1. Basic Information

1.1 CRIS Number: 2006/018-176.04.02
1.2 Title: Development of Audit Documentation IT System
1.3 Sector: Public Finance
1.4 Location: Hungarian State Audit Office

2. Objectives

2.1 Overall Objective(s):
To increase the quality, efficiency and transparency of audits carried out by the State Audit Office (SAO), in order to achieve full compliance with INTOSAI\(^1\) and IFAC\(^2\) standards.

2.2 Project purpose
To establish a documentation system and a document repository with IT support, which ensures the standardisation of the processes of audit documentation.

2.3 Justification
According to the Article 34. point (2) of the Accession Treaty strengthening the institutional capacity on the field of financial audit is one of the main priority of the Transition Facility. Furthermore the Comprehensive Monitoring Report of 5\(^{th}\) November 2003 on Hungary’s Preparations for Membership (Chapter 28) also states:

“In the area of the protection of EC financial interests, operational capacities need to be considerably reinforced.”

The State Audit Office is the highest audit authority in Hungary, who among other audits the utilization of the EU resources. Therefore it is crucial improving the efficiency the audit activities as in the area of protecting the financial interest of the State, and the financial interest of the EU as well. The project contributes to increasing the efficiency of auditing public resources, as well as protecting EC financial interests through improving the quality of audits.

3. Description

3.1 Background and Justification
The State Audit Office has a broad audit mandate, even in international terms. Audit duties and authorities of the State Audit Office include audits of the entire public

\(^{1}\) International Organisation of Supreme Audit Institutions

\(^{2}\) International Federation of Accountants
finances, the state’s treasury and entrepreneurial assets, financial management of partially or fully state-owned organisations performing certain state functions external to the public finances, the operation of certain organisations required to report to the Parliament, as well as political parties’ financial management. The State Audit Office performs approximately 60 audits annually, involving roughly 500 auditors in their execution.

In order to perform its auditing activity at the highest possible standard, and to ensure use of the auditing experience, the SAO defines continuous professional and methodological development of the audit activity and full implementation of the quality management system as key strategic objectives, which includes a “detailed specification of requirements related to the documentation of the audit activity, elaboration of the standard forms of the working documents and establishment of a supporting IT system.”

In the past few years, the State Audit Office has taken a number of actions in order to develop the quality and efficiency of auditing. An internal regulatory system relying on international standards (INTOSAI, IFAC) has been elaborated (“Basic Rules on the Auditing at the SAO”, methodological guidance documents for the various types of audits, etc.), in addition to supervision and review procedures ensuring high quality of audit reports.

The purpose of this project is to create a computerised framework for the established methodological and quality management systems, which supports audit documentation processes based on common principles, as well as co-ordinated audit activity both within and amongst audit teams. In addition, the system to be set up extends the range of tools available to management control and quality management, and provides an efficient facility to (re)use and share knowledge accumulated in the course of audits. The knowledge repository made up from the documents gathered and elaborated during the audit activity is expected to improve the efficiency of preparing for and performing audits, and also to ensure continuous quality improvement of auditing.

Since the State Audit Office is the supreme organ of external audit in Hungary, special requirements must be met in course of carrying out its audits, thus special demands are to be met in respect of the documentation system. This system should support the co-ordination of the work of 220 auditors when the SAO annually audits the final accounts of the state budget. The system will be capable of managing and storing audit data – related to more than 3500 bodies audited by the SAO within its scope of authority – in a well structured and arranged database.

The major proportion of the information contained in the database to be set up is an archive including documents gathered from the audited organisations. The purpose of utilising this archive is to avoid that a single document, which is necessary to look at when accomplishing different audit tasks, is requested several times from the given organisation. It would reduce the cost of resources both at auditors and audited bodies.

The State Audit Office’s current IT infrastructure represents a steady basis to lay the system on, which links the SAO premises in a single network, and provides each staff member with access to IT resources. There is a broadband connection, which links the Budapest offices. By the end of 2006, the current 128/256 Kb/s connection with the regional offices will be replaced by broadband connection. The storage system purchased in 2005 provides storing capacity, secure data storage and an expected level of availability for several years to ensure central depositing for each electronic document and database of the SAO.
Based on these, the system-related hardware development requirements are restricted to a dedicated server to run the application and to a database management system consequently, the available capacity is not enough for the project implicated requirement.

The training materials related to the system application will be incorporated into the e-learning framework system in place with the SAO since 2004.

3.2 Linked activities

Under Phare programme HU9803-02-01 (Support to the State Audit Office), 100 PCs and a local IT network on 19 sites owned by SAO had been installed. The program through the development of the available PCs and establishment of the conditionality of internal network, successfully laid down the infrastructure basis of the central integrated IT system.

Accordingly, the HU98/IB/FI-08: twining project was to enhance the systems of financial control in Hungary to comply with the standards expected of the Member States of the European Union by strengthening the institutional capacity of the Hungarian State Audit Office to meet their responsibilities. The projects constituted a firm basis for the setting up the standardized system for audit documentation processes and establish its IT support.

The objectives and results of the above projects are detailed in Annex 7.

3.3 Results

- A newly developed integrated IT system, which ensures standardised and transparent audit documentation processes
- A newly established document repository, which ensures the availability and actuality of collected and prepared audit documents, and consequently creates a framework of modern knowledge-management
- On-line IT support of quality management and management control

3.4 Activities

Project activities are divided into two components, which are interlinked. The purpose of the first component is to establish a software system to support the procedures of documentation and a database forming the basis of knowledge management. The second component creates a central infrastructure that meets the special requirements of the documentation system.

Parallel to developing the software and ensuring the technical environment, detailed rules of procedures will be prepared that to be applied by all users in the audit documentation processes. According to preliminary plans, this IT system will be used in case of at least 70% of the audits to be started in the year following the software acceptance. Procedures of quality assurance and quality control should rely on this system as well. In 2008, the IT system will ensure the availability of documents of auditee and the results of audits for all users. This increases the efficiency, effectiveness and transparency of audits.

3.4.1. Component 1: Software development and training

Based on the requirements specified in the SAO’s audit manual and other methodological documents (audit guidelines for financial audit and performance audit
and their field manuals) the documentation system must be implemented by way of custom development. Providing the complexity of the development assignment and the limited capacity of internal IT developers, a professional software developer company must be contracted to perform this task. This technical assistance company will be selected in open tendering. (The expected contract value is €0.32 M calculated by 600 man-days. The estimated work amounts are detailed in Annex 5.)

The expert profile should meet the following criteria:

- professional references in documentation system implementation (preferably in public sector);
- extensive competence in the area of software development and risk assessment;
- broad experience in designing and building up huge database systems;
- should have certificate on quality assurance system, preferably ISO 9001;
- fluency in English language and Hungarian is an asset;
- expertise in providing training.

In the design phase of the project, as a precondition to implementation, an analysis of documentation processes and basic users’ requirements will be carried by using own resources. The results of this analysis will formulate the basis for the terms of reference/technical specification of the software development.

For the main activities and results of the development assignment, see Annex 5.

Training: the objective of the training is to provide the staff with up-to-date theoretical and practical knowledge in respect of software application. In course of the development project, two types of training are to be distinguished. For system administrators (4-5 persons), training will be provided by the developer company, and the training fee is included in the assignment (no extra fee will be charged). System users (approximately 500 persons) will be trained by using internal (own) resources.

It will be a task for the SAO to update relevant internal procedures according to the functions of the established system and internal logic.

3.4.2. Component 2: Hardware supply

There are two fundamental requirements in relation to the system to be set up. One of the requirements is the high level of data security (including availability). On the other hand, the system should ensure remote access from outside the SAO network (e.g. from audited organisations). In order to meet these requirements, the system should operate on a dedicated server in a separate security zone. The State Audit Office of Hungary does not have such dedicated server and enough number of licences for database management system that could ensure to meet security criteria. Therefore, the SAO cannot comply with security requirements with its currently available resources.

Besides the data security requirements, of the system planned to be set up has such capacity requirements that the SAO cannot meet with its currently available resources. According to our preliminary estimations, the IT system should ensure the storage, online and real-time access and search of 20,000-25,000 documents (counting with an increase of 5,000-7,000 documents annually) for about 500 users. For this purpose it is necessary to purchase a database management system (DBMS) and a server capable to ensure the continuous and effective operation of the database. Accordingly, the DBMS must be capable of handling data of 25 GB (counting with an increase of 5-6 GB
annually) effectively as well as must serve 500 users simultaneously. Based on these requirements the server must meet the following criteria: min. 3.2 GHz dual processor, 2 GB RAM.

These items will be purchased under a public procurement procedure. The computer hardware will be procured after the detailed software development design phase, when the hardware requirements have been finalized. The estimated price of the DBMS and the server amounts to 42,000 € (see Annex 6), out of which €12,000 is national co-financing.

The server and the database management software will be procured in two lots.

3.5 Lessons learned

Experiences gained during the execution of previous twinning projects as well as recommendations of pre-accession advisers will be taken into account in course of the project implementation.

In course of the project implementation (including design and tendering), it is desired to make use of experiences obtained in the execution of the previous PHARE project (HU9803-02-01) as well as of other IT software development projects of the SAO. These experiences include matters related to – among others – the precise specification of requirements and the set of criteria. However, there must be an alternative for taking innovative solutions into account when evaluating the applications. The allocation of tasks and responsibilities is of fundamental importance. In addition, competent personnel must be available according to the project schedule and decisions in respect of the project (e.g. approval of project deliverables) must be taken in due time for the smooth project implementation.

4. Institutional Framework

The main beneficiary of this project is the SAO. The Secretary General of the SAO, Dr. Pál Csapodi, will act as SPO, who chairs the Steering Committee composed of the responsible representatives of the audit, IT and quality assurance fields of the SAO as well as representatives of the Implementing Agency (CFCU) and the NAC. The Steering Committee makes decisions that can change project organisation, project scope or allocation of project resources, and monitors the direction of the project.

An external contractor will be involved in developing the software, while the SAO will use its own resources to provide the professional auditing competence.

This approach enables the SAO to maintain complete ownership of the project and minimise the risks associated with the project. The SAO will retain all intellectual property rights in all software products, documentation, and any other deliverables to be supplied and developed under this project.
5. Detailed Budget *(million EUR)*

<table>
<thead>
<tr>
<th>Component</th>
<th>TF support</th>
<th>Other</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total TF (=I+IB)</td>
</tr>
<tr>
<td>Component 1 SW Development</td>
<td>0,24</td>
<td>0,24</td>
<td>0,08</td>
</tr>
<tr>
<td>Component 2 Hardware supply</td>
<td>0,03</td>
<td>-</td>
<td>0,03</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>0,03</strong></td>
<td><strong>0,24</strong></td>
<td><strong>0,27</strong></td>
</tr>
</tbody>
</table>

(* contributions from National, Regional, Local, Municipal authorities, FIs, loans to public entities, funds from public enterprises

(**) private funds, FIs loans to private entities

The ratio between the Transition Facility and co-financing is binding and has to be applied to the final contract price.

The national co-financing part of the budget does not include the VAT, which will be paid separately from the Hungarian state budget.

6. Implementation Arrangements

6.1 Implementing Agency

The Implementing Agency of the project is the CFCU. The CFCU will be the Contracting Authority and in that capacity will issue and evaluate tenders, conclude contracts and authorize the treasury to make contractually related payments. The Director of the CFCU will act as PAO of the project. His contacts are:

**PAO:** Mr. Gábor Rónaszéki, Director of CFCU  
Address: Bajcsy-Zsilinszky út 42-46.  
H-1054 Budapest  
Telephone: (+361) 327-2800, 327 2801  
Fax: (+361) 327-2802, 327-2803  
E-mail: ronaszeki.gabor@cfcu.gov.hu

The State Audit office will be responsible for the technical part of the project in terms of design, evaluation follow up and monitoring. The Secretary General of the State Audit Office will act as Senior Program Officer. His contacts are:

**SPO:** Dr. Pál Csapodi, Secretary General  
State Audit Office of Hungary  
H-1052 Budapest, Apáczai Cs. J. u. 10.  
Telephone: +36-1-4849105  
Fax: +36-1-4849205  
E-mail: csapodip@asz.hu

6.2. Twinning

Not applicable.
6.3. **Non-standard aspects**

The National Public Procurement Rules will be strictly followed.

6.4 **Contracts**

In case of Component 1 (software development), one service tender will be launched at a value of 0.32 M €.

In case of Component 2 (hardware supply), one supply tender is foreseen including 2 lots at a total value of 0.042 M €.

7. **Implementation Schedule**

<table>
<thead>
<tr>
<th>Component</th>
<th>Start of Tendering</th>
<th>Start of Project Activity</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 2</td>
<td>02/2007</td>
<td>05/2007</td>
<td>06/2007</td>
</tr>
</tbody>
</table>

8. **Sustainability**

All supported investment actions are sustainable in the long term. The establishment of documentation processes supported by an IT system is among the key strategic objectives of the State Audit Office, consequently, the operation of the IT system developed as a result of the investment is ensured for the long run. The system of documentation processes established as a result of the development will become a significant element of the State Audit Office’s related regulations and the quality management system. The SAO will be responsible for the maintenance of rules of documentation procedure. Future costs of maintenance and operation of hardware and the developed software will be accordingly covered from the budget of the SAO.

9. **Conditionality**

- Broadband connection is available between central and regional SAO offices by the end of 2006
- In course of elaborating and finalising the detailed requirements, each audit division of the SAO accepts detailed rules of procedures to be applied in the audit documentation processes

Pre-condition to any project activity is an analysis of documentation processes and basic users’ requirements to be carried out by using the SAO’s own resources.

Project phases, activities, prerequisites and the milestones are detailed in Annex 5.
ANNEXES

Annex 1: Logical framework matrix
Annex 2: Detailed Implementation Chart
Annex 3: Cumulative Contacting and Disbursement Schedule
Annex 4: Relevant legislation
Annex 5: Milestones of system development
Annex 6: Budget for equipment – indicative price list
Annex 7: Objectives and results of projects HU 9803-02-01 and HU 98/IB/FI-08
## Annex 1: Logical Framework Matrix

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX FOR Project</th>
<th>Project number</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title:</strong> Development of Audit Documentation IT System</td>
<td>Contracting period expires: November 2008</td>
</tr>
<tr>
<td></td>
<td>Disbursement period expires: November 2009</td>
</tr>
<tr>
<td></td>
<td>Total budget (NET, MEUR): 0,362</td>
</tr>
<tr>
<td></td>
<td>TF contribution (MEUR): 0,27</td>
</tr>
</tbody>
</table>

### Overall objective

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>To increase the quality, efficiency and transparency of audits carried out by the State Audit Office (SAO), in order to achieve full compliance with INTOSAI and IFAC standards.</td>
<td>The SAO’s practice of documentation fully complies with INTOSAI and IFAC standards</td>
</tr>
<tr>
<td></td>
<td>The SAO Annual Activity Report approved by the Parliament</td>
</tr>
</tbody>
</table>

### Project purpose

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>To establish a documentation system and a document repository with IT support, which ensures the standardisation of the processes of audit documentation.</td>
<td>The IT system and the document repository to be completed in 2007</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less time to be spent on preparing for audits</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The ratio of audits supported by the audit documentation IT system is to reach 70% in 2008, 85% in 2009</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Implementation Status Report</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The SAO Annual Activity Report approved by the Parliament</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Registry of audit execution and resource utilisation</td>
<td></td>
</tr>
</tbody>
</table>

### Results

- A newly developed integrated IT system, which ensures standardised and transparent audit documentation processes
- A newly established document repository, which ensures the availability and actuality of collected and prepared audit documents, and consequently creates a framework of modern knowledge-management
- On-line IT support of quality management and management control
- Integrated IT system supporting documentation is full and ready to function
- An online documentation IT system accessible for 500 auditors, from 21 locations (incl. regional offices)
- Knowledge management database will contain the audit documentation of at least 100 auditee in 2009.
- Implementation Status Report
- Handover report on IT system and users’ manual
- Registry of audit execution and resource utilisation
- Annual report of the Quality Assurance Department
- In course of elaborating and finalising the detailed requirements, each audit division of the SAO accepts detailed rules of procedures to be applied in the audit documentation processes

### Activities

- Software development
- Training of 4-5 administrators and 500 users
- Equipment supply
- Test run of the developed software and the server
- Approval of the rules of procedure concerning the application of the established IT system
- 1 service tender
- 1 supply tender
- Co-financing and staff available in time
- Broadband connection is available between central and regional SAO offices by the end of 2006

### Preconditions

Pre-condition to any project activity is an analysis of documentation processes and basic users’ requirements to be carried out by using the SAO’s own resources.
### Annex 2: Detailed Implementation Chart

#### Detailed Implementation Chart

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Component 1</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>SW Development D’</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Component 2</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hardware supply</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

D: Design (15% grey)

T: Tendering and contracting (25% grey)

I: Implementation (50% grey)

* It is the time required for the analysis of documentation processes and basic users’ requirements to be carried by using SAO’s own resources that is a conditionality for the project implementation.
Annex 3: Cumulative Contracting and Disbursement Schedule

Cumulative Contracting and Disbursement Schedule for TF 2006 *

*(million EUR)*

<table>
<thead>
<tr>
<th>Component</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>III</td>
<td>IV</td>
<td>I</td>
<td>II</td>
</tr>
<tr>
<td>Contracting</td>
<td>0.24</td>
<td>0.24</td>
<td>0.27</td>
<td>0.27</td>
</tr>
<tr>
<td>Component 1</td>
<td>0.24</td>
<td>0.24</td>
<td>0.24</td>
<td>0.24</td>
</tr>
<tr>
<td>Component 2</td>
<td>-</td>
<td>-</td>
<td>0.03</td>
<td>0.03</td>
</tr>
<tr>
<td>Disbursement</td>
<td>0.04</td>
<td>0.04</td>
<td>0.10</td>
<td>0.18</td>
</tr>
<tr>
<td>Component 1</td>
<td>-</td>
<td>0.04</td>
<td>0.04</td>
<td>0.15</td>
</tr>
<tr>
<td>Component 2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.03</td>
</tr>
</tbody>
</table>

* Only TF Funds
Annex 4: Relevant legislation

Hungarian legislation

Act XXXVIII of 1989  Act on State Audit Office
Act XXXVIII of 1992  Act on Public Finance
Act C of 2000  Act on Accounting

EC Regulations

Treaty Establishing the European Community in particular:

Article 10  Definition of the member states general commitments.
Articles 248  Regulations concerning the European Court of Auditors.
Articles 268-279  Financial regulations.
Article 284  Collecting information.

Financial control & internal audit:

1260/1999  Article 9(o) of the Council Regulation 1260/99 concerning the setting up or strengthening of the structures that become responsible for payment, certification of claims, internal financial control and audit of future EU funded programmes
438/2001  Commission Regulation of 2 March 2001 laying down the rules for the application of Council Regulation 1260/99 regarding management and control systems
## Annex 5

### Milestones of system development

<table>
<thead>
<tr>
<th>Component</th>
<th>Project phase</th>
<th>Activities</th>
<th>Deliverables</th>
<th>Prerequisites</th>
<th>Completed by</th>
<th>External technical assistance (man-day)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Analysis and Design</td>
<td>Analyse SAO’ user requirements</td>
<td>Feasibility Study</td>
<td>–</td>
<td>06/2006</td>
<td>–</td>
</tr>
<tr>
<td>1</td>
<td>Detailed analysis</td>
<td>Finalisation of business and IT requirements</td>
<td>Functional Specification</td>
<td>Contract</td>
<td>12/2006</td>
<td>70</td>
</tr>
<tr>
<td>1</td>
<td>Transition</td>
<td>Training of 4-5</td>
<td>Training materials</td>
<td>Installed server and</td>
<td>12/2007</td>
<td>60</td>
</tr>
<tr>
<td>Component</td>
<td>Project phase</td>
<td>Activities</td>
<td>Deliverables</td>
<td>Prerequisites</td>
<td>Completed by</td>
<td>External technical assistance (man-day)*</td>
</tr>
<tr>
<td>-----------</td>
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<td>--------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>administrators and 500 users</td>
<td>Knowledge Database</td>
<td>database management system Accepted IT system and documentation Each audit division accepts detailed rules of procedures to be applied in the audit documentation processes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Setting up database with initial data</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Analysis and Design</td>
<td>Define hardware requirements</td>
<td>Tender documentation</td>
<td>Detailed business and IT requirements</td>
<td>01/2007</td>
<td>–</td>
</tr>
<tr>
<td>2</td>
<td>Tendering and contracting</td>
<td>Publishing tender documentation Evaluation Contracting</td>
<td>Contract</td>
<td>Tender documentation Co-financing</td>
<td>04/2007</td>
<td>–</td>
</tr>
<tr>
<td>2</td>
<td>Installation</td>
<td>Installation, set-up and tuning</td>
<td>Installed server and database management system</td>
<td>Contract</td>
<td>05/2007</td>
<td>–</td>
</tr>
</tbody>
</table>

* Estimated work amounts for the software development are calculated approx. by 600 man-days, which are detailed in the above table.
Annex 6

Budget for the equipment – indicative price list

Equipment (VAT not included)

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit price in EUR</th>
<th>Quantity</th>
<th>Total price in EUR (with co-financing)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Server (including operation software) with 3.2 GHz dual processor, 2 GB RAM, Host Bus adapter for EVA 3000 Storage, dual network card</td>
<td>20,000</td>
<td>1</td>
<td>20,000</td>
</tr>
<tr>
<td>Database management system software (including licence for 500 users)</td>
<td>22,000</td>
<td>1</td>
<td>22,000</td>
</tr>
</tbody>
</table>
## Project HU 9803-02-01

**Objectives:**
- ensuring the access to data sources of auditees for all offices and organisational units of the SAO
- ensuring the continuous monitoring of the implementation of the state budget

**Results:**
- setting up a central ISDN system in the SAO’s Headquarters
- setting up – 21 – ISDN branch exchange systems at the Budapest and regional offices of the SAO
- setting up structured networks at the Budapest and regional offices of the SAO (at 21 office buildings in total)
- purchase of 100 PCs for the regional offices
- increase of the degree of data security at regional SAO offices by setting up the network
- integration of computer data and telecommunication traffic, significant increase of its performance and quality due to the application of standardized digital technologies
- lower error rate
- increase of the speed of data transfer

## Project HU 98/IB/FI-08

**Objectives:**
- strengthening the systems of financial control to meet EU requirements to the same standards as EU Member States
- strengthening the SAO’s institutional capacities to fulfil obligations provided in the *acquis communautaire*

**Results:**
- elaboration of audit guidelines and preparation of training packages in the following areas
  - audit planning (materiality, risk assessment, confidence level, approval)
  - audit execution (audit objectives, sampling, result analyses)
  - audit reporting and quality assurance
- strengthening the infrastructure supporting the audits carried out by the SAO
- preparation of manuals in respect of auditing EU funds and national contributions to the EU budget
- participation in training programmes on financial audit (200 auditors) and on performance audit (75 auditors)