



REALIZING CHANGE IN PUBLIC SECTOR IA Support

Presentation by:

CPA Richard Kamami
Rikan Corporate Registrars

Quote



□ *If you want something you never had, you have to do something you've never done.*

Thomas Jefferson

Presentation agenda



- ❑ Definition and Expected Role of IA
- ❑ Public Sector Reforms
- ❑ Experiences from other African countries
- ❑ Way forward

Role of IA



❑ Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations.

Role of IA-cont'd



- ❑ It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

IA Situation in Africa



IIA Global Research findings in 11 countries :-

Botswana, Ethiopia ,Ghana ,Kenya
Malawi ,Nigeria ,Rwanda ,Tanzania
Uganda ,Zambia. Zimbabwe

IA Situation in Africa



IIA Global Research findings in 11 countries-

- ❑ There is a greater need for effective internal audit in the public and private sectors in the service of sound governance than is currently being provided.

Situation in Africa



- ❑ In some instances, there is limited awareness of internal audit and its contribution to governance, despite the significant need for better governance.

Situation in Africa



- ❑ The resources available for training are limited (coupled with the high cost of face-to-face training and connectivity issues for virtual training).

Situation in Africa



- ❑ Efforts are poorly coordinated across the continent to support the development of good governance.

Situation in Africa



- ❑ In many instances, support from the local IIA affiliate is constrained by limited resources, including staff and/or volunteers, and poor information and communications technology infrastructure.

Situation in Africa



- ❑ Accounting associations with a limited grasp of and capability in internal auditing are moving aggressively to take on internal audit responsibilities, and this could have a negative impact on the quality of the internal audit services provided.

Situation in Kenya



- ❑ Establishment of IA Committees vide Treasury circular No. 16/2015
- ❑ In 2015, only Nbi County had established IA Committee
- ❑ Ministries reorganized-IA Committees not.
- ❑ PFM regulations now gazetted.

Situation in Kenya



Governance environment greatly enhanced vide:-

- ❑ 2010 COK (210/32) & Independent commissions
- ❑ ICPAK adoption of ISAs, IAS, ('99) and IPSAS ('14)
- ❑ Vetting of Public Officers- (Finance, Procurement & KPLC case)

Public Sector Reforms



- ❑ Began in 1965 and picked in the 90's
- ❑ Focus on overstaffing, declining productivity, discrepancies in service levels, poor remuneration, low staff morale, indiscipline and unethical behaviour

Public Sector Reforms



- ❑ Introduced RRIs, PCs, e-govt, huduma centres citizen service charters & capacity building in public sector

Public Sector Reforms-IA



According to KIPPRA report on public reforms 2018-Challenges include:-

- ☐ Piecemeal implementation
- ☐ Failure to focus on the Citizen/Wanjiku

Way Forward



Where is the problem and what to do?

☐ Is the problem our Laws/Law making bodies?

☐ Is it with DPP/EACC?

☐ Is it with the Country/County Leadership?

☐ Is the problem with our Courts?

Way Forward



“

To educate a person in the mind
but not in morals is to educate a
menace to society.”

— Theodore Roosevelt

Way Forward



“

**"ask not what your country can
do for you, ask what you can
do for your country."**

John F. Kennedy

Quote



**□ *We are what we repeatedly do.
Excellence, then, is not an act,
but a habit.***

Aristotle