

Vote:131 Auditor General

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

Billion Uganda Shillings	FY2017/18 Outturn	FY2018/19		FY2019/20 Proposed Budget	MTEF Budget Projections			
		Approved Budget	Spent by End Sep		2020/21	2021/22	2022/23	2023/24
Recurrent Wage	23.491	27.770	6.506	27.770	29.158	30.616	32.147	33.754
Non Wage	28.332	24.034	6.858	24.034	27.639	33.167	39.800	47.760
Devt. GoU	3.974	3.976	0.002	3.976	4.771	4.771	4.771	4.771
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	55.797	55.779	13.365	55.779	61.568	68.553	76.717	86.285
Total GoU+Ext Fin (MTEF)	55.797	55.779	13.365	55.779	61.568	68.553	76.717	86.285
<i>A.I.A Total</i>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	55.797	55.779	13.365	55.779	61.568	68.553	76.717	86.285

(ii) Vote Strategic Objective

Enhancing Public Accountability and making a difference

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2017/18

The vote outputs are classified into the following categories; Financial Audits, Value for Money Audits, Special/Forensic Audits, Policy, Planning and Strategic Management and Support to Office of the Auditor General which includes; Non Residential Buildings, Furniture and Fixtures and Transport Equipment. The subsequent sections therefore, present an account of the achievements for the office as at 30th June 2018.

Financial Audits

Under this output, for the FY 2017/18, the office planned to carry out and report on a total of 1,452 financial audits covering the following entities; 106 MDAs, 94 Statutory Bodies, 104 projects, 4 PSAs and 1144 Local Authorities. By 30th June 2018, the office had produced 2246 audit reports for 106 MDAs, 92 Statutory Authorities, 1956 Local Authorities (including backlog reports processed during the year) and 92 projects.

Value for Money Audits

In the FY 2017/18, the office planned to carry out a total of 46 Special and Forensic Audits (40 Forensic Investigations, 4 IT Audits and 2 regional audits) and 30 VFM and specialized audits (which include 10 VFM audits and 20 specialised audits). By 30th June 2018, 32 Forensic Investigations and 4 IT Audit reports had been produced while the office participated in 5 Regional Audits. During the reporting period, 8 VFM and 13 Specialised audits had been undertaken.

Policy, Planning and Strategic Management

Under this output, the following activities and resultant outputs had been realized by 30th June 2018:

Governance, Compliance and Statutory reports

Production and dissemination of the Annual Report of the Auditor General for the FY ended 2016/17.

Budget Framework Paper, Ministerial Policy statement and Final estimates for FY 2018/19 produced

Periodic Financial statements for FY 2017/18, Quarterly Progress and Internal Audit reports produced

Committee constituted to review the NAA to identify areas that require reform and submit proposals for Amendment to top management

2 policies, 3 strategies and guidelines reviewed by the Legal Unit. Legal Unit also participated in 1 special audit.

AG and OAG legally represented in courts of law

5 contracts and agreements reviewed on behalf of OAG by Legal Unit

23 Draft contracts prepared and reviewed: 1 Addendum on closed user group, 2 VFM Audit of Road & Construction Projects (UNRA & KCCA)

35 Legal briefs and opinions for the OAG prepared

1 Status brief on appraisal of the external legal counsel prepared

10 internal special investigations reports produced

12 months' salary and pension payrolls verified by Internal Audit

Consolidated Procurement plan for FY 2017/18 submitted to MoFPED and PPDA

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Board of Survey conducted and Report produced
12 Monthly reports produced and submitted to PPDA

Maintenance of office facilities
Routine service and maintenance of all electrical installations at Audit House
Routine service and maintenance of lifts at Audit House, Routine maintenance servicing of AC units at Audit House)and Minor plumbing repairs on Audit house.
All IT and Transport equipment maintained
Payment of 12 months' security allowances, cleaning and utility bills
4 responses to internal and external audit queries prepared

Communications and Stakeholder Engagement
Verifying and Uploading of and converted reports (PDFs) to the website and shelving Archived Audit Reports
Reproducing and disseminating entity audit reports for MDALGs and LLGs.
26 stakeholder engagement workshops and 8 meetings with Development partners held
PAC Technical updates attended by Department of Parliamentary Liaison
1 Parliamentary Committees' sensitization of VFM reports to LGPAC held
12 audit verification reports produced
8 monthly Parliamentary minutes and feedback reports provided
Quarterly updates of database on status of audit reports and report undertaken
189 briefs prepared for reports discussed by Audit committees for 147 Parliamentary sessions supported
4 Reports on AG's report recommendations adopted by oversight committees and the House produced
Report leaflets for 8 summarised performance audit reports produced by PR Unit
Intranet designed and approved
LG PAC meetings attended by PR staff
Media training workshops undertaken in Jinja, Masaka, Mbale, Mbarara, Soroti, Gulu, Arua and Fortportal.
3 lots of IEC material, 1000 Diaries, 1000 calendars and 1000 Christmas cards procured and distributed
5 OAG information flyers published
The OAG PR Unit coordinated participation in MTN marathon, CSR activities and various exhibitions and road shows

Policies, Manuals, Strategies and Guidelines
Outsourcing supervision guidelines developed.
88 audit outsourcing evaluation reports produced
Draft OAG Competence framework produced
Practice guide on documents used in the audit process developed

Human Resource Management and Development
Gratuity for contract staff paid
12 months' Subscription for online resources, newspapers and adverts paid
12 Months' staff salaries paid and 15% NSSF contribution remitted
Staff transfers and performance appraisal managed
All staff training activities managed and coordinated
12 staff recruited and 12 staff promoted
Monitoring of group life insurance service providers done

Technical Support to Audit activities
All audit staff trained in Financial Audit Manual, Compliance Audit Manual and audit of financial statements
TeamMate libraries and software reviewed and a new version implemented
31 Audit pre-issuance and 10 post issuance review reports produced
Four (4) directorates supported in the implementation of the Regularity Audit Manual, 2013.
Workshops with MIS BPR consultant held and reports produced. MIS TORs have been finalized and submitted to KfW seeking a no-objection

Project 0362: Support to Office of the Auditor General
3 OAG regional offices were fenced
2 motor vehicles were procured
TeamMate audit software licenses procured
70 laptops. 31 desktops and assorted ICT equipment procured
Assorted furniture and fixtures were procured

Performance as of BFP FY 2018/19 (Performance as of BFP)

The vote outputs are classified into the following categories; Financial Audits, Value for Money, Policy, Planning and Strategic Management and Support to Office of the Auditor General which includes; Non Residential Buildings, Furniture and Fixtures, and Transport Equipment. The subsequent sections therefore, present an account of the achievements of the office as at 30th September 2018

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Financial Audits

Under this output, for the FY 2018/19, the office plans to carry out and report on a total of 1,118 financial audits under Programme 1, covering the following entities: 90 MDAs, 113 Statutory Bodies, 128 projects, 4 PSAs, and 783 Local Authorities. By 30th September 2018, the office had produced 126 audit reports. These covered 118 schools, 6 statutory authorities and 3 projects.

Value for Money Audits

In the FY 2018/19, the office planned to carry out a 18 VFM and specialized audits (which include 12 VFM audits and 6 Specialized audits) and 38 Forensic and Special Audits which include 31 Forensic Investigations, 5 IT Audits and 2 Regional Audits, under Programme 2 (Value for Money and Specialized Audits). By 30th September 2018, the office had conducted 7 VFM Main studies, produced 4 management letters for infrastructure audits, produced 15 Special Audit plans and 3 IT Audit plans.

Policy, Planning and Strategic Management

Under this output, the following activities and resultant outputs had been realized by 30th September 2018:

Governance, Compliance and Statutory reports

Annual Financial statements for FY 2017/18, Quarterly Progress and Internal Audit reports produced

4 responses to internal and external audit queries prepared

Internal policies, manuals, strategies and guidelines reviewed by the Legal Unit

Contracts and MoUs reviewed on behalf of AG and the OAG

Legal briefs and opinions for the OAG prepared

AG represented in the courts of law

2 internal special investigations reports produced

3 months' salary and pension payrolls verified by Internal Audit

Consolidated Procurement plan for FY 2018/19 submitted to MoFPED and PPDA

Contracts and evaluation committee meetings held

Board of Survey conducted and Report produced

3 Monthly reports produced and submitted to PPDA

Maintenance of office facilities

Routine service and maintenance of all electrical installations at Audit House

Routine service and maintenance of lifts at Audit House, Routine maintenance servicing of AC units at Audit House and Minor plumbing repairs on Audit house.

All IT and Transport equipment maintained

Payment of 3 months' security allowances, cleaning and utility bills

1 quarterly branch IT maintenance visit undertaken and 1 quarterly IT report produced

Communications and Stakeholder Engagement

1240 reports for schools and tertiary institutions backlog reproduced and disseminated

930 backlog audit reports for Lower local governments archived

PAC Technical updates attended by Department of Parliamentary Liaison

1 Parliamentary Committees' sensitization of VFM reports to LGPAC held

Report leaflets for 8 summarised performance audit reports produced by PR Unit

Intranet launched and rolled out

1 lot of IEC material procured

1 OAG information flyer published

The OAG PR Unit participated in 3 external exhibitions

Briefs and Audit verification reports produced

Technical support given to Parliamentary sessions during discussion of audit reports

3 monthly Parliamentary minutes and feedback reports provided

Quarterly updates of database on status of audit reports and report undertaken

1 Report on AG's report recommendations adopted by oversight committees and the House produced

4 stakeholder engagement workshops held

5 meetings with Development partners held

Monthly subscription for online resources, newspapers and adverts paid

Policies, Manuals, Strategies and Guidelines

Outsourcing policy reviewed and approved

OAG Monitoring and Evaluation framework reviewed

Internal Audit Manual developed and approved by Top Management

Human Resource Management and Development

Internal and external advertisements of vacant positions

3 Months' staff salaries paid and 15% NSSF contribution remitted

All staff training activities managed and coordinated

Medical and Group life insurance schemes managed

15 staff promoted and 4 new engineering consultants recruited

Office contributions towards burial expenses managed

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Technical Support to Audit activities

100 audits outsourced and 15 audit outsourcing evaluation reports produced
 5 audit directorates supported in the implementation of the Financial and Compliance audit manuals
 3 TeamMate software reviews undertaken
 Draft Quality Control manual finalized awaiting approval
 2 staff facilitated training of other Supreme Audit Institutions under AFROSAI-E
 Report writing guidelines reviewed and updated

FY 2019/20 Planned Outputs

The vote outputs are classified into the following categories; Financial Audits, Value for Money, Policy, Planning and Strategic Management and Support to Office of the Auditor General which includes; Non Residential Buildings, Purchase of Office and ICT Equipment, including Software, Furniture and Fixtures, and Transport Equipment. The subsequent sections therefore, present the planned outputs for the FY 2019/20.

Financial Audits

Under this output, for the FY 2019/20, the office plans to carry out and report on a total of 1233 financial audits under Programme 1, covering the following entities; 114 MDAs, 69 Statutory Bodies, 63 projects, 4 PSAs, and 983 Local Authorities.

The office has also prioritized audits of Treasury Memoranda and Budget execution/implementation.

Value for Money Audits

In the FY 2019/20, the office plans to carry out a 12 VFM and specialized audits (which include 10 VFM audits and 2 Specialized audits) and 35 Forensic and Special Audits which include 30 Forensic Investigations and 5 IT Audits. The office shall also participate in 2 Regional Audits, under Programme 2 (Value for Money and Specialized Audits).

Policy, Planning and Strategic Management

Under Sub - Programme 1: Headquarters, the office plans to undertake/produce the following:

Governance, Compliance and Statutory reports

Annual Report of the Auditor General for the year ended 2019 processed and disseminated
 Annual Financial Statements for the FY ended 30th June 2019 produced and submitted
 Donor projects managed for FY ended 30th June, 2020 and reports produced.
 Half-year and Nine Months' Financial Statements for FY 2019/20 produced and submitted
 Update asset register as at end of 30th June 2020
 Review existing finance, accounting and reporting frameworks
 Produce Policy Statement, Budget Framework Paper and Budget Estimates for the FY 2020/21
 Carry out market research to create an average market price data bank
 Design a mechanism to monitor procurement plan implementation and giving feedback to the different stakeholders
 Hold Procurement and Out-sourcing Contract, Negotiation and Evaluation committee meetings
 Develop, maintain and update the prequalification list for the service providers
 Review the NAA, 2008 and Article 163 of the Constitution, 1995
 Represent AG and the OAG in Courts of Law and other legal fora
 Compile status of Court cases that arise out of recommendations of the Auditor General's Report
 Risk identification, assessment, measurement, monitoring and enhancing awareness of risk owners
 4 quarterly branch support/monitoring carried out and reports produced.
 All OAG branches audited for compliance by Internal Audit and 4 quarterly reports produced
 Conduct Internal Audit special investigations.

Maintenance of office facilities

Procurement of IT equipment
 Subscription for Internet Bandwidth to NITA Uganda, CUG communication solution, Mobile APN Solution and WAN services
 Maintenance of Audit House and in all regional branches
 Maintenance contract for Data Center at Audit House, CCTV and Access Control systems and Multi-Functional Printers
 Maintenance of all transport equipment
 Generator maintenance, Air conditioning maintenance, Lift maintenance, fire extinguishers, sprinklers, fire-fighting equipment and all electrical maintenance.
 Management of utilities (electricity, water) and services (security and cleaning)

Communications and Stakeholder Engagement

Develop, implement and monitor framework for the coordination of engagements with other accountability agencies, professional bodies, development partners, other SAIs and international assignments
 Stakeholders engaged during and after issuance of audit reports
 Identification of potential SAIs and engagement of AFROSAI_E in the external quality assurance reviews.
 Engage ICPAU and develop cooperation agreement on undertaking Joint QA Reviews of Out sourced Audits
 2 Parliamentary committees' sensitization/feedback workshops held
 Benchmark with other SAI and attending Technical updates on SAI-PAC relations

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Attendance and documentation of oversight committees' resolutions and concerns during hearings including those done at Missions abroad
 Technical support provided to oversight committees during preparation of reports
 Briefs, Minutes and feedback reports on Parliamentary discussions produced
 Effective communication of VFM reports through production of short videos and abridged versions of VFM reports
 Subscription payment for newspapers and adverts
 Improve coverage of Audit reports and the Office in the media through engagements
 Strengthen stakeholder engagements with emphasis on engagements with Regional Public libraries
 OAG website restructuring and updating content
 Production of OAG publications i.e information flyers and magazines
 Establishing and managing social media platforms
 Attending various international committee meetings and technical workshops
 Attending AFROSAI-E trainings and technical update conferences
 Organise charity events and Corporate Social responsibility activities
 Issue press releases and hold press conferences
 Coordinate production of information, Education and communication materials and participation in Exhibitions
 Procurement of OAG promotional material e.g tear-drops, souvenirs, brochures, umbrellas, designed logo, plaques, diaries, calendars, Christmas cards.

Policies, Manuals, Strategies and Guidelines
 Review of policies, manuals and guidelines which are due for update
 Develop Disaster Management Plan
 Finalise, approve and implement corporate Social Responsibility Policy

Human Resource Management and Development
 Implementation of office-wide restructuring as informed by Job Evaluation
 Finalize, approve and implement the Human Resource Strategy
 Introduce and implement a Competence Based, transparent appraisal and reward system
 Develop a framework and carry out surveys on OAG Staff Code of Conduct
 Manage salaries and pension
 10% NSSF Contributions remitted for all staff
 Medical Insurance cover provided and Life Insurance premium paid for all staff
 Gratuity paid to 36 Contract staff
 Staff trainings in various disciplines co-ordinated and managed
 Development of a coaching and mentoring programme
 Inspecting medical entities which provide services under the Medical Insurance Scheme
 Staff transfers, recruitment, welfare managed

Technical Support to Audit activities
 Conduct institutional reviews i.e SAI-PMF, ICBF and mid-term strategic plan review
 Establishing a mechanism for measuring the comprehensive monitoring and evaluation of outcomes and impact of audit work
 Develop and pilot Teammate libraries for Forensic, IT and Treasury Audits
 Produce audit verification reports
 30 Pre- Issuance (Hot) Reviews and 20 Post- Issuance (Cold) Reviews for RA, PA, FA and PSA audits
 Timely updating of audit methodology in line with ISSAIs and prevailing circumstances
 Maintain a Data base on reports discussed by the Committees indicating AG's recommendations and the Committees recommendations.
 Report on AG's report recommendations adopted by oversight committees and the House produced

Project 0362: Support to Office of the Auditor General
 Construction of staff quarters for Moroto regional office
 Procurement of Power back-up system for 5 branch offices
 Annual renewal of the TeamMate Audit Management System license (200 users)
 Procurement of 20 projectors, video conferencing equipment, PA system, 1 scanners and 40 laptops
 Procurement of 3 station wagons to replace the aging ones
 Replenishing the Resource centre with 6 book shelves, 20 chairs, 20 tables.
 Procuring Mobile shelves, ladders/trolleys, Shelf Archive storage units for the Archives centre
 Assorted furniture procured according to needs assessment.

Medium Term Plans

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In accordance with the Five-Year Corporate Plan (2016-21), the medium term plan of the office is focused on: Improvement on impact of audit through effective gender sensitive stakeholder engagement; Improvement on the timeliness and quality of audit reports; Improving organisational performance; Strengthening financial independence and enhancing operational independence and increasing audit coverage through establishment of regional offices in hard to reach areas.

This will be done through: independent reporting; delivering high quality audits targeting a sustainable equity-driven impact on service delivery; effective support to Parliamentary oversight and scrutiny; adoption of professional approaches and systems in all our operations; conducting real time audits, demonstrating the value and benefits of the OAG through collaborations and effective communication to all our stakeholders; augmenting our IT infrastructure and systems and empowering our Human resources in all aspects of their work.

Efficiency of Vote Budget Allocations

Following completion of the Audit House in 2013, the office has reallocated resources saved from rent to operation and maintenance of the building.

In addition, the office shall focus on staff capacity building through increased utilisation of the resource pool of trainers hence holding equitable in-house trainings to create savings. In this regard, the office shall also develop an e-learning platform whose digital resources shall be accessed by staff in all regional offices without necessitating travel to the head office.

Due to government-wide emphasis on Performance audits targeting service delivery, the office has undertaken an Integrated Audit Approach to widen the scope of performance audit and to introduce a Value for Money perspective in the way regularity audit is done. In order to do this, the office has allocated more resources to performance audits across all audit directorates.

The office is in the process of proposing amendments to the National Audit Act 2008 and Article 163 of the Constitution, which would give the Auditor General discretion over the management of the scope of audit. This would then inform office procedures on audit resource allocation with emphasis on cost analysis and prioritization of audit activities in line with National objectives and available resources. This will enable the office conduct high impact audits with the limited resources.

The office also plans to establish a Management Information System that will enhance efficiency in operations through the automation of the business processes.

The implementation of the Monitoring and Evaluation policy and framework will enable performance monitoring and therefore efficiency in resource allocation and effective, well informed decision making.

Vote Investment Plans

For FY2019/20, Budget allocation to capital development remained the same at Shs 3.976Bn. With this amount, the office planned to commence construction living quarters for staff at Moroto regional office, fence one regional offices, procure power back up systems and undertake minor repairs in 5 regional offices. Additionally, furniture and fittings shall be procured for Audit House and selected regional offices. All this is aimed at improving the efficiency of branch operations so as to effectively extend audit services to all regions in Uganda.

3 vehicles shall also be procured to replace the aging fleet at the regional offices which are overdue for replacement.

The budgets for FYs 2020/21 and 2021/2022 indicate that allocations to capital development will slightly increase to Shs 4.77 Bn in both years. This will cater for renovation and expansion of existing regional offices, purchase of specialized IT and audit equipment, acquisition of transport equipment and office furniture.

In FY 2019/20, with support from the Resource Enhancement and Accountability Programme (REAP) and Government of Uganda, the office plans to construct of an off-site training facility. In addition, the office plans to procure and install the final phases of a comprehensive Management Information System.

Major Expenditure Allocations in the Vote for FY 2019/20

The external audit function in the Accountability Sector is responsible for ensuring that public resources are utilised as appropriated by Parliament. The key objectives of the function are to improve compliance with accountability rules and regulations; enhance prevention, detection and elimination of corruption; and to increase public demand for accountability.

In the FY 2019/20 the Office of the Auditor General has been allocated Shs 55.78 bn including taxes. This includes Shs 27.77Bn for wage, Shs 24.03bn for non-wage and Shs 3.98bn for development.

The budget allocation by programme is as follows; Program 1: Financial Audits – Shs 20.679Bn; Program 2: Value For Money and Specialized Audits - Shs 7.399Bn; Program 3: Support to Audit Services – Shs 23.725Bn and Shs 3.98 for GoU Development). The allocation of GoU development is as follows: Non-residential buildings - Shs 1.47bn, Procurement of ICT Infrastructure and Equipment – Shs 1.5bn, procurement of motor vehicles – Shs 0.925bn, and procurement of office furniture - Shs 0.08bn.

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote:131 Auditor General

Programme : 15 Financial Audits							
Programme Objective : Independent and robust verification of Public Accounts and Treasury Memoranda in the equitable delivery of services.							
Responsible Officer: EDWARD AKOL							
Programme Outcome: Improved accountability, transparency, and compliance with laws and regulations in the public sector							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Q1 Actual			2019/20 Target	2020/21 Target	2021/22 Target
• Level of compliance with public financial management laws and regulations		0%,30.9%			50%	55%	60%
Programme Outcome: Improved quality of audit reports contributing to value for money in the use of Public resources							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Q1 Actual			2019/20 Target	2020/21 Target	2021/22 Target
• Proportion of external audit report recommendations implemented		55.05%			75%	78%	80%
• Adoption rate of OAG recommendations by Parliamentary Oversight Committees					50%	60%	70%
• Level of compliance with the audit ISSAIs					65%	70%	75%
Programme : 16 Value for Money and Specialised Audits							
Programme Objective : To conduct special audits, examine and assess the level of efficiency, economy and effectiveness in the equitable utilization of public resources by Government Institutions.							
Responsible Officer: STEPHEN KATEREGGA							
Programme Outcome: Effective public service delivery systems and instrumental, causative forensic investigations							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Q1 Actual			2019/20 Target	2020/21 Target	2021/22 Target
• Number of Judicial and Administrative actions resulting from audits		0			10	15	20
• Nominal amount of savings resulting from audits		0			5	8	10

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• Number of policy changes and Administrative Instructions resulting from OAG reports		0		3	5	8	
Programme : 17 Support to Audit services							
Programme Objective : Enhance organizational performance and efficiency in operations.							
Responsible Officer: MAXWELL POUL OGENTHO							
Programme Outcome: A high performing and efficient model institution							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Q1 Actual			2019/20 Target	2020/21 Target	2021/22 Target
• Percentage of Corporate Strategy implemented		28%			75%	90%	100%
• Level of OAG compliance with ISSAI's using INTOSAI Performance Measurement Framework		61.1%			3	3.5	4
• Level of implementation of Internal and External Audit Recommendations		80.64%			80%	90%	100%
• Increased Audit coverage as a result of operational efficiency					200:1	250:1	300:1

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

Billion Uganda shillings	2017/18	2018/19		2019/20	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2020/21	2021/22	2022/23	2023/24
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15 Financial Audits	22.336	20.679	5.150	20.679	22.131	23.958	26.022	28.361
16 Value for Money and Specialised Audits	10.578	7.400	1.823	7.400	7.939	8.629	9.412	10.305
17 Support to Audit services	22.120	27.701	6.382	27.701	31.497	35.965	41.283	47.618
Total for the Vote	55.034	55.779	13.355	55.779	61.568	68.553	76.717	86.285

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

Billion Uganda shillings	2017/18	2018/19		2019/20	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2020/21	2021/22	2022/23	2023/24
<i>Programme: 15 Financial Audits</i>								
02 Central Government One	4.804	4.494	1.035	4.494	4.779	5.123	5.504	5.929
03 Central Government Two	4.999	4.790	1.228	4.790	5.103	5.485	5.912	6.390
04 Local Authorities	13.041	11.395	2.887	11.395	12.248	13.351	14.606	16.042
Total For the Programme : 15	22.844	20.679	5.150	20.679	22.131	23.958	26.022	28.361
<i>Programme: 16 Value for Money and Specialised Audits</i>								

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05 Value for Money and Specialised Audits	4.665	3.967	0.961	3.967	4.275	4.678	5.139	5.669
06 Forensic Investigations and Special Audits	6.533	3.432	0.862	3.432	3.664	3.951	4.273	4.636
Total For the Programme : 16	11.198	7.400	1.823	7.400	7.939	8.629	9.412	10.305
Programme: 17 Support to Audit services								
01 Headquarters	18.146	23.725	6.381	23.725	26.727	31.195	36.513	42.848
0362 Support to Office of the Auditor General	3.974	3.976	0.002	3.976	4.771	4.771	4.771	4.771
Total For the Programme : 17	22.120	27.701	6.382	27.701	31.497	35.965	41.283	47.618
Total for the Vote :131	56.162	55.779	13.355	55.779	61.568	68.553	76.717	86.285

Table V4.2: Key Changes in Vote Resource Allocation

Major changes in resource allocation over and above the previous financial year	Justification for proposed Changes in Expenditure and Outputs
Vote :131 Auditor General	
<i>Programme : 17 Support to Audit services</i>	
Output: 72 Government Buildings and Administrative Infrastructure	
Change in Allocation (UShs Bn) : 0.500	0.5 bn was transferred to Non Residential buildings to facilitate construction of staff quarters in Moroto.
Output: 76 Purchase of Office and ICT Equipment, including Software	
Change in Allocation (UShs Bn) : (0.500)	0.5 bn was transferred from this item to No residential buildings in Ijne with the agreed operational plan.

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2018/19		FY 2019/20
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Sep	Proposed Budget and Planned Outputs
Vote 131 Auditor General		
Programme : 17 Support to Audit services		
Project : 0362 Support to Office of the Auditor General		
Output: 72 Government Buildings and Administrative Infrastructure		
Construction of the Centre for Audit Excellence	Routine repair and maintenance of office buildings carried out AC, generator, lifts, CCTV, Fire extinguishers maintained.	5 Staff quarters constructed at Moroto regional office
Procurement of a power back up system for 5 regional offices		Power back up system procured for 1 branch
Fencing of 2 regional offices	Land acquisition plans developed	
Total Output Cost(Usht Thousand):	0.970	1.470
Gou Dev't:	0.970	1.470
Ext Fin:	0.000	0.000
A.I.A:	0.000	0.000
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment		
The office plans to procure 4 vehicles to replace those due for boarding off and, a Vehicle Security Scan system to manage the fleet.	Specifications for procurement of 4 vehicles prepared	3 motor vehicles procured

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Total Output Cost(Ushs Thousand):	0.926	0.000	0.926
Gou Dev't:	0.926	0.000	0.926
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000
Output: 76 Purchase of Office and ICT Equipment, including Software			
Outputs include: Procurement of Computers, Annual renewal and procurement of TeamMate licenses,, Kaspersky Anti-Virus Renewal, procurement of IDEA Data Analysis licenses.	Specifications for VSCAN equipment developed	TeamMate licenses purchased 40 laptops, 20 Projectors, video conferencing and PA equipment procured	
Total Output Cost(Ushs Thousand):	2.000	0.000	1.500
Gou Dev't:	2.000	0.000	1.500
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

V5: VOTE CHALLENGES FOR 2019/20 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2019/20

The major challenges being encountered in the office are discussed below:

Mismatch in Reporting Timelines: The PFM Act 2015 requires the Auditor General to report to Parliament 31st December every year. Alignment of our audit year and financial year outcomes has posed a challenge and the six-month period following the end of the financial year exerts pressure to produce audit reports in a timely manner.

High cost of asset maintenance: The office has been able to construct Audit House and regional branch offices with the support of GoU and development partners enabling us to take audit services closer to the public. However this has led to increase in funding requirements necessary to meet the operational and maintenance costs. This poses a risk due to the limited budgetary allocation.

International Obligations: The OAG was appointed to Chair the INTOSAI Working Group on Extractive Industries (WGEI). However, due to inadequate funding, it has been unable to fully operationalize the secretariat and participate effectively in the international arena.

Follow-Up on Implementation of Recommendations: Lack of an effective system to track implementation of audit recommendations has impeded the ability of the office to demonstrate its relevance to the citizens. In addition, the backlog in the discussion of audit reports by Parliament has affected the impact of audit work since recommendations are partially implemented.

Increasing Audit Scope: The expanding scope of audit coverage (local governments and schools) in addition to increasing demand for public works audit, special audits and forensic investigations has been difficult to cope with due to limited staff and budgetary allocations to execute requests and audit plans. This results in accumulation of audit backlogs.

Staff Retention: Retention of qualified and skilled staff especially the non-accountants has been difficult due to relatively lower remuneration levels and limited opportunities for career growth. This has led to exit of highly skilled staff which negatively impacts audit deliverables.

Procurement Delays in Donor-Supported Projects: Complex procurement procedures associated with Donor funded projects have led to implementation delays for example with regards to construction of Hoima and Moroto regional offices and the procurement of MIS.

Under-release of funds: Non realization of our projected cash flow requirements, especially regarding the Development budget, has impeded timely budget execution. For example during the procurement of vehicles and insufficient budgetary allocations to settle pension arrears.

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2019/20	Justification of requirement for additional outputs and funding
Vote : 131 Auditor General	
Programme : 15 Financial Audits	
OutPut : 01 Financial Audits	

Vote:131 Auditor General

Funding requirement US\$ Bn : **6.125**

The AG is required by law, to audit and report on all public accounts of Uganda and of all public offices. However, due to inadequate funding the office is unable to cover its entire audit population especially the central government projects, Local Governments and schools resulting in accumulation of backlogs. To this effect the OAG needs 6.13Bn to produce the above mentioned outputs, in line with Objectives 2, 3 and 5 under the Accountability Sector in the NDP II Implementation strategy.

Programme : 16 Value for Money and Specialised Audits

OutPut : 01 Value for Money Audits

Funding requirement US\$ Bn : **3.850**

Due to the increasing demand for VFM audits and forensic investigations, the office requires UGX 3.85bn to undertake forensic investigations, VFM, Public Works and PPP Audits. This is in line with the new OAG policy on undertaking high impact audits and alignment of audit work to SDGs. The office also plans to conduct the 2nd phase audit of Karuma and Isimba hydro projects. These are in line with Strategy 3 under the Audit function of the Accountability Sector Investment Plan 2017/18 - 19/20.

Programme : 17 Support to Audit services

OutPut : 01 Policy, Planning and Strategic Management

Funding requirement US\$ Bn : **3.220**

Due to the increasing demand for quality audits and the recently established support function the office needs to respond by training staff in financial audits, emerging specialised audit areas and other technical skills. The areas highlighted above are high impact/interest areas therefore the office requires UGX 3.22bn to build capacity and contribute to National priorities focused on these areas. This intervention is in line with Objectives 1, 2 and 3 under Audit and Oversight in the NDP II.