

Royal Audit Authority attended XIV ASOSAI Assembly and 7th ASOSAI Symposium



The Hon'ble Auditor General of Bhutan led a four-member Delegation to the XIV Asian Organisation of Supreme Audit Institutions (ASOSAI) Assembly and the 7th ASOSAI Symposium on the theme "Environmental Auditing for Sustainable Development" being held in Hanoi, Vietnam from September 19-22, 2018.

On the first day of the ASOSAI Assembly, the Secretariat reported on the various activities conducted during the past term of three years from 2015 to 2018, the results of the external audit for the ASOSAI's Financial Statements for 2015-2017, the ASOSAI Strategic Plan, approval of Budget for 2019-2021 and capacity development activities. Reports of the ASOSAI Journal awards, 11th Research Project,

63rd Birth Anniversary of Drukgyal Zhipa celebrated

The RAA celebrated the 63rd birth anniversary of Drukgyal Zhipa Jigme Singye Wangchuck on 11 November 2018 at the Office Choesham. All heads gathered and recited *Tashi Gedpa* and *Zhabten* of His Majesty for a healthy and long life.

cooperation of ASOSAI with European Organisation of Supreme Audit Institutions (EUROSAI) & African Organisation of Supreme Audit Institutions (AFROSAI) were also made. The activities of the various Working Groups, Sub-Committees and the INTOSAI Governing Board's activities were also reported. The Assembly approved the host for the next, XV Assembly in 2021 and the Secretary General for

2018-2021. The Assembly also witnessed the change of Chairmanship of ASOSAI for 2018-2021. Day Two of the Assembly saw election of new members for the Governing Board and Audit Committee. During the

Assembly, the Head of Delegations called upon the President of the Vietnam and visited the Head Quarters of the State Audit Office of Vietnam.

Consecration and Inauguration of RAA's Professional Development Centre at Tsirang



On November 1, 2018, coinciding with the Constitution Day of Bhutan and also as a part of 50-Years celebration of bilateral relationship between the Kingdom of Bhutan and Republic of India, the Royal Audit Authority (RAA) consecrated and inaugurated its Professional Development Centre (PDC) at Tsirang. The consecration ceremony was presided over by His Eminence Dorji Lopen of the Zhung Dratshang. The ceremony was also attended by four Lam Netens, Members of National Council, monks from the Tsirang Rabdey and other dignitaries. The inauguration was graced by Dasho Ugen Chewang, Chairperson of the Druk Holding and Investments and also the former Auditor General.

The establishment of a Training Centre is well aligned with the Constitutional mandates enshrined in the Article 25.1 of the Constitution of the Kingdom of Bhutan, which stipulates ‘There shall be a Royal Audit Authority to audit and report on the economy, efficiency, and effectiveness in the use of public resources.’ Further, Section 55 (5) of the Audit Act of Bhutan 2018 empowers the Auditor General to “develop and implement training programmes, which ensures that audit staff remains competent to carry out their duties in accordance with the prevailing standards and practices”. competent to carry out their duties” in accordance with the prevailing standards and practices”.



The proposal of the establishment of Training Centre was submitted in Annual Audit Report 2006. Subsequently, the 87th Session of the erstwhile National Assembly in 2007 duly recognized the importance of providing continuous professional development training to officials and staff of RAA. The deliberation of the session read as “in the event approaches to provide in-house training to staffs of the RAA are not initiated from now, it would result in a state of not being able to present detailed and honest audit reports with the institution of the democratic system in the country. Since the absence of a Training Centre has marred the effectiveness of the Audit System, members opined that it was imperative for the National Assembly to acknowledge the proposal of the RAA and direct the establishment of a Training Centre on Auditing at the earliest possible”.



Accordingly, the 87th Session resolved that the RAA and the RCSC should jointly discuss the establishment of a Training Centre with the relevant ministries and assess its requirement and the availability of funds.

Subsequently, the Royal Government of Bhutan in the 10th Five Year Plan explored the resources and allocated Nu. 43.000 million for the construction through the Project Tied Assistance of the Government of India. Due to increase in the scope of the work, additional fund of Nu. 150.000 million was allocated in the 11th Five Year Plan. Again during the plan

consultation meeting with the Government of India, the activity was prioritized and accorded an additional budget of Nu. 62.000 million which aggregated to Nu. 255.000 million altogether.

The project management exercised utmost prudence and was able to successfully complete the project within available resources and with required quality.

The Vision of the Centre is ‘A’ premier learning center to promote excellence in Public Accountability and Good Governance.’

The Mission is to ‘Enhance professionalism in the fields of auditing, accounting, public administration and good governance through continuous research, innovation and trainings and to create a learning environment that fosters individual growth and highest ethical and professional standards.”



The Center has four main objectives to accomplish its Mission:

- To ensure continuous professional development of auditors through various in-house and in-country trainings, workshops, etc. on topical subjects;
- To train people from external agencies in various streams of Public Accountability and help promote good governance;
- To liaise with other national and international agencies and impart Professional Development Courses on common areas of concern; and
- To cater to training programmes organized by external stakeholders (both national and international).

The Center will be headed by Program Director supported by three functional services:

- I. Training Coordination and Facilitation Services;
- II. Training Research and Development Services; and
- III. Secretarial Services.

The RAA has always attached great importance to remain relevant and add VALUE AND BENIFITS to the citizens through continuous professional development of human resources. Institutions like RAA has to respond to the changes happening around it. It has to respond to the expectations of the citizens and maximize the value that audit reports provide. It also requires to continuously engage in upgrading, re-skilling and ensuring dynamism in its capability to be adequately equipped in a fast changing and fiercely competitive world.

The formal inauguration of the Professional Development Center in Tsirang is a TESTAMENT to the magnitude of importance given to our relentless capacity development initiatives. The day will be remembered as the day when RAA has laid a resilient foundation for its professional capacity development.

This foundation will go a long way in shaping the professional human capacity of RAA and culminate into an epitome of professional excellence.

The RAA has gained membership to International Organization of Supreme Audit Institutions (INTOSAI) in 1987, which operates as an umbrella organisation for the external government audit community. It promotes development and transfer of knowledge, improve government auditing worldwide and enhance professional capacities. The RAA is also member of Asian Organization of Supreme Audit Institutions (ASOSAI). As RAA gains more experience and maturity, it will also host INTOSAI and ASOSAI international workshops, seminars, trainings, retreats etc. Hence, the Centre will serve as platform for professional growth, to explore deeper collaboration, to promote research and exchange of expertise and training in auditing and in other fields.

The RAA has developed utilization plan of its infrastructure including sharing of facilities with other stakeholders for optimum and effective utilization of available facilities.

RAA presented AAR 2017 to PAC and other MPs



The RAA and presented the Annual Audit Report 2017 to the Public Accounts Committee and other Members of the Parliament on 7 December 2018. The presentation covered the core content of the AAR 2017, its status updates and recommendations for further actions. The presentation followed by a robust discussion on audit findings and issues were aimed at informing the Parliamentarians on the irregularities

reported in the AAR 2017 and clarifying any doubts related to the issues reported.

The AAR 2017 was submitted to His Majesty the Druk Gyalpo and tabled in the parliament on 19 June 2018. The report was reviewed by the Public Accounts Committee and presented to the Parliament for deliberation in the Parliamentary Session's Joint Sitting of the National Council and National Assembly in January 2019.

Buddhism: “Know it better” with the 9th Neyphug Trulku Rinpoche



The RAA invited the 9th Nyephu Trulku His Eminence to give sessions on Spirituality, Mindfulness, Human Values and Buddhism on 12 July 2018. H.E the Nyetrul Rinpoche's “Know it Better”

presentations touched upon four immeasurable minds i.e. boundless love, boundless compassion, boundless joy and equanimity, the historical evolution of Buddhism and impermanence of life. Rinpoche also talked about the five poisons - ignorance, anger, ego, desire and jealousy – which are the root causes of sufferings, the concept of Karma, its origins, and Samsara besides ethics and attitude among many others related topics.

Over a hundred auditors and staff of RAA attended the sessions, received lung for spiritual healing and blessings. Rinpoche also clarified doubts of auditors on Karma, Buddhism, spirituality, religion etc. The talk was held at the RSPN Hall.

Delegates from State Audit Office of Vietnam visited RAA



A seven-member delegation led by Mr. Nguyen Tuan Anh, Deputy Auditor General of the State Audit Office of Vietnam visited the Royal Audit Authority. The objective of the visit by SAI Vietnam was to exchange and learn each other's experiences in the field of capacity development and strategic planning, besides strengthening a bilateral cooperation between the two SAIs.

The six-day visit was a part of European Union Public Finance Modernization Programme in Vietnam (EU-PFMO Project) which aimed to strengthen capacity development through sharing and learning of experiences and best practices from other peer SAIs. The delegates was in Bhutan from 25-31 December 2018.

Audit Advocacy Programme for Central Schools & Hydro Power Plants



The Auditor General conducted an audit awareness and advocacy programme for Chhukha and Pakshikha Central Schools, Chukha and Tala Hydro Power Plants on 6-7 August 2018. The advocacy programme focused on existing rules and regulations and on pertinent audit issues on TA/DA entitlements and excess payments in the education sector. Audit issues arising due to Central Schools' financial autonomy resulting into many irregularities were also covered, specifically in relation to schools not having the required infrastructure in place and inadequate manpower such as full time accountant and procurement assistant.

The programme also covered accountability of contractors in relation to ensuring quality and standard of works. The concerns on accepting the lowest bids resulting into procurement of defective, inferior/ sub-standard goods, works and services were also raised and discussed.

Along with the advocacy, the Hon'ble Auditor General also visited the Power House of Chukha Hydro Power Plant and Tala Dam on 4th August 2018 and the Power House of Tala Hydro Power Plant on 5th August 2018.

Annual Rimdro and Picnic for RAA

Alongside the series of training given to the auditors in July 2018, the RAA also conducted the annual rimdro on 13 July 2018 for the welfare of all sentient beings. His Eminence Drabi Lopen and monks from the Zhung Dratshang presided over the day long rituals. The RAA Family also received Kago Lung and Wang.

The RAA family also enjoyed a day long picnic at Chimthangkha, Bjemina on 14 July 2018. The AFD and Organizing Committee organized the picnic to create belongingness among the staff and family and to give break to auditors who are in the field for the remaining time of the year. Over a hundred officials and staff with family, from both the HQ and Regional Offices attended the picnic.



The annual rimdro was organised as part of RAA's staff welfare initiatives.

THE AUDITOR'S PAGE

Royal Civil Service Award and RAA Award Ceremony 2018



The Hon'ble Auditor General presented the Royal Civil Service Award medals to the 38 officials of the RAA in a simple ceremony conducted at the office premise on 11 December 2018. The recipients included 2 lifetime service awardees, 8 Gold, 15 Silver and 13 Bronze medalists from the Head Quarters, the Office of the Assistant Auditor General, Tsirang and Bumthang. The Dedicated Service Awards recognized the completion of 10, 20 and 30 years in the service of the Tsa-Wa-Sum. Coinciding with the auspicious day, the RAA also declared the Best Employee, Best Team Leader, Best Team Member and the Outstanding

Employee for the year 2018. This was the first of its kind awards in recognition of the hard work of the RAA employees. While the Best Employee, Best Team Leader, Best Team Member were voted from the list of auditors, the Outstanding Employee of the year was voted from non-field staff. All employees of the RAA took part in the voting process to declare the winners. The recipients were awarded certificates along with a letter of commendation. The Best Employee of the year also received an award of Nu.10,000.00.



RAA Officials Promoted

The RAA promoted fourteen officials to the next higher position, including two meritorious and one fast track promotion. A simple promotion ceremony was conducted for the promotees coinciding with the RAA's annual rimdro on 13 July 2018. Seven officials, present at the head office received Trashi Khadar from the Drakpoi Lopen Rinpoche who presided over the ceremony and rimdro. The Hon'ble Auditor General,

presented the promotion orders to the officials and reminded them of the roles and responsibilities that come with the higher positions.

RAA conducted trainings for year 2018-19



The RAA in its efforts to develop capacities of auditors for relevant auditing and reporting carried out a series of trainings on various topics such as Public Expenditure Management System (PEMS), Professional Report Writing, Government Accounting System, Tally, IDEA Software and Office

Trained Auditors in preparation of auditing SDGs

The Royal Audit Authority organized a training on “Sustainable Developments Goals” as a part of collaboration initiatives between the National Audit Office of Finland and the Royal Audit Authority from 9-11 July 2018 in Financial Institutions Training Institute, Thimphu. The training was attended by 65 auditors and Mr. Marko Mannikko, Deputy Auditor General of NAO and two other experts imparted the training. The training covered introduction to SDGs, global sustainable policy, governance of sustainable

Management. The trainings also covered introductions to audits of focused areas such as Sustainable Development Goals, hydropower, and constructions. Resource persons & experts from external agencies provided the trainings on PEMS, Government Accounting System, and Hydro-Power audits and three Subject Matter Experts from the National Audit Office of Finland was invited for imparting training on Sustainable Development Goals (SDG). In-house experts from the RAA provided the remaining trainings.

The in-house and in-country trainings are scheduled annual activities of Royal Audit Authority and organised based on training needs assessments conducted amongst the auditors and staff of RAA. A total of nine trainings - seven in-house and two in-country are being organised by the HR & International Relations Division in collaboration with Policy Planning and AAR Division as part of the RAA's continuous capacity development initiatives. The trainings are scheduled from 2nd July to 3rd August 2018 and are funded by the ADC.

development, and SDG indicators. The resource persons also shared NAO's experiences of conducting an audit of SDGs in Finland.



OAAG Phuentsholing & Samdrup Jongkhar awarded the Civil Service Medals

The Office of the Assistant Auditor General, Samdrup Jongkhar & Phuentsholing organized the Royal Civil Service Award Ceremony for the officials on 11 & 13 December 2018 respectively at the office conference hall. The Assistant Auditor Generals awarded the Royal Civil Service Award medals to the recipients and highlighted the significance of the medals. She

reminded all officials present to rededicate themselves to serve theTsa-Wa-Sum with utmost integrity and

loyalty. The program ended with offering of Zhabten to His Majesty the King.



The Medal recipients with the AAG of the OAAG Phuentsholing



The Medal recipients with the AAG of the OAAG S/Jongkhar

Training on Data Analytics

Five officials of the RAA attended the training on 'Data Analytics' at the Tertiary InfoTech, Singapore. The training was an effort to keep abreast of the rapid changes in analysing data in various forms and formats for informed decision making.

The team was introduced to data analytics, big data and global megatrends. They were also trained to use the 'R' software for data analysis, which covered 'R Statistics Essential Training', 'Advanced R Essential Training', 'Text Mining with R', 'Machine Learning with R' and 'Deep Learning with R'.

The trainers have to prepare course materials and further train other auditors in data analytics, the methodologies and basics of R software to analyse data. With all government agencies going tech savvy, and the growing use of computers and systems it is very important for RAA to be able to understand and



analyse data stored with agencies to be able to audit them effectively.

The training was supported by Austrian Development Agency (ADA).

Environmental and Social Impact Assessment (ESIA) Training



Four Auditors from the RAA were trained as trainers on Environmental and Social Impact Assessment (ESIA) at Asian Institute of Technology in Hanoi, Vietnam.

The training course covered ESIA in a project cycle of ADB & WB; Principles of ESIA; ADB & WB ESIA requirements; Screening & Scoping; Impact Analysis; Evaluating Impact Significance; Social Impacts; Mitigation & Impact Management; Public involvement, consultation and disclosure in ESIA; Quality controls in ESIA; Roles of Project Management Units (PMUs) and their relationship with stakeholders

Training on IT Audit



A team of four officials from Royal Audit Authority underwent five-day Training of Trainers on IT Audit at State Audit Institution (SAI), Abu Dhabi, United

Arabs of Emirates. The training program covered basics of IT audit and its related automated controls; understanding role of automated controls in business processes; relationship between financial/operational controls and IT general computer controls; testing general computer controls in the field of IT Governance, IT operations, system development and implementation, IT security, business continuity plan and disaster recovery plan and IT Outsourcing; and testing application controls and data analytics using Computer Aided Audit Tools (CAATs).

The team upon completion of the training have to develop the course materials and train other auditors on the IT audit. The training held from 11-15 November 2018 was funded by Austrian Development Cooperation.

Dzongkha Translation Training at Professional Development Centre, Tsirang

The RAA conducted 5-day 'Dzongkha Translation Training' for seven officials with academic background in both English and Dzongkha. The main objective of the training was to create a pool of Dzongkha translators to meet the rising demand and expectation of stakeholders. The Royal Audit



Authority is required to submit all Auditor Generals' Reports to the Parliament in both Dzongkha and English for proper deliberation and recommendations.

The training was delivered by Mr. Ugyen Dorji, external expert from Dzongkha Development Commission and facilitated by Mr. Sangay Penjor, Senior Dzongkha Coordinator of the RAA. It covered hand-on practical sessions on translation of the Annual Audit Reports and Performance Audit Reports as well as the following topics:

- ✓ Dzongkha policies - The course highlighted on the importance of the national language incorporating the policies and the strategic plans initiated by the Dzongkha Development Commission in developing and standardization of our national language.
- ✓ Basic Word Order – Importance of the basic word order and the subject verb agreement in the universal languages were highlighted giving emphasis on the Source Language (English) and Target Language (Dzongkha); and
- ✓ Translation tools – In order to smoothen the task of translation and keep abreast with the ever growing technological features in the

Training on Citizen Participatory Audit or Social Audit

Three auditors from the RAA were trained as trainers on 'Citizen Participatory Audit' or 'Social Audit' at International Academy for Continuous Education at Quezon City, Republic of the Philippines.

The training course covered introduction to social audit, benefits of social audit, composition of audit team, governance statement, social audit process, social audit standards, external view and stakeholders, internal view and organization, social audit accounting, verification and site visit.

language world, detailed aspects of 'Dzongkha Unicode' installation till configuration were covered during the course; and

- ✓ Others – Besides the aforementioned lessons, the course also highlighted on the different types of local dialects in Bhutan, types of translations, terminologies and tips for translation.

Mr. Ugyen Dorji, Deputy Auditor General, DFRHRM, graced the closing session and awarded the Certificate of Participation to all participants. He said that the event marked the beginning of actualizing the dreams of owning the Centre to help steer auditing systems to a new direction and greater heights of achievements. The Centre will remain a platform to learn, re-learn, and embrace highest level of professionalism. He urged the participants to make effective use of the skills and knowledge gained from the training to add values and benefits to life of citizens through delivery of audit services.

The training was conducted at the RAA's Professional Development Centre (PDC) in Tsirang from 19 -23 November 2018 and was funded by the Austrian Development Agency Project.



Upon Completion of the ToT, the auditors have to develop course materials and train other auditors on Citizen Participatory Audit or Social Audit. The five day training from 17 to 21 December 2018 was funded by Austrian Development Agency.

Ninth Forum for INTOSAI Professional Pronouncements

Tashi Tobgay, Assistant Auditor General attended the Ninth Forum for INTOSAI Professional Pronouncements (FIPP) Meeting in Bali, Indonesia from 26-30 November 2018. He represented the Royal



Audit Authority, the Supreme Audit Institution (SAI) of Bhutan in the FIPP. He was appointed as a member of the FIPP by the INTOSAI Governing Board, following open call nominations to member SAIs around the world.

The FIPP refers to the International Organisations of Supreme Audit Institutions (INTOSAI) body

designated for assessing and approving professional pronouncements. It consists of experts who have been appointed to act in the interest of the full INTOSAI membership and promote public-sector auditing of a high quality to the benefit of users of SAI audit reports and the general public.

Six New Recruits joined the RAA

The RAA conducted an orientation programme for six new recruits joining the RAA from July 2018. The programme was aimed to orient the newly recruited auditors on basic aspects of auditing before being deployed for actual audit assignments. The recruits were introduced to the three disciplines of financial, performance and compliance audits, besides familiarization to the BCSR 2018, RAA's Code of Conducts and the AG's Standing Instructions. Ethics, integrity and etiquette were also being highlighted as a part of orientation programme.





Vision

A credible Supreme Audit Institution that promotes value for money and good governance in public operations and contributes towards achieving the societal aspirations of Gross National Happiness.

Mission

RAA is an independent constitutional body which contributes to accountability, transparency and effective service delivery. In the service of Tsa-Wa-Sum (the King, Country and People), we audit without fear, favour or prejudice and provide timely, reliable and quality audit services to assist effective decision making in the sector.

Core Values

Integrity, Accountability, Transparency, Professionalism, Team Work

RAA Outcomes: What the RAA is working to achieve?	
RAA OC 1	Greater audit impact leading to improved accountability, transparency and ethical behaviour in the public sector in Bhutan.
RAA OC 2	Improved public sector performance in National Key Result Areas and Sustainable Development Goals commitments in achieving Gross National Happiness.

RAA Strategy: How the RAA will add value?	
RAA SG 1	RAA delivers high quality audits as per international standards including ISSAIs- Delivery Quality.
RAA SG 2	RAA leads by example in being an accountable, transparent and ethical organization- Demonstrating excellence.
RAA SG 3	RAA enjoys strong partnerships and cooperation with key stakeholders- Fostering collaboration.

RAA Capacity: What Capacity does the RAA need to achieve its goals?	
RAA C 1	Strong leadership and professional culture
RAA C 2	Appropriate institutional framework, organizational structure and systems
RAA C 3	Competent and motivated team

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