

SMART
INTERACTIVE
TALK

INTERNAL AUDIT DURING **COVID-19** PANDEMIC

April 20, 2020

SMART INTERACTIVE TALK (SIT)

INTERNAL AUDIT DURING COVID-19 PANDEMIC

CONTEXT

The COVID-19 (Coronavirus) pandemic is requiring extraordinary actions by Governments in both developed and developing countries. These include the need to build additional health care capacity as the virus spreads; the creation of new norms of (distant) social interaction; and the provision of additional financial support for people and businesses directly impacted by the illness. Stay-at-home guidelines are also changing the way public sector organizations work, with a much greater focus on remote working and non-personal interactions.

The pandemic impacts the work of internal auditors in different ways. The PEMPAL Internal Audit Community of Practice (IACOP) virtual workshop therefore aims to promote a discussion of those issues directly impacting the internal audit function.

The virtual workshop will consist of short presentations on the impact of the virus on internal audit work including examples from the Netherlands, Ukraine, the Republic of South Africa, and the United Kingdom, as well a commentary on the benefits and drawbacks of the evolving role of internal auditors. This will be followed by a question & answer session.

The virtual workshop aims to provide answers to the following questions:

- How will the virus impact the risk assessments that underpin the planned work of internal audit units and what changes should be made to the work planned?
- Should new audits be undertaken to respond to changes in risk and the management of high risk and high impact activities?
- Shall auditors take a different role and move to the other lines of defense?
- How will the need for social distancing and remote working impact the approach to audit field work undertaken?
- How can internal audit adopt lean and agile ways of working and reporting to speed up the delivery of mission critical audits of emergency responses by the public sector?
- What is the likely impact on internal controls of the need to act quickly in the interests of the nation? Should internal audit help by providing more ex-post assurance on the effectiveness of expenditure in high risk areas?

ADMINISTRATIVE ARRANGEMENTS

- **Join the meeting in KUDO** platform, clicking on the link in the invitation email and select the language. English, BSC, and Russian Languages are available.
- **Connect at 12:45pm** to test your connection, referring to the Annex for a simple guide on how to connect to **KUDO** meeting.
- **Download presentations** in your language. There will be English presentation on the screen, while the video may be turned off and only audio kept, in case quality of the connection is poor.

AGENDA | MONDAY, APRIL 20, 2020, 13:00 (CET, Vienna time)

13:00	Opening Remarks
	Welcome remarks and brief introduction of the topic and the speakers
	Mr. Dan Boyce Practice Manager, Governance, the World Bank
	Ms. Edit Nemeth IACOP Chair and Internal Control Working Group Leader; Head of Central Harmonization Unit, Ministry of Finance, Hungary Moderator: Mr. Arman Vatyán PEMPAL Program Leader and IACOP Lead; Governance, the World Bank
13:05	Internal audit reaction globally to COVID-19
	Mr. James Paterson Internal audit global expert
13:25	Impact on the role of internal audit - examples from the Netherlands, Ukraine, the RSA, and the UK
	Mr. Manfred van Kesteren Audit Manager, Dutch Central Government Audit Service
	Ms. Ruslana Rudnitska Internal Audit Expert, Dutch National Academy of Finance and Economics
	Ms. Nontando Myeza IA Support, Director, National Treasury, MOF, the Republic of South Africa Mr. Nathan Paget Chief Internal Auditor, Shared Audit Service, UK

14:20

Commentary on the benefits and drawbacks of the evolving role of internal auditors

Mr. Jean-Pierre Garitte | WB consultant, EC Audit Progress Committee member; former Chairman of the Global IIA Board

14:30

Questions and Answers

Moderator:

Mr. Arman Vatyan | PEMPAL Program Leader and IACOP Lead; Governance, the World Bank

15:15

Closing Remarks

Wrap up

Ms. Ljerka Crnković | IACOP Audit in Practice Working Group Co-Leader; Senior advisor, CHU, MOF, Croatia

15:20

End of Virtual Workshop

BIOS OF THE SPEAKERS AND MODERATORS

(in order of appearance)



DANIEL BOYCE

Practice Manager, Governance, The World Bank

Daniel Boyce is Practice Manager for Governance in the World Bank's Governance Global Practice, Europe and Central Asia (ECA) Region. He brings extensive knowledge and experience in covering the Latin America and Caribbean, and ECA regions. He is a Certified Public Accountant (CPA) and holds a Ph.D. in Political Science from the University of California, Los Angeles (UCLA). Mr. Boyce is responsible for overseeing quality in the World Bank's Governance operations as well as operational financial management (FM) work and the capacity building activities conducted by public sector specialists and FM staff in the ECA region. This includes oversight of the PEMPAL and PULSAR regional programs, and leadership of country programs related to internal control, internal audit, public sector management, State Owned Enterprises, accounting, financial reporting and auditing, among other areas.



EDIT NEMETH

IACOP ExCom Chair, Internal Control Working Group leader; Deputy Head of Public Finance Policy Unit, Acting Division Leader of the Central Harmonization Unit, Ministry of Finance, Hungary,

Edit Nemeth, Deputy Head of the Public Finance Policy Unit and Acting Division Leader of the CHU in the Ministry of Finance in Hungary, has ten years of experience in the field of internal auditing and seven years of experience in auditing of EU funds. In Hungary, the CHU is responsible for coordination, harmonization, and development of the public internal control and internal audit system. The CHU provides regulation and guidelines for central and local administration and, from January 1, 2020, for public owned companies as well. The CHU also organizes training for internal auditors and for internal control actors. Previously she has worked as an internal auditor in both the private and public sectors. She is certified as an internal auditor by the Institute of Internal Auditors and is a lecturer at the University of National Public Administration on internal audit and internal control.



ARMAN VATYAN

Lead Financial Management Specialist - Governance Focal Point for Central Asia, PEMPAL Program Leader and IACOP Lead, Governance, The World Bank

Arman Vatan, a UK and Canadian chartered accountant, is PEMPAL Program Leader and IACOP Lead and a World Bank Governance Global Practice Focal Point overseeing the implementation of the World Bank's Governance activities in Central Asia including the financial management work program. He has more than 20 years of experience in leading critical financial management initiatives and reforms, including in public sector and corporate accounting and financial reporting, public internal and external audit, financial management information system and public internal control in 24 countries in the Europe and Central Asia, Latin America, and Middle East and North Africa regions. He also is the PULSAR Program Manager, which is a regional program for 13 countries supporting public financial management reform implementation in those countries. Prior to joining the World Bank, he worked at KPMG providing corporate governance, strategic planning, management information systems, restructuring, acquisition, and privatization advice to governments and large public interest entities. He has around 20 years of teaching experience on ACCA courses and as visiting lecturer at universities, and as part of regional and MBA programs.



JAMES PATERSON

Internal audit global expert

James Paterson is a global expert on internal audit. He established a consulting business in 2010 providing training, development, and coaching in the following key areas: Risk Assurance Mapping, Lean/Agile Auditing (James is the author of Lean Auditing published by J Wiley in 2015), Auditing Culture, Root Cause Analysis for Internal Audit, Influencing and Political Savvy for Internal Audit. He provides open courses with the Institute of Internal Auditors at 12 institutes across Europe, including Belgium, Estonia, Finland, Latvia, Netherlands, Norway, Spain, Switzerland, Sweden, and the UK. He also provides in-house training and specialist consulting to help enhance audit team effectiveness. He is a former Chief Audit Executive for AstraZeneca from 2002-2009. Prior to that he held various corporate and commercial finance roles, culminating as Head of Group Financial Reporting for AstraZeneca PLC and - after working on a Master's degree in management, was seconded into human resources to be head of global leadership development programs. He has a master's degree in management from McGill University, Canada, specializing in organizational effectiveness and culture change and is a Certified Internal Auditor.



MANFRED VAN KESTEREN

Audit manager, Dutch Central Government Audit Service, International Expert on Internal Audit and Financial Management and Control

Manfred van Kesteren has extensive experience in the internal audit profession in the Dutch Central Government Audit Service (CGAS) which is part of the Ministry of Finance in the Kingdom of the Netherlands. Since 2007 he has been involved in a wide range of international projects like EU-twinning and technical assistance programs in the area of public internal financial control. His main expertise lies in the areas of development of the internal audit function, financial management and control, and risk management. He has worked mostly in countries which are dealing with public financial management reform including Ukraine, Moldova, North Macedonia, Georgia, Armenia, and Romania. He has, for several years now, also been involved with the PEMPAL IACOP. He is an Institute of Internal Auditors certified internal auditor and has a masters' degrees in organizational sociology (University of Utrecht) and in internal audit (University of Rotterdam).



RUSLANA RUDNITSKA

Co-project leader of the bilateral Dutch-Ukrainian project, Dutch National Academy of Finance and Economics (NAFE)

Ruslana Rudnitska is a co-project leader of the Dutch National Academy of Finance and Economics' bilateral Dutch-Ukrainian project, an Institute of Internal Auditors member, lecturer, and expert in a number of national and international projects. She has more than 10 years of professional experience in project evaluation, internal audit, quality assessment, financial management control, and performance audit. She has been involved as an international expert with ministries of finance in a number of World Bank projects in various countries, as a local expert by SIGMA (OECD), and with the Swedish supreme audit institution. She holds a PhD, a master's degree in public administration and public policy (UK), and a bachelor's degree in financial control, accounting, and audit.



NONTANDO MYEZA

Internal Audit Support, Director, National Treasury, MOF, the Republic of South Africa

Ms Nontando Fortunate Myeza is a director in the Office of the Accountant General within Internal Audit Support Chief Directorate. Before joining National treasury in January 2019, she has progressed from being an internal audit clerk to middle management in different government organisations. The Chief Directorate is specifically responsible for supporting the establishment and effectiveness of Internal Audit units and Audit Committees in the South African public sector. Her clients are National Department, Provincial Departments, Municipalities and its Entities.



NATHAN PAGET

Chief Internal Auditor, Government Internal Audit Agency (GIAA), UK

Nathan is the Group Chief Internal Auditor for the DEFRA - Department of Environment, Food and Rural Affairs, and leads the delivery of Internal Audit services to over 17 bodies with the Defra group covering both agriculture and fisheries. He was an active member of the AMADEUS group which shares audit experiences with audit teams across EU agricultural funds. Nathan, who has over 20 years IA experience, holds a Master's degree in Internal Audit and Management. He is CMIIA qualified and holds CIA, QiAL, CISA, CGEIT and CISSP certifications.



JEAN-PIERRE GARITTE

WB consultant, EC Audit Progress Committee member; former Chairman of the Global IIA Board

Jean-Pierre is an external member of the Audit Progress Committee of the European Commission, Chairman of the Audit Committee for Local Governments in the Flanders, member of the Audit Committee of the Flemish Government and member of the Audit Committee of SMALS, a provider of IT services to the social security organizations in Belgium. Since 2019 he is also the CEO of the Institute of Internal Auditors in Belgium. He is an international governance, risk management and internal audit practitioner, consultant and trainer for 44 years. He was for more than 20 years the Director of Internal Audit at J. Van Breda & Co, a financial holding company based in Antwerp, Belgium. Jean-Pierre was until June 2010 a partner with Deloitte Enterprise Risk Services (ERS), where he lead the corporate governance, internal audit and risk management practice for Europe, the Middle East and Africa. He is specialized in the

strategic assessment and reengineering of internal audit functions. He has been advising Boards of Directors and Audit Committees in Belgium, Germany, Thailand, Malaysia, Romania, Slovenia and Turkey. He has been training and developing internal audit departments in Belgium, Hungary, Poland, Romania, Turkey, Malaysia, Thailand, Greece, Morocco, Russia and Tunisia. He is an Executive Professor in Corporate Governance, Internal and Information Systems Auditing at the Antwerp Management School (AMS). He was a visiting professor at the Erasmus University in Rotterdam and at the South Bank University in London and he has been a lecturer at several European, Middle East, Asian, North and Latin-American internal audit conferences.



LJERKA CRNKOVIC

Senior advisor-specialist, Central Harmonization Unit, Ministry of Finance, Croatia, PEMPAL IACOP AiP Working Group Co-Leader

Ljerka Crnković has extensive working experience in the public sector, working as a chief accountant, external auditor in State Audit Office, and external auditor for EU funds in the Ministry of Finance.

She is a certified external and internal auditor for the public sector. She is also a member of the Executive Committee of the Croatian Institute of Internal Auditors and a member of the working group on cooperation between the European Confederation of Institutes of Internal Auditing and the European Organization of Supreme Audit Institutions. She is an active member of the PEMPAL IACOP, having previously been both acting chair of the IACOP and leader of the Quality Assurance Working Group. She is currently co-Leader of the Audit in Practice Working Group.

In recent years, she has been primarily engaged in developing methodology for internal auditing (including the quality assurance and improvement program) as well as performing quality assessment of internal audit activity (by the Central Harmonization Unit), coordination of audits of horizontal processes between institutions in the Croatian public sector (both for national and EU funds), and educating internal auditors.



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