

Information Flyer

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January 2011 Updates

Mbale Audit Office gets own Home FINMAP Support to OAG

"It is a great feeling. Words alone cannot describe what we feel, now that we have a place we can call, "Home, sweet home"", a jovial Erisa Muhereza, the Principal Auditor, Mbale Regional Audit office said during the handover ceremony for the newly completed Mbale Audit Office.

Mr. James Kintu, Principal Assistant Secretary (PAS) on behalf of the Permanent Secretary Ministry of Finance, Planning and Economic Development (MoFPED) handed over the new premises to the Auditor General on 21st January 2011.

The building is now home for the Mbale Audit staff.



Senior officials from OAG, Ministry of Finance, the contractors & OAG Mbale Branch staff pose for photo in front of the new Mbale Regional Branch Office

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The handover function, which took place during the morning hours of the day, was characterized by speeches of appreciation and promise of better work delivery by staff of the Auditor General.

In his address, the Project Coordinator of the Financial Management and Accountability Programme (FINMAP), Mr. Johnson Mutesigensi expressed satisfaction with the contractors 'good workmanship and a well delivered job.

He was pleased, that a building of good quality was being handed over to the Auditor General.

He promised that the Ministry will continue working to improve the working environment of the OAG.

He further pledged to see to it that the construction of the Mbarara and Kampala offices also takes off as soon as possible.

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JICA Capacity Development Project Performance Evaluation

Japan International Cooperation Agency (JICA) has implemented the Capacity Development Project for the Office of the Auditor General (OAG) in Uganda since February 2008.

The key objective of the project has been to ensure that the knowledge and skills of the staff of OAG is advanced and that the Audit system is improved.

The main target areas for the project include Value for Money (VFM) Audit, IT, Public Works Audit, Management and Human Resource (HR) development.

As the Project is scheduled to finish its activities in June 2011, a project evaluation exercise to assess its performance was undertaken by JICA.

The evaluation team comprised of Mr. Tetsuo Seki (JICA- Uganda Office Chief representative), Mr. Shintaro Takano (JICA- Uganda Office Assistant Representative) and Ms Saori Fujimoto (External Consultant).

The evaluation was conducted in the period of 18th to 29th October, 2010. It was completed on 29th October with a report handed over to the Auditor General.

The evaluation team concurred that the Project objective has largely been achieved with project outputs.

As its 1st output, the project has provided support to the Value For Money (VFM) Unit to enhance the capacity of newly established



JICA officials Mr. Tetsuo Seki & Ms. Saori Fujimoto with the Auditor General, during the signing of the Evaluation Minutes at OAG Head Office (29th Oct 2010).

VFM Unit with effective collaboration with other Supreme Audit Institutions (SAIs), such as SAI India, SAI Ghana and African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E).

The VFM Unit has been properly consolidated with adequate office setup, and training specifically designed and conducted for the unit and aimed at producing quality VFM Audit reports.

The 2nd output has been standardization of audit reports with IT skills and knowledge.

The project developed both the OAG Financial Audit training manual and Training of Trainers (TOT) manual with provision of the necessary IT equipment such as laptops and IT training room setup for the regular training and

follow-up activities.

Also the Project assisted to revise the IT strategic plan and conducted training needs assessment with technical assistance from SAI India.

As its 3rd output, the quality of public works audit has been greatly strengthened. To-date, 11 OAG staff members have attended the annual public works training and seminar at JICA Tokyo International Centre, Japan.

Additional training was provided in Kampala by the consultancy team from Japan during which pilot audits were undertaken with guidance from the team.

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OAG Budget Conference 2011/12 MTEF



Local Government Budget team preparing their Directorate 2011/12 Budget at Imperial Royale Hotel.

As stipulated under section 34 of the National Audit Act, 2008, the budgeting cycle for the Office of the Auditor General follows the government budget cycle which starts with attending the first budget consultative workshop organized by Ministry of Finance Planning & Economic Development (MoFPED), Setting the OAG budget priorities by Top Management, OAG Budget consultations (Budget Conference), Accountability Sector working group consultations, Presentation and approval of the budget by Parliament without any alteration, Budget implementation and monitoring and evaluation.

Its against this background that on 14th January 2011, the Office held a Budget Conference for the Financial Year (FY) 2011/12 as part of its budget consultations.

Objectives

- To share the OAG strategic objectives.
- To review the previous year's OAG budget implementation
- To discuss the OAG budget framework paper.

In his opening remarks the Auditor General read out the Medium Term Expenditure Framework (MTEF) for the FY 2011/12 which he said has been taking a positive trend.

In the FY 2009/10 the Office was allocated Shs. 22,308,000,000 which increased to Shs. 33,100,000,000 in the FY 2010/11 and remained constant for the FY 2011/12.

This was because in the FY 2010/11 the actual approved budget was Shs. 25, 547, 000, 0000 but parliament approved Shs. 33,100,000,000 with 7.5bn extra to finance unfunded priorities for the office.

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Mbale Audit Office...contd

The Auditor General Mr. John F.S Muwanga noted that it was a great privilege for him to preside over the handover ceremony.

He further stressed that it was a unique occasion that will mark another land mark achievement for the OAG in its quest for operational independence.

Mr. Muwanga expressed gratitude to the Government, the development partners, all the institutions and persons that contributed towards the successful completion of the office.

The Mbale regional office is tasked with the responsibility of ensuring that there is appropriate accountability of public funds and resources for its regional audit jurisdiction in Eastern Uganda.

The new spacious office premises will now facilitate the creation of a centre of excellence, from which better reporting on public resources and delivery of services to the people shall be made.

The contractor was Excel Construction Limited. Kamulegeya and Associates are the design and supervision consultants.

Contributed by:
Hans Mwesigwa
In-House Project Manager
and
Gloria N. Namugera
Senior PRO

OAG Budget Conference 2011/12 MTEF

Expenditure Frame Work for the FY 2011/12

As summarized in the Auditor General's remarks for the FY 2011/12, the Office allocated the 33,100,000 as follows; the budget allocation for finance and administration for the FY 2011/12 reduced by 4% this was transferred to Value For Money (VFM) department to cater for forensic audits.

Medium Term Expenditure Frame-work for the FY 2011/12 by Program

					Budget Allocation FY 2010/11	% budget Allocation FY 2010/11	Budget Allocation FY 2011/12	% Budget allocation FY11/12	% Variations
Code	Programme	Wage	Non Wage	Dev't	Total				
01	Head quarters	2,756,960	7,873,622	-	10,630,582	34%	9,330,582	29%	-4%
02	Directorate of Central Government	2,544,940	1,731,987	-	4,276,927	13%	4,276,927	13%	0%
03	Directorate of Statutory Corporations	1,876,973	1,228,912	-	3,105,885	10%	3,105,885	10%	0%
04	Directorate of Local Governments	4,291,937	5,394,500	-	9,686,437	31%	9,686,437	31%	0%
05	Department of Value for Money & Quality Assurance	1,520,000	2,462,521	-	3,982,521	13%	5,282,521	17%	4%
	Sub Total-Recurrent	12,990,810	18,691,542	-	31,682,352	100%	31,682,352	100%	
	Support to OAG (GOU)	-	-	667,648	667,648	47.10%	667,648	47%	
	Donor	-	-	750,000	750,000	52.90%	750,000	53%	
	Sub Total - Development	-	-	1,417,648	1,417,648	100.00%	1,417,648	100%	
	GRAND TOTAL	12,990,810	18,691,542	1,417,648	33,100,000		33,100,000		

The Auditor General emphasized that budget efficiency should be ensured through the following interventions;

- Adopting sector audit approach.
- Merging the directorate of Central Government with Statutory Corporations.
- Establishing a forensic audit department.
- Minimizing unfunded gaps as much as possible.
- Synchronizing the OAG Corporate Plan with the budget.

Priorities for the FY 2011/12

As outlined in the AAG's remarks, the priorities for the FY, 2011/12 are;

- VFM audit.
- Energy and road sector audit.

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Statutory Corporations Budget team



Finance & Administration Budget team



Central Government Budget team

- Implementation of the new structure.
- Quality assurance and staff training.
- Cross cutting issues like gender, HIV/AIDS, and environment.

Planned outputs for FY 2011/12

Basing on the above MTEF, priorities and interventions, the Office intends to achieve the following;

Development

- 5 OAG branch office buildings in Entebbe and Fort Portal, Gulu, Soroti and Masaka municipalities renovated.
- Completion of phase 2 of audit house construction, Procurement of 2 vehicles and assorted furniture for the offices.

External Audit

A total of 1,580 audits have been planned for the 2011/12 audit year including; 125 higher Local Governments including city councils, 13 referral hospitals, 147 town councils, 67 city council divisions, 947 lower local governments, 75 Statutory corporations, 25 Energy sector projects, 12 VFM projects audits, 45 donor funded projects, 30 missions, 84 Ministries Departments & Agencies (MDAs) and 10 Special Audits.

Capacity building

The office allocated Shs. 300,000,000 to capacity building interventions for its staff which shall cover both career developments, generic and discretionary trainings.

Contributed by:

**Ali Tagoole
Senior Planner
and
Promise Ambrose
Principal Accountant**

JICA Capacity Development Project Performance Evaluation

A draft public works strategy giving a road map for improvement of public works audit skills across the whole office, has been made and submitted to top management for review and approval.

As its 4th output; the project raised awareness about the importance of management skills and knowledge among the Top and Senior management staff.

Under this area, all members of the top management team have been facilitated to attend management development courses during which, they were able to share experiences with similar corporate executives.

It is hoped that by the time the project closes, a fully sustainable institutional system for management training shall have been put in place.

Additional facilitation has been provided by the project to three staff to attend overseas training in environmental audit techniques, aimed at ensuring that the quality of environment audit system is improved in the OAG.

The trained staff have to-date produced an environmental audit report on forestry activities.

The evaluation team noted that a number of sensitization activities of VFM had not been fully implemented.

These included preparation of VFM awareness materials, awareness programs with PAC and other stake holders.

Also the evaluation team identified some areas that need to be emphasized further, such as standardization of audit report with IT knowledge and skill.

The team therefore recommended a one year extension to the project life to complete those parts of the projects that it felt were not fully completed.

Contributed by:
Megumi Kitabatake
JICA Coordinator

Certificate of Approval of Chambers

The OAG Legal Department received a Certificate of Approval of Chambers from the Law Council on 21st January 2011.

OAG Legal department is now a registered chamber under the laws of Uganda

Contributed by:
Caroline Bonabana
Senior Legal Officer

Humour/Health/Inspiration

Auditor JOKES

- He's all liabilities, no assets.
- She's one schedule short of an audit file.
- He's all control weaknesses, no strengths.
- She's one tick short of an audit.
- He's a balance sheet short of a reconciliation.



HEALTH Tips

BENEFITS OF LEMON

- Lemon juice is an excellent treatment for dandruff and greasy hair.
- Foot relaxation (soak feet in warm water and rub them further with freshly squeezed lemon juice)
- Reduces wrinkles and treats blemishes (lemon can be rubbed directly onto skin and left for about 2 hours before rinsing).
- Lemon contains more potassium than apple which is beneficial to the heart.
- The skin of lemon dried under the sun and then ground to make powder can be applied to the hair for a few minutes before bath which relieves headache and cools the body.

Source: 88DB.com- Life Style

WORDS TO INSPIRE YOU

The difference between Winning & Losing

By Catherine Pulsifer

Winning

Hanging on, persevering

Losing

Letting go, giving up easily

Winning

Accepting responsibility for your actions

Losing

Always having an excuse for your actions.

Winning

Taking the initiative

Losing

Waiting to be told what to do

Winning

Knowing what you want and setting goals to achieve it.

Losing

Wishing for things but taking no action

OAG Vision

To be an effective and efficient SAI in promoting public accountability in the use of resources in the enhancement of good governance.

OAG Mission

To audit and report to the public and thereby make an effective contribution in improving public accountability.

Core Values

- Integrity
- Objectivity
- Professional Competence