

CONTROL PROCEDURES OF EFFICIENCY AUDIT

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Summary

This thesis is oriented on the judgement of the current legal improvement of the Czech control system along with the area of implementation of international and European standards for the practice of the control.

The Czech Republic accepts EU strategy, includes into its control system both, the basic auditing standards the European implementing directives arising from such and the Czech Republic accepted the system of Public Internal Financial Control, which supports the introduction of a common financial control in the EU member states.

In developed democratic countries the state control mechanism is both decisive as well as complicated system. It consists of number of subsystems proceeding on several levels, which contributes to its position that restricts the effectiveness of the control system.

In addition, the process of control in the Czech Republic is affected by the membership in the Europe Union, mainly caused by the law for control of communitarian means.

Furthermore, the membership brings along the necessity of legislative harmonization in the control area, which is interrelated with the necessity of acceptance of the European implementation directives.

Keywords: EU strategy, Public Internal Financial Control, Economy, Efficiency, Effectiveness

1 The concept of performance audit

1.1 Actual situation

One of the fundamental duties of the technical supervision of the client is to exercise supervision and control activities not only in terms of technique, but the site quality.

This activity has so far carried out by simple inspection, which is compared with the projected state of the state realization to avoid undesirable deviations.

Recently, especially in the founding states of the European Union in this area promotes a higher form of control - the performance audit – value for money. Audit performance is still the most effective form of control has applied methods.

In its implementation, not only receives a very plausible picture of the actual situation, but if necessary it is possible to examine the causes of the deficiencies found and to participate in the design of the axle.

This gives technical supervision in the hands of not only the powers at its disposal than before, but with respect to its permanent presence on the realized work and a complete overview of possible adjustments to the project, their causes and consequences.

The concept of performance audit is a new, modern concept of control.

1.2 Performance audit to find answers

Performance audit to find answers to these two questions:

1st: The question of effectiveness: Are the right things done?
Right things are those that lead to achievement and have no side effects.

2nd: The question of economy and efficiency: There are things done the right way?
Things are done properly when it is obtained from sources the maximum output efficiency.

1.3 Control of the investment project

Audit performance monitors in the control of the investment project:

- Whether the construction was completed on schedule.
- Whether to comply with the approved budget costs.
- Whether constructed building complies with the approved documentation.

Newly examines the causes of project changes during construction and the technical and economic implications.

For a more detailed introduction to the concept of performance audit is to be selected to state general provisions.

Performance Audit brings elements to ensure an independent examination of the effectiveness, efficiency and economy in public sector organizations.

Examines, whether the citizens receive for their money, in taxes levied, sufficient consideration - in the form of public, goods and services.

Performance audit is called an independent investigation incl. monitoring compliance with laws and regulations.

It is very difficult to identify the only correct approach to audit no clear determination of the procedure.

Can only, identify a universal, valid and common element, which can be characterized - by the auditing procedure. Own procedure for implementation of the technical supervision of the audit is primarily in the basic formulation of the problem resulting from the state assembly of all available data and documents to the problem.

Followed by an internal analysis, of the problem with possible alternative solutions, including a comparison, with comparable problems arising in the past on other buildings.

1.4 Internal control

Internal options to address the problem are then compared with the variant proposed by the entity responsible for the quality of the project.

The negotiations resulted in technical supervision, designer and investor should be united view of the problem while maintaining the established criteria of efficiency, effectiveness and economy.

The result of selecting the optimal design solution must be accompanied by justification, attesting to its accuracy. The rationale is desirable to demonstrate any similar solutions that were previously successfully applied.

Solving the problem should therefore be the result of consensus of all stakeholders, supported by distinct arguments.

2 Audit of public sector

2.1 Structure of the program

Structure of the program performance audit - value for money

- Subject control.
- Objective control.
- Characteristic project.
- Analytical procedures.
- Overall concept.
- Audit Scope.
- Methodology.
- Compliance with legislative.
- Risk Management.
- Shortcomings.
- Organizational security.
- Time range.
- The result of control actions.

2.2 Criteria

Selective criteria for controls:

- Economy minimizing inputs, cost.
- Effectiveness - maximizing output.
- Efficiency - the degree of achievement of objectives.

2.3 Efficiency - the degree of achievement of objectives methods for analysis projects

Used methods previously used for studies and analysis projects:

- Method MBO - Management by objectives.
- Method CBA - Cost-benefit analysis.
- Method CUA - Cost-utility analysis.
- Method CMA - Minimize cost-analysis.
- Regression Analysis.
- Factor analysis.
- Simulation modelling.
- Detection of frequency of themes or categories.

Figures (**Fig. 1, 2**) - Audit of public sector and three aspects of performance.

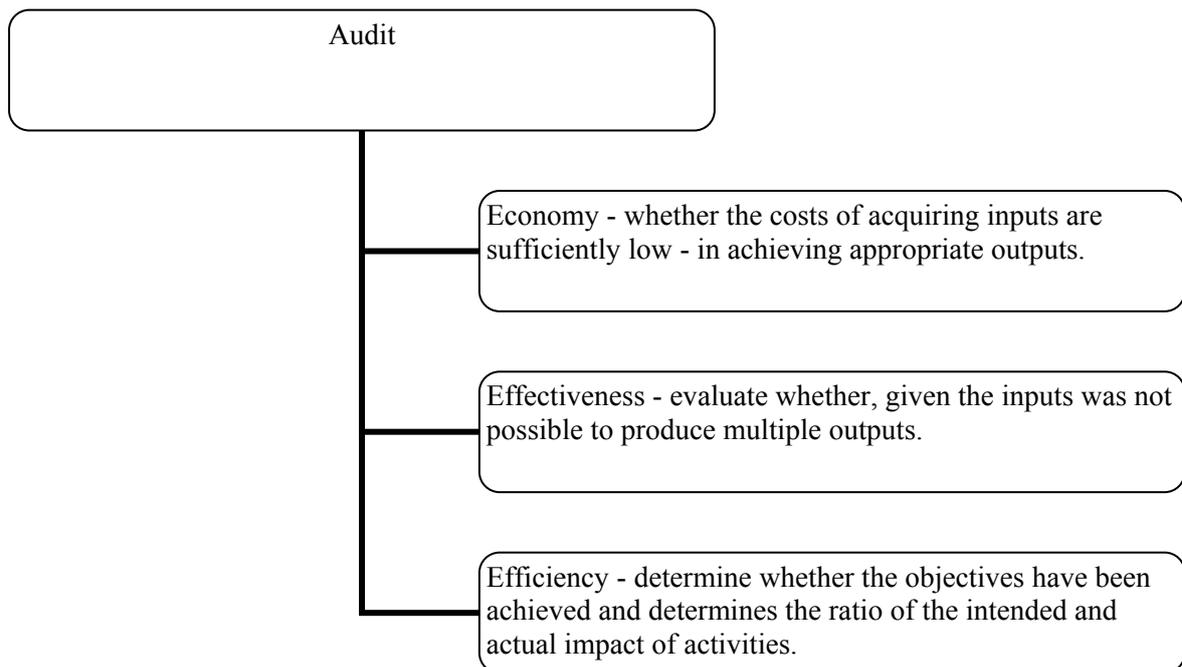


Fig. 1 Audit of public sector

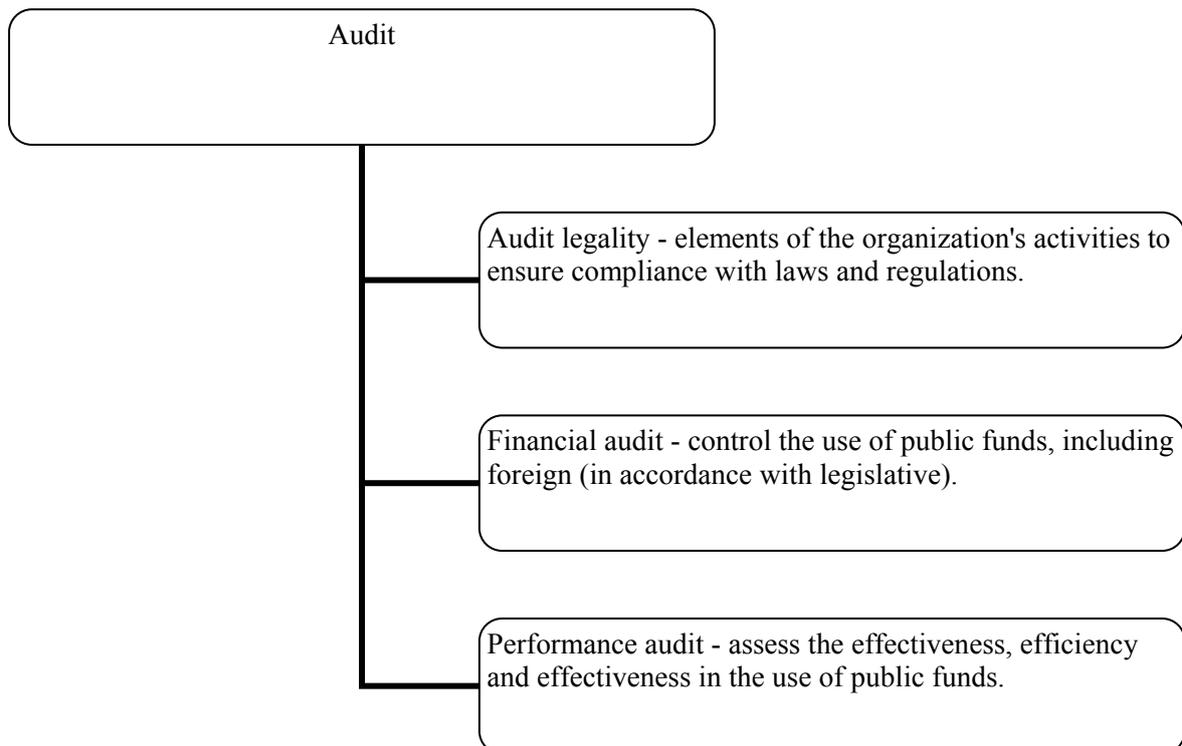


Fig. 2 Three aspects of performance

3 Conclusions

Application of audit practice is a modern control discipline that has much wider application in various stages of the process of capital construction project to carry out the work.

It is arguable that in the processing phase of the project documentation is its application more efficient than the implementation phase.

Undoubtedly true generally known fact that the larger capital equipment has not yet been a case in which the building with poor pre-project and project preparation was a good final result.

Given the wide range of audit should be different his relationship to classical control and highlight some of the patterns and characteristics.

References

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