (Section I: 8 audits and Section II: 9 audits, Strategy Section: 2 audits - preparation of opinions). In 6 cases, the regional branches (Žilina 2 audits, Trenčín 1 audit, Prešov 1 audit, Trnava 1 audit, and Košice 1 audit) have been designed as the coordinators.

Audit is being envisaged in 440 auditees (with 140 auditees, it will be carried out under § 22 of the Act on the SAO SR). These auditees are subjects of state administration, self-government,

joint-stock companies, and State-owned enterprises as well as natural and legal persons in the case of subsidies and EU funds (recipients). Most of the audited entities were already specified when presenting KA projects. Others will be specified in the audit preparation based on the selection of a representative sample.

Two performance audits are planned and five compliance checks. Other audits are the combination of audit types: 12 compliance audits with performance audit elements (48%); four audits will be performed as compliance audits with elements of financial audit (16%). Two audits (8%) will focus on drafting an opinion on the draft State Final Account of the Slovak Republic for 2018 and opinion on the State Budget proposal for the SR for 2020. These are the combination of all types of audits (compliance, performance and financial).

For the year 2019, one international audit coordinated by Audit Section II is planned: *System of collecting and administering social security contributions and old-age pension savings*. At the same time, the Audit Section II will continue with the performance of the international audit from 2018: *Support in selected areas of climate and energy policy with an emphasis on maintaining the long-term sustainability of public revenues (Antidumping)*. Both audits were included in the plan on the basis of cooperation agreements with the SAO of the Czech Republic.

In addition to audits, 5 preliminary studies are planned for 2019:

	originator	Audit title
1.	Audit Section I	Sustainability of the urban environment
2.	Audit Section I	Recovery of receivables
3.	Audit Section II	Transferred performance of the government administration
4.	Audit Section II	Electronic citizens' IDs and usability of e-Government services.
5.	Analysis Department	Functionality of the Central Information Portal (CIP) for Science, Research and Innovation

In the case of preliminary studies, the Audit Section II studies to be prepared under the cooperation agreement with the NKU of the Czech Republic.

3. CONCLUSION

It is assumed that a broad range of themes in the work plan for 2019 will enable the SAO SR to continue to provide citizens and our institutional stakeholders with independent, objective reports on topics that are important for the future of the Slovak Republic and highlighting what works well and highlights what does not work.

The process of preparation of the SAO SR audit plan has undergone minor or larger changes over the past period. Nevertheless, more attention needs to be paid to sufficient preparation of the themes proposals and the capacity distributions of the audits as well as the audits timetable and the distribution of audit within the year. Priority in education needs to continue to address the issue of identifying risks and defining the possible added value.

Annexes

ANNEX 1 – Overview of audits for 2019 – verbal description

ANNEX 2 – Graphical overview of audits for 2019 – time table with other elements