

State Audit Bureau Support Project

Project Objectives:

The Project aims to boost the abilities of State Audit Bureau (SAB) through improving audit and control capabilities in various fields to be at a great efficiency and effectiveness. Specifically, developing audit manuals that will guide and work as a bench mark for the Bureau auditors through their work. Such guides are to be in accordance with the international accounting standards and the INTOSAI (International Organization of Supreme Audit institutions) pattern of training.

Project Component:

The project was approved in 2001 with the following main objectives to be achieved:

1. General Audit Manual: that will achieve standardization of the way audit work is done in accordance with the INTOSAI model and provide common terminology. This will be done through training the specific human resources in SAB.

2. Specialized Audit Manuals: which cover the following areas:

1. Performance Audit
2. High Technology Acquisition Audit
3. Investment Sector Audit
4. Auditing Disputes and Claims in Government Construction Contracts
5. Oil and Gas Sector Audit

3. Improving the abilities of the Information Technology Department in SAB and developing Data Base Systems that support SAB audit work.

Project Administration:

After signing the project document between UNDP and the Government of Kuwait represented by the Ministry of Planning, a tri-committee was established which consists of representatives from SAB (the beneficiary), reps from the Ministry of Planning (the supervising governmental body), and UNDP (the executing body). Presently, Mr. Faisal Ali Al-Ansari, Head of International Organization Department in SAB is the Project National Manager; and Dr. Talal D. Alkaby is the Expert/Project Coordinator.

The duties of coordinating the project include technical administration of the project as laid down in the project document and according to policies and procedures of similar projects. Participation with the project committee in choosing experts & consulting firms. Coordination with experts, MOP & UNDP to achieve the project objectives. Providing periodical reports about the progress

of work, deviation & providing suggestions to move on with the project. Coordination with and training of national calibers and any specific coordination task as required by the stage of the project.

Project Outputs and Achievement:

1. General Audit Manual

This project was assigned to Dr. Ahmed Eid. The Manual was done in Arabic and English and then reviewed by the translation section and a technical committee in SAB. The General manual was then distributed on various sectors of SAB to review and submit any comments or suggestions before final approval. The manual then was approved by the committee and the President of SAB issued a decision to implement and use the General Audit Manual and embark on providing the necessary training on it.

2. Specialized Audit Manuals

The second phase of the project consists of developing audit manuals in new fields and areas where SAB needs more coverage and up-to-date audit standards to improve its abilities, and these are:

Performance Auditing

High Tech Acquisition Auditing

Oil and Gas Sector Auditing

Investment Sector Auditing

Claims and Disputes on Government Contract Auditing

Ernest & Young Company won the bid to perform this task and started in October, 2004. The company delivered the required manuals and provided the necessary training to SAB concerned staff within the contract period. Then a decision by the President of SAB was issued to put these manuals in active use.

3. Improving the abilities of Information Technology Department and establishing Data Base Systems in SAB.

The third phase of the project faced some delay due to the very technical nature of this task and due to shortage in the remaining budget . Fortunately extra funds were granted and after the required procedures BDO Company won the bid to carry out this project. The company will start soon in carefully studying SAB requirements and building the required data base programs and providing the necessary training on running and maintaing the system for SAB Info. Tech. Dept. and various sectors auditors (the users).

State Audit Bureau Support Project has achieved improvement and standardization of the audit work through methodical and documented manuals. Also

this provided audit coverage of new areas and up-to-date Accounting and Audit Standards. This also facilitated auditors self-training and improvement as these manuals are provided through SAB intranet. Providing audit data bases programs will certainly increase the efficiency, coverage and speed of the auditors and thus this will eventually lead to improve the financial procedures followed at the bodies subjected to SAB auditing, hence contribute to achieving SAB goal as required by the law.