

Country Focus – Slovenia

Although the Court of Audit of the Republic of Slovenia is rather young the role and importance of information technology is evident as Dr. Franci Zibert, advisor to the President explains.

Historical background

Establishment of the Court of Audit

The Court of Audit of the Republic of Slovenia has been operational for about two and half years. Established by the Law on the Court of Audit in January 1995 it formally began to work in September 1995 - after getting premises, staff and other resources. The Court of Audit is an independent supreme audit institution covering Government accounts, the State Budget and resources expended for public purposes (Constitutional law).

The Rules and Procedures, confirmed by Parliament of the Republic of Slovenia in February 1995, regulate the organisation and work of the Court of Audit. It is independent in the performance of its functions and subject to the Constitution and law. The Court of Audit uses international audit standards and the President of the Court is required to issue auditing standards on the basis of internationally accepted auditing standards (article 20 of Law of Court of Audit).

Scope of Competence of the Court of Audit

The Court of Audit examines the business operations of:

- public-law entities,
- private-law entities, receiving funds from the State Budget,
- other private-law entities, receiving funds from Budgets or from other sources of public finance and
- other entities on which the State holds an interest or is part-owner.

Each year these entities submit, to the Court of Audit, annual business reports with their budget plans and other information determined by the Court of Audit.

The Court of Audit undertakes:

- control of regularity to ensure the economic and effective use of public funds,
- controlling the regularity of individual enactment's on the execution of budgets and financial plans,
- pre-audit and audit of financial statements of budgets and other users of public funds, control of the collection of public revenues,
- advising public administration,
- other tasks, provided for by other acts.

The Financial statements of the State Budget, Funds established by the Republic of Slovenia, the Pension and Disability Insurance Agency of Slovenia, the Employment Office of Slovenia and the Health Insurance Agency of Slovenia must all be audited annually.

The Court of Audit's Reports

The Court of Audit shall at least once yearly present the National Assembly with a report on its work. There were more than one hundred audit reports produced in the years 1995 and 1996 and presented to the National Assembly, to the Government and to competent ministries or local government bodies. The reports were on internal control auditing, the financial statement audit and some performance audits were included. The limited time and lack of auditing skills, experienced auditors and supporting personnel, resulted in the available auditing time being predominantly spent on auditing wages, salaries and other personnel expenditures' controls.

"... although the audit results show first signs of improvement... the Court of Audit will give greater emphasis to Value for Money audit."

We are not satisfied with the impact of these reports yet, although the audit results show first signs of improvement in regularity, legality and effective use of public funds. In future the Court of Audit will give greater emphasis to Value for Money audit.

Organisation and composition of the Court of Audit

The Court of Audit has nine Members and is organised according to function. Members are appointed on the proposal of the President of the Republic for a nine year term. The National Assembly appointed the President of the Court of Audit, the Vice President and other members by secret ballot on a majority of votes of all Deputies. It is required that at least one third of the members shall be Certified Auditors. Each Member organises and guides the work of individual Sections.

In addition to the Members, the Court has 70 other employees at present, the majority of them auditors. The auditors are assigned to one of four grades according to their qualifications and/or experience; trainee, assistant auditor, auditor and senior auditor. All auditors must have acquired a tertiary level of education. To improve audit skills

the Court organises seminars (case - studies training) in co-operation with SAIs from Austria, Germany and Great Britain.

Other Court staff belong to an administrative department that perform legal, advisory, administrative, personnel, accounting and computer technical services for all audit Sections.

Goals and objectives of computerisation

In the Court of Audit the "IT" section is part of the administrative section. IT services help ensure that the Court of Audit performs its work more economically, efficiently and effectively. The IT services covers two main areas; automation of the audit process and automation of the administration and accounting functions.

The main objectives of audit automation are:

- performing better quality audits,
- performing audits and performance reports in less time,
- increasing audit coverage.

The principle objectives of the administration and accounting procedure automation are:

- assure timely and accurate information for management and decision making,
- prepare reports needed in time,
- carry out work using the minimum resources necessary.

In the Republic of Slovene the Government is responsible for the computerisation of budget users. Budgets for information technology, software and hardware, equipment maintenance and personnel training are all centrally planed. IT budgets should be used in accordance with the Government plan of providing information links for all users. Proposals for IT budgets are prepared by the Government Information Technology Centre. They also enhance the IT plans of the Ministries, Agencies, National Assembly, National Council, The Constitutional Court, the Court of Audit and the Ombudsman.

Based on the individual information technology programmes the Government Information Technology Centre prepares an annual budget. For the year 1996 about 0.4 per cent of the funds for central budget expenditures was provided for information technology, while the Court of Audit destined 3.7 per cent of its expenses for computerisation.

The diagram opposite presents the structure of information technology in the Court of Audit of the Republic of Slovene.

The "IT" strategy

Computerisation in the Court of Audit started in mid-1995s, initially with assistance of external consultants and with in-house IT specialist. On May 1995 "The Technical Requirements for Local Computer Network in the Court of Audit" was created consisting of the following steps:

- development plans strategy
- hardware definition (DOS-based IBM-compatible PCs),
- software definition (MS office -Word 6, Excel 5, Lotus Notes),
- procurement strategy for hardware and software,
- training strategy.

The importance of training was recognised and two fundamental principles were accepted:

- in-house training for implementation of software packages,
- External training courses lasting from 2 to 5 days for small groups of trainees.

At the Court of Audit every employee is using Microsoft Office for task processing, this includes Word, Excel, Power Point, Data Analyser. Lotus Notes is used for electronic Mail.

The software package IDEA is currently in testing phase. Using this tools in auditing could increase the quality and the effectiveness of our work.

Lotus Notes application Project management (in implementation phase) enabled the standardisation of audit project planning, budgeting, reporting and monitoring the auditing process.

The Court of Audit has an Internet connection and a homepage is in preparation.