



FEDERAL REPUBLIC OF SOMALIA  
OFFICE OF THE AUDITOR GENERAL

**STRATEGIC PLAN**  
**2021 - 2022**



# Overview of the OAGS Strategic Plan 2021 - 2022

## VALUES



INTEGRITY



OBJECTIVITY



TRANSPARENCY



ACCOUNTABILITY



CONFIDENTIALITY



## MISSION

To audit and provide recommendations for improvement to the government institutions as well as to provide audit reports to the Office of the President, the Parliament and the Office of the Prime Minister.

## STRATEGIC GOALS AND OBJECTIVES

### 1. TIMELY, RELEVANT AND HIGH-QUALITY AUDIT REPORTS IN LINE WITH INTERNATIONAL STANDARDS

- 1.1 An improved system for overall annual audit planning established and adhered to
- 1.2 Increased usage of ISSAI based manuals for financial and compliance audits
- 1.3 Forensic Audit Manual customized, introduced and applied
- 1.4 Strengthened SFMIS knowledge and IT audit capacity
- 1.5 Quality control system customized, introduced and applied
- 1.6 Quality assurance carried out
- 1.7 The degree of implementation of audit recommendations is clearly shown in the annual audit reports

### 3. STRENGTHEN EXTERNAL COMMUNICATION AND STAKEHOLDER RELATIONS TO ENSURE AUDIT RECOMMENDATIONS ARE IMPLEMENTED AND REPORTS HAVE AN IMPACT ON GOVERNANCE AND ACCOUNTABILITY

- 3.1 Strengthened relations with key stakeholders (as Parliament, the Judiciary, the President and the Office of the Prime Minister)
- 3.2 The OAGS reports and information are publicized and shared
- 3.3 Strengthen relations and collaboration with the Offices of the Auditor General of the Federal Member States

### 5. SUFFICIENT INFRASTRUCTURE AND IT CAPACITY FOR EFFICIENT OPERATIONS

- 5.1 Strengthen IT-management capacity and support service
- 5.2 Adequate IT hardware and Information management systems used in all SAI operations
- 5.3 Implement an electronic audit system
- 5.4 Improving SAI office premises and equipment

### 2. STRENGTHENING INTERNAL GOVERNANCE OF THE OAGS FOR EFFICIENT AND EFFECTIVE AUDIT SERVICES

- 2.1 Strengthened Performance Management
- 2.2 Strong change management and a new organizational structure implemented in the OAGS
- 2.3 Strengthened integrity internally

### 4. WELL QUALIFIED AND PROFESSIONAL STAFF AND MANAGEMENT

- 4.1 Strengthened HR-capacity established
- 4.2 Training and Professional Development Programme implemented

### 6. AMEND THE OLD LEGAL FRAMEWORK THE OAGS CURRENTLY OPERATES UNDER

- 6.1 A finalized legal framework submitted to the President for approval
- 6.2 Legal framework implemented



## VISION

To be a leading audit institution that is responsive, effective and efficient in promoting transparency and accountability in the use of public resources.

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# Abbreviations

<b>ABBREVIATION</b>	<b>EXPLANATION</b>
<b>AFROSAI-E</b>	African Organization for English-speaking Supreme Audit Institutions
<b>AG</b>	Auditor General
<b>CAM</b>	Compliance Audit Manual
<b>EU</b>	European Union
<b>DAG</b>	Deputy Auditor General
<b>FAM</b>	Financial Audit Manual
<b>FGS</b>	Federal Government of Somalia
<b>FMS</b>	Federal Member State
<b>FOAM</b>	Forensic Audit Manual
<b>HR</b>	Human Resource
<b>IDI</b>	INTOSAI Development Initiative
<b>INTOSAI</b>	International Organization for Supreme Audit Institutions
<b>ISSAIs</b>	International Standards for Supreme Audit Institutions
<b>IT</b>	Information Technology
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MDAs</b>	Ministries, Departments and Agencies
<b>MIS</b>	Management Information System
<b>OAGS</b>	Office of the Auditor General, Federal Republic of Somalia
<b>PFM</b>	Public Financial Management
<b>RNE</b>	Royal Norwegian Embassy
<b>S-SEAT</b>	Somalia SAI Enhancement Audit Tool
<b>SAI</b>	Supreme Audit Institutions
<b>SAI PMF</b>	Supreme Audit Institution Performance Measurement Framework
<b>SFMIS</b>	Somalia Financial Management Information System
<b>SWOT</b>	Analysis of Strengths, Weaknesses, Opportunities and Threats
<b>WB</b>	World Bank

# Foreword



The Office of the Auditor General of the Federal Republic of Somalia (OAGS) is responsible for all audits of public institutions, ministries departments and agencies (MDAs) and enterprises in which the Federal Government has controlling interests. The audits are conducted using the International Standards of Supreme Audit Institutions (ISSAIs).

The OAGS was established in the early 1960s. In the earlier years, there were few staff and low quality of the audits. Following the revolution of 1969, the OAGS was re-organized as a Magistrate of Accounts under the Law no. 34 of 14/04/1972. This led to several improvements and tangible outcomes.

In 2012, the Provisional Constitution of the Federal Republic of Somalia established the principle of an independent OAGS. Accordingly, a new Audit Bill was developed through a consultative process and was passed by Parliament in 2020, and it now awaits presidential assent before it becomes a new law for the Federal Government of Somalia (FGS).

This Strategic Plan includes goals and objectives with the ultimate aim of OAGS functioning as an independent SAI in accordance with the requirements of the Provisional Constitution of FRS, the Magistrate of Account, other PFM laws and International Standards of Supreme Audit Institutions (ISSAIs). The OAGS has made notable progress in achieving the goals and objectives set in the legacy Strategic Plan for 2017-2020.



The overall goals and objectives of the previous Strategic Plan were assessed to be relevant and much of that has been carried forward to the financial years of 2021 and 2022. Some objectives have also been amended to adapt to new developments and take into account the progress made by the end of 2020.

The overall purpose of the Strategic Plan is to bring the performance of OAGS to a higher level.

The goals and objectives of the Strategic Plan are based on a review of the challenges currently faced by the OAGS.

I do appreciate the continued cooperation and support of our stakeholders in the Federal Government of Somalia from the Executive and the Legislative body. Similarly, I do thank the media for their constructive views on the management and accountability of the public resources of Somalia.

I am also grateful to the international community, our peers, dedicated staff and various advisors for their continued and valuable support to the OAGS in the recent years. I call upon all of you for your continued support for the next two years of this Strategic Plan.

I am confident that this commitment will help us realize our vision of improved accountability and transparency in the management of public resources in the Federal Government of Somalia.

The overall accomplishment and achievement of our goals in the Strategic Plan will require determined efforts, a strong commitment and the utmost loyalty of our management and staff.

It is my solemn responsibility to present to you our Strategic Plan for two more years ending on 31<sup>st</sup> December 2022.



**H.E. Mohamed Mohamud Ali "Afgoi"**  
Auditor General, FRS



## The core principles of SAI Independence<sup>1</sup>

1. The existence of an appropriate and effective constitutional/statutory/legal framework and the de facto application provisions of this framework.
2. The independence of SAI heads and members of collegial institutions, including security of tenure and legal immunity in the normal discharge of their duties.
3. A sufficiently broad mandate and full discretion, in the discharge of SAI functions.
4. Unrestricted access to information.
5. The rights and obligation to report on their work.
6. The freedom to decide the content and timing of audit reports and to publish and disseminate them.
7. The existence of effective follow-up mechanisms on SAI recommendations.
8. Financial and managerial/administrative autonomy and the availability of appropriate human, material and monetary resources.

<sup>1</sup> INTOSAI-P 10 Mexico Declaration on SAI Independence  
[http://www.issai.org/en\\_us/site-issai/issai-framework/2-prerequisites-for-the-functioning-of-sais.htm](http://www.issai.org/en_us/site-issai/issai-framework/2-prerequisites-for-the-functioning-of-sais.htm)

# 1. The mandate, role and current capacity of the OAGS

## 1.1 Mandate

The current audit mandate of the OAGS is based on Law N. 34 of 14/04/1972, Magistrate of Accounts, which might soon be replaced by a new Audit Law, once H.E. the President assents to the bill that was recently passed by Parliament in 2020.

Similarly, a new legal and regulatory framework for management and accountability of public funds of the FGS was enacted during December 2019 and replaced Law No. 17, dated 25/12/2019 for public financial management (PFM). Audits to be conducted beginning with the financial year ended 31 December 2020 will be based on the new PFM law. Therefore, the new PFM law is a major milestone for better management and accountability of public funds.

## 1.2 The role of the OAGS

In the system of governance in Somalia, responsibility and accountability go together. According to the new PFM law, the Executive collects, disburses and manages public funds. Each agency of the FGS is answerable to Parliament on the manner in which it performs its stewardship function.

In the matter of management and control of public finances, the Parliament of Somalia (comprising the Senate or Upper House, and the House of Peoples' Representatives or the Lower House of Parliament) plays important roles in the oversight of public funds of the FGS.

It is the responsibility of Parliament to appropriate funds to MDAs, and it is the responsibility of the MDAs to use such funds for service delivery and to provide accountability of such funds to Parliament after audits are conducted by the OAGS. Thus, the raising and use of public funds by the FGS is subject to authorization and control of Parliament.

In incurring expenditure of public funds, the Executive is required to exercise strict commitment and expenditure controls and ensure efficiency and economy of operations in accordance with the intentions of Parliament. The Executive is also required to prepare detailed sets of financial statements for audit.

These financial statements are audited by the Auditor General within stipulated timelines as provided in relevant legal framework and regulations. The audited financial statements and audit reports thereon are submitted to Parliament for financial oversight and hold the Executive accountable for their actions.

Based on the reports of the responsible accountability committee of Parliament, the accountability cycle ends when Parliament pronounces itself with recommendations to the executive arm of government for implementation.

An effective accountability framework helps to ensure that the use of public funds and resources are managed effectively, efficiently, and economically with due regard to the PFM law and the objectives of service delivery programs of the FGS. The OAGS contributes a crucial component to the overall accountability and governance framework.

Consistent with the Provisional Constitution, the Auditor General conducts regular audits, and investigations to assess the efficiency, effectiveness, and accountability of the MDAs and their programs. Enhancing and strengthening accountability is the central objective of OAGS' audits.

Additional performance audit reports provide opportunity to the legislators, public servants, investors, business leaders, citizen groups, media, development agencies, academics and other stakeholders to understand how public funds are spent and also to assess the quality of the public administration.



This allows public scrutiny of Government operations and generates pressure for an honest and prudent use of public resources by public servants entrusted with the authority to manage these funds. It also facilitates an accountable system of governance necessary for an efficient service delivery.

### 1.3 Audit responsibilities and types

The OAGS is responsible for auditing all public revenues, expenditures, programs, projects and other public assets and liabilities of the FGS.

The OAGS is responsible for conducting a prior control review before an expenditure is incurred. This includes registration of the following: (a) budget expenditure payment warrants (b) tenders issued (c) contracts with financial and non-financial commitments (d) promotions of public servants (e) registration of the rights (f) transfer of funds from one budget head to the other (g) monitoring financial transactions

of the central treasury in the Somali Integrated Financial Management Information System (SFMIS).

Furthermore, the OAGS is expected to conduct a post audit which is done after the expenditures are incurred, to control and verify the management of the budget allocations & projects development.

There are different types of post-audits that are conducted by the OAGS. In addition to financial audits, OAGS conducts different types of audits: (a) compliance audits based on selected subject matters of interest (b) forensic audits or special investigations upon request (c) performance audits by looking at economy, effectiveness and efficiency with which public resources have been used (d) donor-funded project audits (e) and IT audits, among others.

### 1.4 Organizational structure

Figure 1 presents the proposed organizational structure of OAGS.

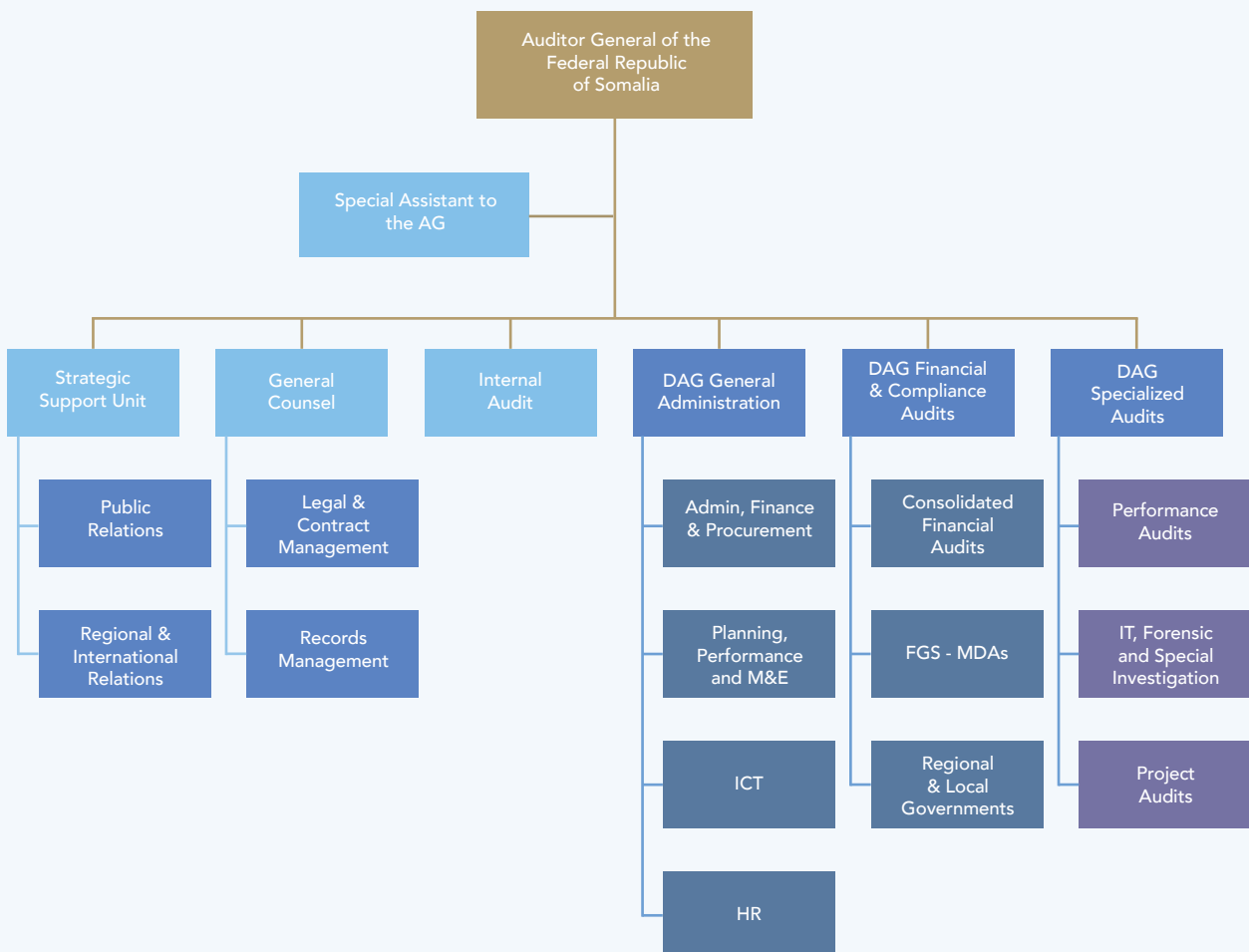
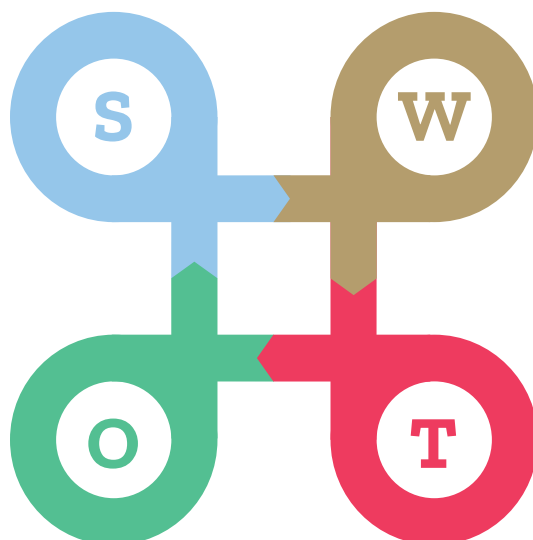


FIGURE 1 ORGANIZATIONAL STRUCTURE

## 1.5 SWOT analysis of the OAGS

The SWOT analysis identifies the drivers of change and challenges of the OAGS both from an internal and external perspective. The internal drivers are the Strengths and Weaknesses, while the external environment identifies possible Opportunities and Threats to the OAGS.



Strengths	Weaknesses
<ul style="list-style-type: none"> <li>OAGS has formally adopted International Standards of Supreme Audit Institutions (ISSAIs) and has begun using audit manuals for carrying out audits;</li> <li>With peer-support and advisors, the OAGS is gradually building capacity for conducting both financial, compliance and special audits;</li> <li>Additional staff have been recruited during the last two years and a number of training has been rolled out to OAGS staff.</li> </ul>	<ul style="list-style-type: none"> <li>There is lack of adequate staff because of limited budgetary resources made available to the Office;</li> <li>Professional internal capacity is not yet developed to the desired level;</li> <li>The audit process is largely manual – not yet automated.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>There is an increasing awareness of the role of the OAGS and an increasing demand for timely delivery of audit services;</li> <li>Continuing technical support from the international community (the World Bank, the EU, the RNE, IDI &amp; AFROSAI-E, peer-SAIs) to build on;</li> <li>The FGS enacted a new PFM law in 2019 which enhances public expenditure management, transparency and accountability.</li> </ul>	<ul style="list-style-type: none"> <li>Presidential assent to the new Audit Law that was recently passed by Parliament might take longer than expected;</li> <li>Continued delays by Parliament in reviewing and taking actions on the audit reports;</li> <li>Poor accountability regime in the public sector.</li> </ul>

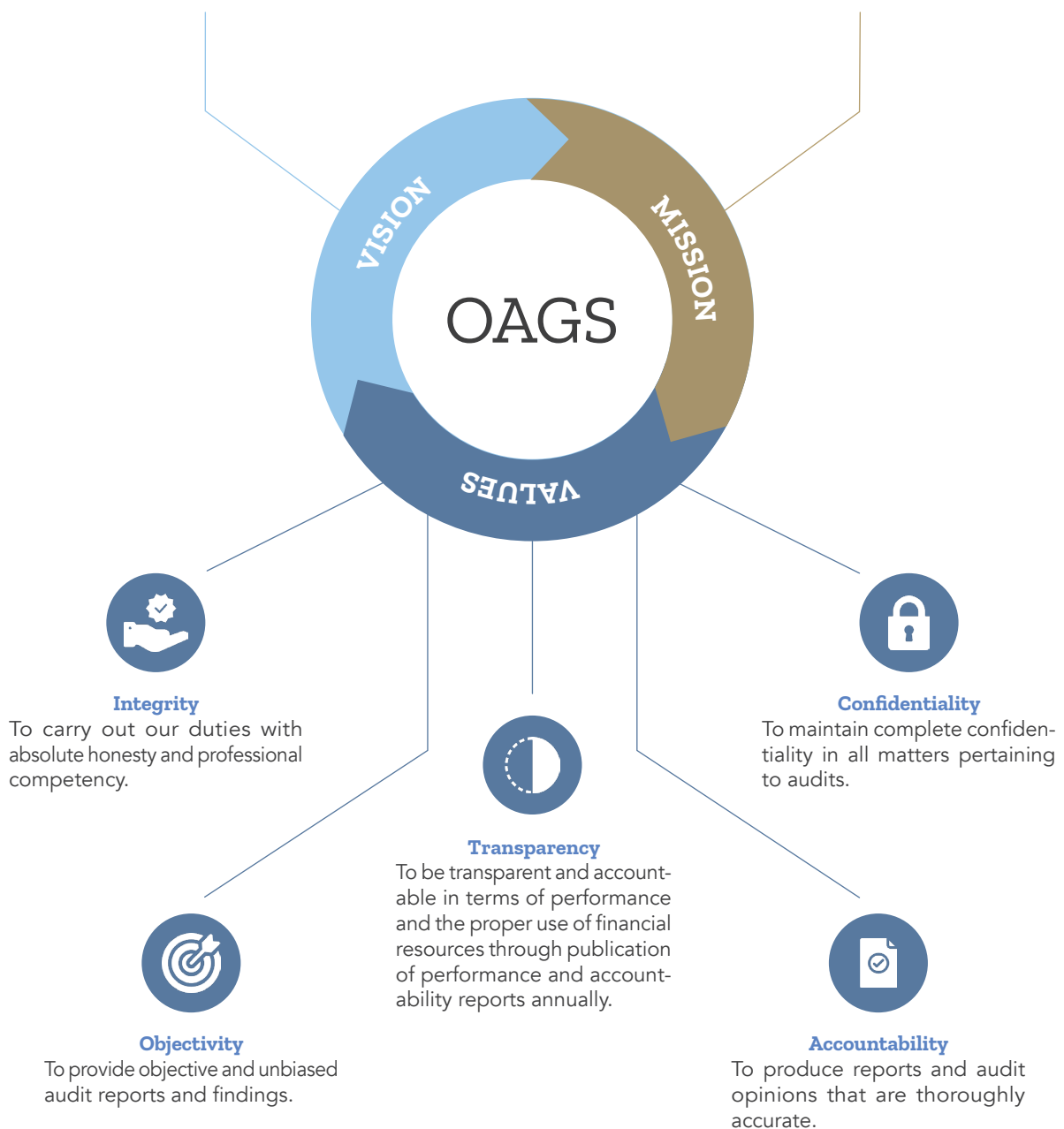
## 2. Vision, mission and values of the OAGS



To be a leading audit institution that is responsive, effective and efficient in promoting transparency and accountability in the use of public resources



To audit and provide recommendations for improvement of financial operations of the federal government of Somalia, and to provide high quality and independent audit reports to the Parliament with copies to the Office of the President and the Office of the Prime Minister.



### 3. Strategic goals and objectives 2021 - 2022

#### Goal 1: Timely, relevant and high-quality audit reports in line with international standards

A core priority of the OAGS is to annually issue the compliance and financial audit reports. Through the audit reports the OAGS can make an impact on the public sector governance. In addition to compliance and financial audit, the OAGS needs to develop and improve forensic audits and audits of IT risks.

##### INDICATORS OF GOAL ACHIEVEMENT:

- I. SAI PMF indicators:
  - SAI-5 Outsourced audits
  - SAI-7 Overall Audit Planning
  - SAI-8 Audit coverage
  - SAI-9-11 on financial audit standards, process and results
  - SAI-15-17 on compliance audit standards, process and results
- II. Both compliance and financial audit reports issued by 30th June and published.
- III. Forensic audit assignments conducted using new methodology submitted to Parliament, President and Prime Minister (as Special audit report).
- IV. Number of entities audited for IT-risks, and where findings have been submitted to Parliament, President and Prime Minister (either as a Special audit report or as part of the annual Compliance audit report).

##### OBJECTIVE 1.1

#### **An improved system for overall annual audit planning established and adhered to**

The OAGS has over the last years developed a standard overall audit plan. There is a need to continue improving it and ensuring it prioritizes the key risks and entities, developed on time and approved before annual audits are conducted.

##### KEY ACTIVITIES:

- I. Conduct annual audit risk assessments by using templates and guidelines based on OAGS audit manuals.
- II. Develop and approve an Overall Annual Audit Plan that is comprehensive, realistic and achievable.
- III. Communicate the final overall audit plan to senior audit staff.
- IV. Regular monitoring and follow-up of the implementation of the overall audit plan.



EXPECTED OUTPUTS:

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- I. An approved Overall Annual Audit Plan at the beginning of each audit year.
- II. Annual audits conducted according to approved overall audit plan.

**OBJECTIVE 1.2**

**Increased usage of ISSAI based manuals for financial and compliance audits**

Audit manuals in line with international standards and adopted to the national context and organization are fundamental for ensuring good audit processes and quality audits.

KEY ACTIVITIES:

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- I. Final design and printing of audit manuals, and finalize translation of the working papers to be incorporated in S-SEAT for use by audit staff (refer to goal 5).
- II. Conduct continuous training to auditors in use of the manuals and working papers, including provision of on-the-job support.
- III. Participation at AFROSAI-E technical updates and other relevant regional trainings.

EXPECTED OUTPUTS:

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- I. Finalized and translated audit manuals and working paper templates in both English and Somali.
- II. Finalized audit manuals, and working paper templates integrated into the S-SEAT made available to audit staff for use.
- III. Audit files are prepared and completed using the approved working paper templates of the above adapted manuals.

**OBJECTIVE 1.3**

**Forensic Audit Manual (FOAM) customized, introduced and applied**

The OAGS is regularly requested to conduct forensic audits and need to enhance its methodology for such audits.

KEY ACTIVITIES:

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- I. Customize, adapt and translate the AFROSAI-E Forensic Audit Manual and incorporate in S-SEAT for use by audit staff.
- II. Conduct training of selected OAGS forensic auditors who will roll out the training to the rest of forensic audit staff.
- III. Peer-guidance and technical support to conducting forensic audits as they arise.

#### EXPECTED OUTPUTS:

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- I. Customized and Somali translated Forensic Audit Manual including template working papers available in English and Somali languages.
- II. Finalized audit manuals and working paper templates integrated into the Audit Flow made available to audit staff for use.
- III. Forensic audit files are prepared and completed using the approved working paper templates of the above adapted manual.

#### OBJECTIVE 1.4

##### **Strengthened SFMIS knowledge and IT audit capacity**

The Somali Government is increasingly utilizing IT for financial management and government services. The OAGS need to be able to understand the risks related to these systems and conduct audits enabling the systems to be well implemented and leading to benefits. Competencies of staff are needed both for IT audit as well as key IT systems in use in Somalia (especially SFMIS) and related risks and controls for these systems.

#### KEY ACTIVITIES:

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- I. Customize and translate the AFROSAI-E IT manual and working papers, and incorporate them in S-SEAT for use by audit staff (refer to goal 5).
- II. Conduct training to a core team of auditors in the adapted IT manual and working papers, including provision of on-the-job support for actual audits.
- III. Conduct training to a selected core IT auditor to gain understanding of the Somalia Financial Management Information System.
- IV. Participation at AFROSAI-E technical updates and other relevant regional trainings related to IT audit.

#### EXPECTED OUTPUTS:

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- I. Customized and Somali translated IT audit manual and working papers.
- II. Selected and dedicated IT auditors trained in IT audit manual and working papers.
- III. IT audits, in particular related to the SFMIS, conducted in compliance with the new OAGS IT audit manual and report issued.

#### OBJECTIVE 1.5

##### **Quality control system customized, introduced and applied**

All SAIs are expected to have a well-developed quality control system in place, including norms and procedures for review of quality by both audit team as well as line managers. The quality control system and checklists are set in the audit manuals. There is a need to train and implement the procedures for quality control.

#### KEY ACTIVITIES:

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- I. Conduct trainings to a core team of quality control reviewers in the OAGS, including provision of on-the-job support by peers.
- II. Set a program and dates for conducting quality control reviews of audits conducted using the checklists, and produce quality control review reports.
- III. Participate at AFROSAI-E technical updates and other relevant regional trainings related to quality control reviews.

#### EXPECTED OUTPUTS:

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- I. Core quality control reviewers trained on checklists.
- II. Quality control checklists completed for audits.

### OBJECTIVE 1.6

#### **Quality assurance carried out**

Quality assurance is an independent assessment of the quality of the audit process and results, including the quality control system. Each SAI is expected to establish an independent quality assurance as per international standards. Quality assurance can be done by dedicated staff in the SAI not taking part of the audit and quality control process, or by a team from another organization or SAI.

#### KEY ACTIVITIES:

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- I. Invite AFROSAI-E or any other internationally recognized institution to carry out joint quality assurance review on audits conducted.
- II. Conduct quality control review and produce reports agreed with the OAGS for implementation.
- III. Develop plans for improvements based on the quality assurance review.

#### EXPECTED OUTPUTS:

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- I. Approved terms of reference for quality control review developed.
- II. Quality assurance report (s) including recommendations discussed with and approved by the OAGS.
- III. Approved plan(s) for improvements.

### OBJECTIVE 1.7:

#### **The degree of implementation of audit recommendations is clearly shown in the annual audit reports**

Audit reports are expected to contain a section on implementation status of audit recommendations of the previous periods.

**KEY ACTIVITIES:**

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- I. Design audit procedures for tracking implementation of previous audit recommendations.
- II. Include a section in audit reports with a compiled status of implementation of previous audit recommendations.

**EXPECTED OUTPUTS:**

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- I. Annual audit reports including degree of implementation of audit recommendations.

## **Goal 2: Strengthening Internal Governance of the OAGS for Efficient and Effective Audit Services**

Strong internal governance and strategic management are fundamental for the implementation and the achievement of the goals set out in the Strategic Plan.

**INDICATORS OF GOAL ACHIEVEMENT:**

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- I. SAI-3 Strategic planning cycle.
- II. SAI-4 Organizational control environment.
- III. SAI-6 Leadership and internal communication.

### **OBJECTIVE 2.1: Strengthened Performance Management**

A strong SAI performance management is characterized by realistic annual operational plans linked to the Strategic Plan, active use of quarterly reports for internal monitoring and an active management team ensuring optimum use of resources and achievement of strategic goals. For external stakeholders, all SAIs are expected to issue an annual SAI performance report – to demonstrate transparency and lead by example.

**KEY ACTIVITIES:**

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- I. Develop and implement annual operational plans including performance measurement linked to the Strategic Plan.
- II. Produce quarterly performance reports for internal monitoring by management, and annual SAI Performance reports in a timely manner.
- III. Participate in regional and tailor-made training courses and peer-guidance on performance management.



EXPECTED OUTPUTS:

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- I. Approved annual operational plans.
- II. Quarterly performance reports.
- III. Annual SAI Performance reports.

OBJECTIVE 2.2

**Strong change management and a new organizational structure implemented in the OAGS**

The OAGS organizational structure needs to be developed taking into account new audit disciplines and strategic priorities.

KEY ACTIVITIES:

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- I. Develop policies and principles for leadership and internal communication.
- II. Ensure staff are informed and involved about organizational changes through amongst others regular staff meetings.
- III. Develop an approved organizational structure with clear job descriptions and disseminate to all staff.
- IV. Implement the new organizational structure.

EXPECTED OUTPUTS:

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- I. An approved new organizational structure supported by clear job descriptions.
- II. Disseminated new organizational structure and relevant policies and guidelines to all staff.

OBJECTIVE 2.3

**Strengthened integrity internally**

All SAIs are expected to lead by example. This includes having a strong integrity and working systematically with a code of ethics among all staff.

KEY ACTIVITIES:

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- I. Develop and disseminate the Code of Ethics and declaration forms to all staff.
- II. Develop staff declaration forms to be completed by all staff and retain them safely.
- III. Conduct periodic trainings and awareness sessions on the Code of Ethics to all staff.

#### EXPECTED OUTPUTS:

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- I. Approved Code of Ethics and staff declaration forms made available to all staff.
- II. Staff declaration forms periodically signed by staff and safely stored.

### **Goal 3: Strengthen external communication and stakeholder relations to ensure audit recommendations are implemented and reports have an impact on governance and accountability**

The aim is to increase engagement with auditees, Parliament and other stakeholders towards timely implementation of audit recommendations.

#### INDICATORS OF GOAL ACHIEVEMENT:

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- I. Whether a Committee of the Legislature examines the Audit Report on the annual budget within six months of its availability and publishes a report with findings and recommendations (International Budget Partnership Open Budget Survey: Question 118).
- II. Percentage of audit recommendations implemented by auditees.
- III. SAI-24 Communication with the Legislature, Executive and Judiciary.
- IV. SAI-25 Communication with the Media, Citizens and Civil Society Organizations.

#### OBJECTIVE 3.1

### **Strengthened relations with key stakeholders (as Parliament, the Judiciary, the President and the Office of the Prime Minister)**

Engagement with key stakeholders is critical for the OAGS to understand expectations for its work as well as to enable audits to be acted upon and have an impact.

#### KEY ACTIVITIES:

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- I. Review, update and finalize a Communication policy and plan.
- II. Provide technical support to the Budget and Finance Committee (BFC) of Parliament when scrutinizing audit reports.
- III. Conduct an annual engagement meeting with Parliament, and other stakeholders including the media, academia etc.

#### EXPECTED OUTPUTS:

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- I. Approved communication policy and plan for the OAGS in place and used.
- II. The OAGS technical support to the Budget and Finance Committee (BFC) of Parliament provided.

#### OBJECTIVE 3.2

##### **The OAGS reports and information are publicized and shared**

As a national institution, the OAGS needs to make its publications easily available for the wider public as well as key stakeholders.

#### KEY ACTIVITIES:

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- I. Perform regular and timely updates and facelift of the webpage.
- II. Utilize social media channels for interfacing with the general public.
- III. Produce and disseminate documentary videos on selected topics that provide useful information that enhance public awareness of the OAGS, such as past and recent developments as well as future ambitions of the office.
- IV. Communication training in the OAGS.
- V. Annual town hall meeting on the OAGS' Annual audit Reports.
- VI. The OAGS Academy to produce and develop educational tools to explain public Accountability.

#### EXPECTED OUTPUTS:

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- I. The OAGS' webpage regularly upgraded and updated with relevant documents in a timely manner.
- II. Key info about SAI mandate and operations are publicized on the webpage.
- III. Documentary videos on selected topics produced and disseminated.
- IV. Awareness among the OAGS management team of the significance of information sharing and communication for the OAGS.

#### OBJECTIVE 3.3

##### **Strengthen relations and collaboration with the Offices of the Auditor General of the Federal Member States**

The OAGS at both the Federal Government and the Federal Member States level share a common interest in a stronger public sector audit function in Somalia. All offices are continuously developing their capacities, and there are many synergies and potential benefits of collaboration and experience sharing.

#### KEY ACTIVITIES:

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- I. Quarterly high-level updates between the OAGS and the FMS OAGs.
- II. Conduct joint seminars on areas of professional interest annually.
- III. Sharing of experiences and joint trainings in selected areas, as audit planning, audit methodology and manuals, strategic management, stakeholder engagement and HR-management.
- IV. Facilitate staff exchange visits to the FMS OAG offices and vice versa.
- V. Promote mentorship, coaching & internship between the FMS OAGs and the OAGS, including international SAIs for exposure and skills development.

#### EXPECTED OUTPUTS:

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- I. Representatives from the FMS to participate in professional seminars organized by the OAGS.
- II. Staff from the FMS to participate in some mentorship, coaching, internships and similar professional activities coordinated by the OAGS.

## Goal 4: Well qualified and professional staff and management

The aim is to introduce professional development in various areas for building internal capacity of the OAGS both in the medium and long term. The key areas are in audit, IT, human resource and management skills.

#### INDICATORS OF GOAL ACHIEVEMENT:

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- I. SAI PMF indicators SAI-22 Human Resource Management and
- II. SAI-23 Professional Development and Training.

#### OBJECTIVE 4.1

### Strengthened HR-capacity established

HR-capacity is important to ensure that staff talents are systematically developed and that processes of recruitment and retention are done in a manner which enables the OAGS to have the right staff in place.



**KEY ACTIVITIES:**

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- I. HR staff to participate in relevant HR-trainings held by AFROSAI-E or other SAIs.
- II. Develop HR-policy and routines combined with peer guidance in HR management.
- III. Revise HR staffing for the OAGS and develop appropriate job descriptions aligned to the new organizational structure.

**EXPECTED OUTPUTS:**

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- I. Key staff to complete HR-trainings.
- II. New HR-policy and routines finalized and shared with staff.
- III. New HR staff approved, and appropriate job descriptions aligned to the newly adopted organizational structure.

**OBJECTIVE 4.2**

**Training and Professional Development Programme implemented**

The OAGS staff need to develop competencies through various trainings and professional development. A Training and professional development programme is required for systematically developing staff competencies.

**KEY ACTIVITIES:**

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- I. Finalize and secure funding for a holistic Training and Professional Development Program.
- II. Develop Individual Professional Development Plans.
- III. Participation in selected professional development courses and trainings.
- IV. Induction and Onboarding for new staff.
- V. Conduct Internal development programs.
- VI. Offer External Leadership Development Programs to selected staff.
- VII. Offer Formal Academic Qualifications to selected staff.
- VIII. On-The-Job Learning and Practical Experience by peers and technical consultants.
- IX. Certification and/or Professionalization and CPD (Continued Professional Development for selected staff.

**EXPECTED OUTPUTS:**

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- I. Finalized and approved Training and Professional Development Program.
- II. Individual Professional Development Plans for all staff.
- III. Enhanced professional competencies among staff selected for programs.
- IV. Onboarding and induction training completed for all new staff.

## Goal 5: Sufficient infrastructure and IT capacity for efficient operations

The OAGS has in place sufficient IT infrastructure and IT capacity to support efficient operations. This includes the automation of audit processes and improved office premises in the medium term.

### INDICATORS OF GOAL ACHIEVEMENT:

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- I. Developed IT-policy.
- II. SAI PMF indicator SAI-25: Financial Management, Assets and Support Services.
- III. Number of audit assignments where the S-SEAT tool has been in use for the whole audit cycle.

### OBJECTIVE 5.1

#### **Strengthen IT-management capacity and support service**

Various IT tools and systems can improve the efficiency and quality of the OAGS operations. However, to successfully acquire, utilize and benefit from new IT tools and systems, a strong IT management capacity is needed. This includes both human competencies in IT management as well key policies and priorities.

### KEY ACTIVITIES:

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- I. Align the IT Strategic plan with the OAGS Strategic plan.
- II. Develop IT policy, guidelines and standards, including principles for IT-management and support, and disseminate.
- III. Participate in training courses and on-the-job training in IT-management.
- IV. Secure additional IT consultants to develop internal IT capacity.

### EXPECTED OUTPUTS:

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- I. IT Strategic Plan developed and aligned to the OAGS Strategic Plans.
- II. Approved IT policies, guidelines and standards in place and adhered to.
- III. Additional IT consultants secured, and internal IT capacity developed.

### OBJECTIVE 5.2

#### **Adequate IT hardware and Information management systems used in all SAI operations**

Procurement, introduction of IT hardware and information management systems to support SAI operations are integrated with enhancing the OAGS efficiency and general capacities.

**KEY ACTIVITIES:**

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- I. Identify and document needs for PCs and laptops, and procure in line with the needs.
- II. Identify appropriate Information Management Systems (IMS) including systems for M&E, audit staff scheduling for work and leave, and general Human Resource Management.
- III. Improve systems for data storage and purchase necessary facility.
- IV. Conduct appropriate staff trainings in the use of PC and new software.

**EXPECTED OUTPUTS:**

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- I. Basic IT equipment in use by all auditors.
- II. Prioritized Information Management Systems identified and secured.
- III. Staff qualified to use new IT tools and systems.

**OBJECTIVE 5.3**

**Implement an electronic audit system**

The aim is to automate all audit processes, ensure audit working files and working papers etc. are automated and to use the same system for report production in a seamless IT environment.

**KEY ACTIVITIES:**

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- I. Prepare the OAGS IT infrastructure to support the use of S-SEAT.
- II. Conduct training in and roll-out S-SEAT tool.
- III. Disseminate S-SEAT training materials and guidance to all auditors.

**KEY OUTPUTS:**

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- I. S-SEAT in use by auditors and management.

**OBJECTIVE 5.4**

**Improving SAI office premises and equipment**

The SAI office has recently been refurbished, but there are needs for continued maintenance and some new equipment.

**KEY ACTIVITIES:**

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- I. Plan and execute maintenance.
- II. Expand and upgrade the OAGS fixed assets.

**EXPECTED OUTPUTS:**

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- I. Systematic maintenance of the OAGS office environment.

**Goal 6: Amend the old legal framework the OAGS currently operates under**

The OAGS current legal framework is outdated as compared to the international standards and the principle of independence set in the Provisional Constitution of Somalia. A new legal framework is fundamental for enabling better audits and higher performance of the OAGS over time.

**INDICATORS OF GOAL ACHIEVEMENT:**

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- I. Enacted new legal framework.
- II. SAI PMF indicators SAI-1 Independence of the SAI.
- III. SAI-2 Mandate of the SAI.

**OBJECTIVE 6.1**

**A finalized legal framework submitted to the President for approval**

**KEY ACTIVITIES:**

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- I. Ensure the Legal framework is in line with ISSAI requirements of independence, such as providing a broad and clear mandate, financial and functional independence, and independence of the Head and Management of SAI.
- II. Synthesizing and briefing key stakeholders on the contents of the new legal framework, for instance by inviting the FMS' Auditor Generals or an INTOSAI representative.

**EXPECTED OUTPUTS:**

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- I. A new Audit Act.
- II. National stakeholders confident on the importance of a new Audit Act and an independent audit office in Somalia.

## OBJECTIVE 6.2

### Legal framework implemented

The aim is to disseminate the new Audit Law to all staff, auditees, stakeholders and the FMS, as well as update and finalize the regulations to support the implementation of the law.

#### KEY ACTIVITIES:

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- I. Conduct seminars, workshops and similar activities to disseminate the new Audit Law to auditees and stakeholders and the general public.
- II. Revise the regulations (including terms and conditions for the staff) to support implementation of the new Law.
- III. Develop the legal competence of the OAGS staff, such as for new regulations, registering of contracts and procurements.

#### EXPECTED OUTPUTS:

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- I. Key stakeholders have an understanding of the implications and procedures following the new Audit Act.
- II. Regulations to the new Audit Act, including new terms and conditions for the staff in place.
- III. An implementation plan developed, and the new legal framework implemented according to priority areas.

## 4. Arrangements for Implementation, Monitoring and Evaluation of the plan



### 4.1 Implementation arrangements

During the implementation process, the progress made and the lessons learned need to be carefully monitored so that timely corrective actions can be taken. In this regard, the OAGS will produce annual operational plans clarifying the timeline and the units in the OAGS which are responsible for the objectives and the meeting milestones. The Operational Plan will also indicate the role of external partners and it will be used for coordinating support.

On a quarterly basis, the status of the Operational Plan will be compiled and used as a basis for internal monitoring and follow-up by the management team in the OAGS. Monthly updates on the progress will also be shared with the Auditor General.

The overall responsibility for the implementation of the Strategic Plan lies with the Auditor General. This is primarily expected to be carried out along with the management team, which will be responsible for the regular monitoring and follow-up of the actual implementation. This means that the management team needs to ensure that the operational plans are

set on time and that quarterly reports on actual implementation are produced and discussed. The management team is expected to involve deputy directors at the end of each quarter in order to discuss any progress with the implementation of various activities, risks and follow-up actions.

The Planning Directorate in the OAGS has a key role in supporting the management team in developing the Operational plan, Quarterly reports and the annual SAI Performance report. The Planning Directorate is responsible to set an annual calendar for the OAGS Strategic management routines and call all meetings including quarterly progress meetings. Quarterly reports should be made available to the management team within 2 weeks after the quarter is completed.

### 4.2 Annual planning, monitoring and reporting calendar for OAGS

The main milestones for performance management, stakeholder engagement and audit reporting in the OAGS is presented below.



<b>JANUARY</b>	<ul style="list-style-type: none"> <li>• Quarterly management meeting to review the performance of the last year;</li> <li>• SAI Performance report of previous year published;</li> <li>• Annual audit plan v1 decided.</li> </ul>
<b>FEBRUARY</b>	<ul style="list-style-type: none"> <li>• Semi-annual meeting with Development Partners.</li> </ul>
<b>APRIL</b>	<ul style="list-style-type: none"> <li>• Q1 internal progress report produced and discussed in management meeting.</li> </ul>
<b>JUNE</b>	<ul style="list-style-type: none"> <li>• Annual audit reports issued.</li> </ul>
<b>JULY</b>	<ul style="list-style-type: none"> <li>• Q2 internal progress report produced and discussed in the management meeting;</li> <li>• Annual audit plan reviewed and v2 decided.</li> </ul>
<b>AUGUST</b>	<ul style="list-style-type: none"> <li>• Annual stakeholder and professionalization seminar.</li> </ul>
<b>SEPTEMBER</b>	<ul style="list-style-type: none"> <li>• Semi-annual meeting with Development Partners.</li> </ul>
<b>OCTOBER</b>	<ul style="list-style-type: none"> <li>• Q3 internal progress report produced and discussed in the management meeting.</li> </ul>
<b>DECEMBER</b>	<ul style="list-style-type: none"> <li>• Develop and decide the Operational Plan for the next year.</li> </ul>

### 4.3 Evaluation at the end of the period

At the end of the strategic plan period, an assessment of the SAI PMF indicators will be carried out by a joint team of OAGS representatives and peers. The assessment will undergo quality assurance by an external reviewer. This will be conducted in connection with an AFROSAI-E Quality assurance review, and also used as a basis for a new Strategic Plan.



## APPENDIX I:

# OAGS Support Ecosystem

### GOAL



### LEAD DIVISION



### Coordination Mechanisms

- Support for the OAGS Strategic Goals and Operational Plans

### Report Mechanisms

- Semi-annual meetings for all partners
- OAGS Annual Performance Report



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