Republic of Macedonia
State Audit Office

Assessing the Integrity of the SAI and introducing changes in the SAI ethical management

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1.State of play before the Into-SAINT

1. *Legal framework for audit - Law on State Audit*

• *INTOSAI Standards and Code of Ethics are minimum requirements for conducting an audit*

2. *Manuals and procedures for audit - Financial and Performance Audit*

3. *Code of Ethics for SAO's employees*

4. *Ethics of State Auditors was one of the obligatory theme of the Programme and Exam for obtaining the title Authorized State Auditor*

2. Experience of Into-SAINT tool

- *Into-SAINT tool is a first step to more systematic approach to raise awareness of integrity issues within the SAO through:*

  - *the initiative (workshop) to test its integrity;*

  - *best view of the integrity level of an organisation through the eyes of employees;*

  - *learning to think in terms of vulnerabilities and risks and*

  - *recommendations to management.*

3.Main results of the Into-SAINT assessment

- *Inherent vulnerabilities* - *Audit and Information (expected as main tasks of SAI's)*

- *Vulnerability Enhancing factors* - *Change/dynamics and Management*

- *Vulnerability profile* - *Overall level of vulnerability is* **medium**

- *Maturity level of Integrity Control System* (ICS) –

  - main strengths - of the Integrity control System(ICS) is in the Hard Controls-SAO legal framework and Security

  - main weaknesses - of the ICS is in General controls - Vulnerabilities/Risk Analyses and Audit and Monitoring

- *Recommendations to management – to improve the ICS build up on main weaknesses*

4.Introduce changes

1. *Management paid particular attention to the recommendations for improving the **Integrity Control System** fully reflected as goals and actions in:*

   - SAO Development Strategy 2013-2017 and

   - SAO Strategy for Human Resources Management 2013-2017

2. *The **goal of SAO Development Strategy** is to strengthen the ICS through strengthening of General, Hard and Soft Controls. Developing Integrity policy following by an integrity plan, periodical review of integrity system, assign functional responsibilities of integrity are some of the activities for achieving the above goal.*

3. Maintaining regular trainings on integrity is one of the activities planned in **_SAO Strategy for Human Resources Management 2013-2017_** which implementation will ensure further development of the system of professional development of SAO staff.

5.Follow up Activities

- *To develop systematic Integrity Policy Strategy covering all integrity measures followed by integrity plan that includes concrete objectives and responsibilities*

- *Periodically review of the integrity system*

- *Assign functional responsibilities for integrity, including the position of integrity councillor (responsible for overall planning, implementation and monitoring of the integrity policy)*

- *Regular communication for the procedure on how integrity violations are dealt with and*

- *Ethics is still one of the theme of Programme and Exam for obtaining the title Authorized State Auditor*

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