Country Focus – Brazil

Minister Carlos Atila alvares da Silva writes about information technology and EDP audit in the Brazilian Court of Audit

Minister Carlos Atila alvares da Silva is a member of the Tribunal de Contas da Uniao - TCU - (Brazilian Court of Audit) since 1985 and was its President during the 1992/1993 term. Now he is Supervisor of the TCU's EDP Committee.

Background

Since the beginning of the decade, the Brazilian Court of Audit - TCU - has tried to develop its EDP Audit area. The efforts were co-ordinated by the EDP Audit and Audit Planning Division of Saudi, the Inspections and Audit Department of TCU. In 1996, this division began focusing, exclusively, on EDP audit, computer-assisted auditing techniques and tools, and information gathering and consolidation for auditing purposes.

Training programme

TCU has a permanent training programme for its staff, who have access to regular and refresher courses in EDP Audit. The discipline "EDP Audit" has been included in the programme for training new auditors. EDP specialists have participated in several courses and events abroad for the purpose of acquiring new knowledge and techniques that they will later disseminate among TCU personnel. Seven TCU auditors participated in the last four courses on computer-assisted auditing offered by the Latin American and Caribbean Organisation of Supreme Audit Institutions (Olacefs), in Santiago-Chile. Three other staff members concluded a month-long course on computer-assisted auditing at the Chartered Institute of Public Finance and Accountancy (CIPFA), in London. At the same time, aiming to keep the technical staff up-to-date on world trends and new releases in data processing, TCU has sent staff members to the recent conferences of the National EDP Audit and Computer Security (CNASI) and Comdex Fall, the world's largest Information Technology event.

EDP audit procedures

In 1992, an Audit Procedures Manual was developed for the purpose of disseminating knowledge and making a new EDP auditing tool available to other TCU performance audit works. This manual, including control objectives and audit procedures, was thoroughly overhauled in March 1997 and now covers controls in many areas, like general data processing, physical and logical security, application systems, database environment, operations, network, microcomputer systems development and disaster recovery planning. It intends to provide standardised audit procedures for internal control of every government agency, in a new vision of relationship between auditor and audited agency.

Some Audit procedures are available on Internet at htt://www.TCU.gov.br/novidades/downloadpa.html.

EDP audit undertaken to date

TCU's EDP audit is carried out at three levels of complexity. First level audit is conducted by any auditor using EDP auditing procedures. At the second level audit is conducted by Saudi auditors who are well trained in EDP auditing techniques, and the third level is conducted by Information Systems (IS) specialists from Seinf (Information Technology Department of TCU), who keep themselves permanently up to date in computer technologies and trends. Audit team composition depends on the defined objectives and time of execution.

Five EDP audit investigations were carried out in federal agencies over the last four years. In 1994, an EDP audit was conducted in the Federal Internal Revenue Service. The following year, Saudi carried out an audit survey of the Federal Reserve Information System - Sisbacen. There were two jobs in 1996: an audit survey of the Integrated Human Resources Management System - Siape - and an EDP audit on the Workers' Reserve Fund-FGTS. Last year, Saudi performed an audit survey on the Integrated Foreign Trade System-Siscomex.

EDP audits planned

Audits are planned for other systems like Siape, the Integrated Financial Administration System and Siafi the EDP systems environment of the Brazilian Agricultural Research Company-Embrapa.

Last year, the EDP Audit and Audit Planning Division decided to conduct a survey on Information Systems in Brazilian federal agencies in order to create an information database for its work. With this database which includes information on year 2000 subjects, contact persons and computer resources (hardware, software, networks, Internet and application systems), the division will be able to plan its future audit work in a more realistic way. The division expects to organise all the information by the middle of this year and envisages that this database will be continuously updated by its staff. The first result of this survey will take place this year, when we intend to check through a short preventative audit, year 2000 strategies and current implementations in different government agencies.

Systems used in EDP audit

TCU has a wide area network (WAN) interconnecting all local area networks (LAN) of state representations to the central site. On this central site, there is a 2Mbps connection to the Internet protected by a firewall. There are about 860 desktop computers and 250 notebooks, most of them connected to the network . Today, there are some systems running on an IBM mainframe, but downsizing will be completed by July'98.

Some systems provided by Seinf support EDP auditing activities. Audit planning and its follow-up are processed by SPA. Common data analysis requirements are met by MS-Access or TabWin (data tabulator from Datasus/Health Ministry). In special cases ID specialists develop analysis routines for both mainframe and microcomputer environments. Most recently, Proaud, installed on notebooks, can be used on location for data entry of standardised audit procedures.Communication with central databases will be available in 1998, via the Internet.

Some systems have been developed to meet specific auditing needs, including SCP (created to control government concessions and permissions) and SCN (to follow up National Congress requirements for TCU). A system called Sainco supports account analysis' procedures, providing electronic document storage and workflow.