



Ministry of Finance of Montenegro

The role of internal auditors to support PSA reforms

Ulcinj, June 2024





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Legislative framework

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- Law on governance and internal controls in public sector
- Decree on establishment of internal audit in public sector
- Rulebook on the methodology of internal audit in public sector



Internal audit function in public sector of Montenegro

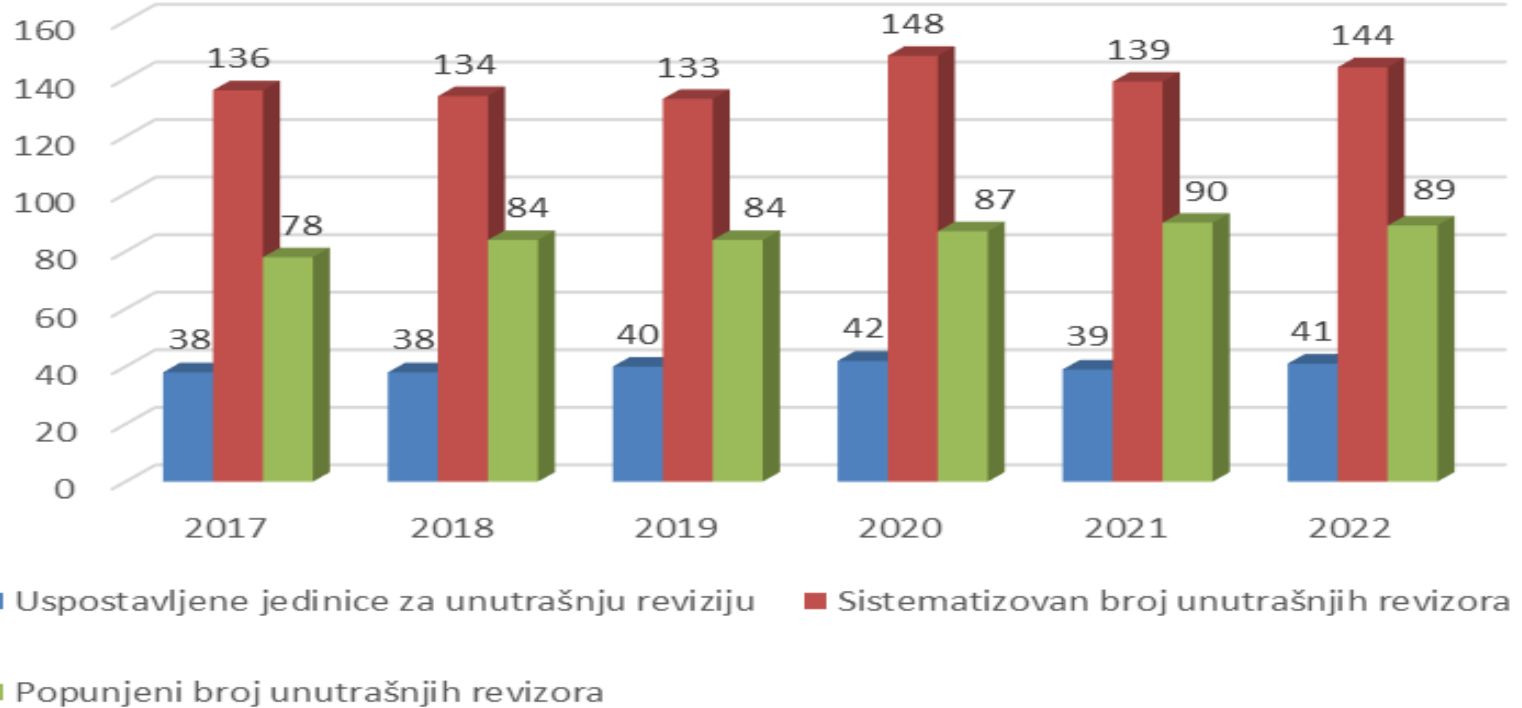
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- Establishing internal audit function at budget users
- Capacities of internal audit units
- Planning and conducting internal audits
- Certification of internal auditors in public sector
- Continuous professional development of internal auditors in the public sector



Internal audit capacities in public sector

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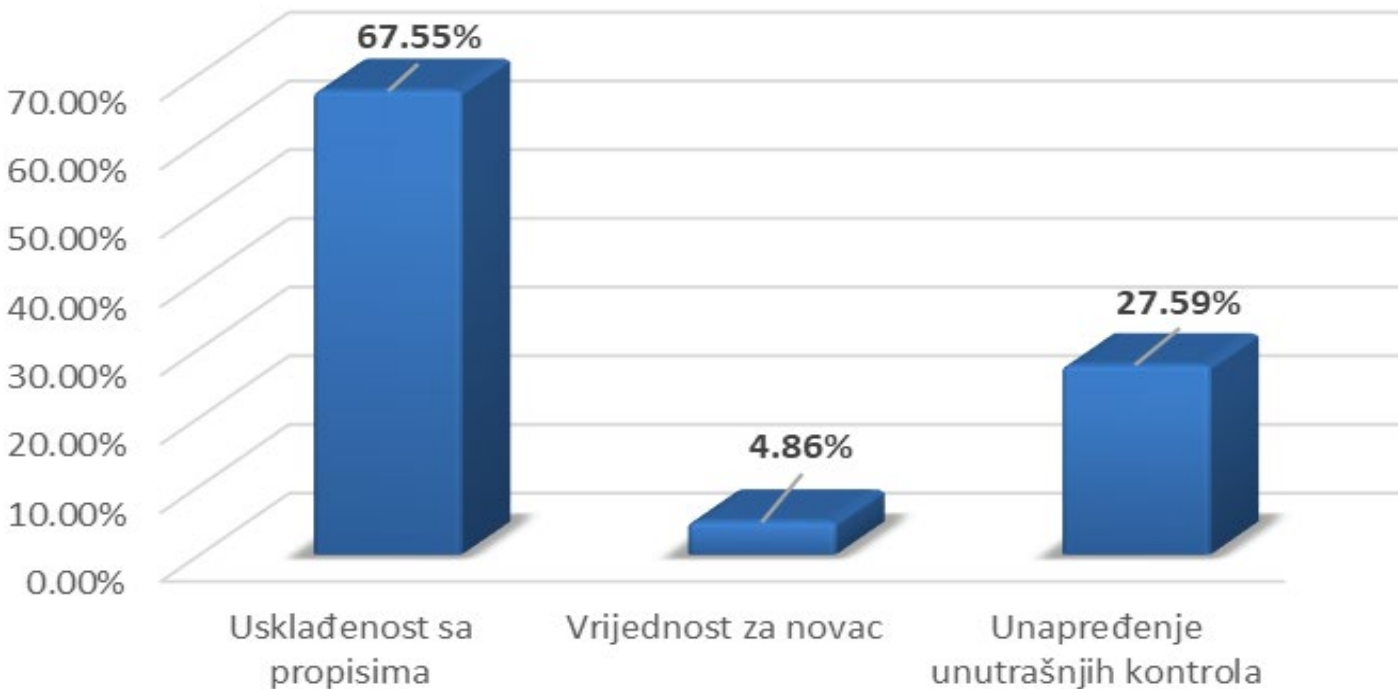




Overview of recommendations by type

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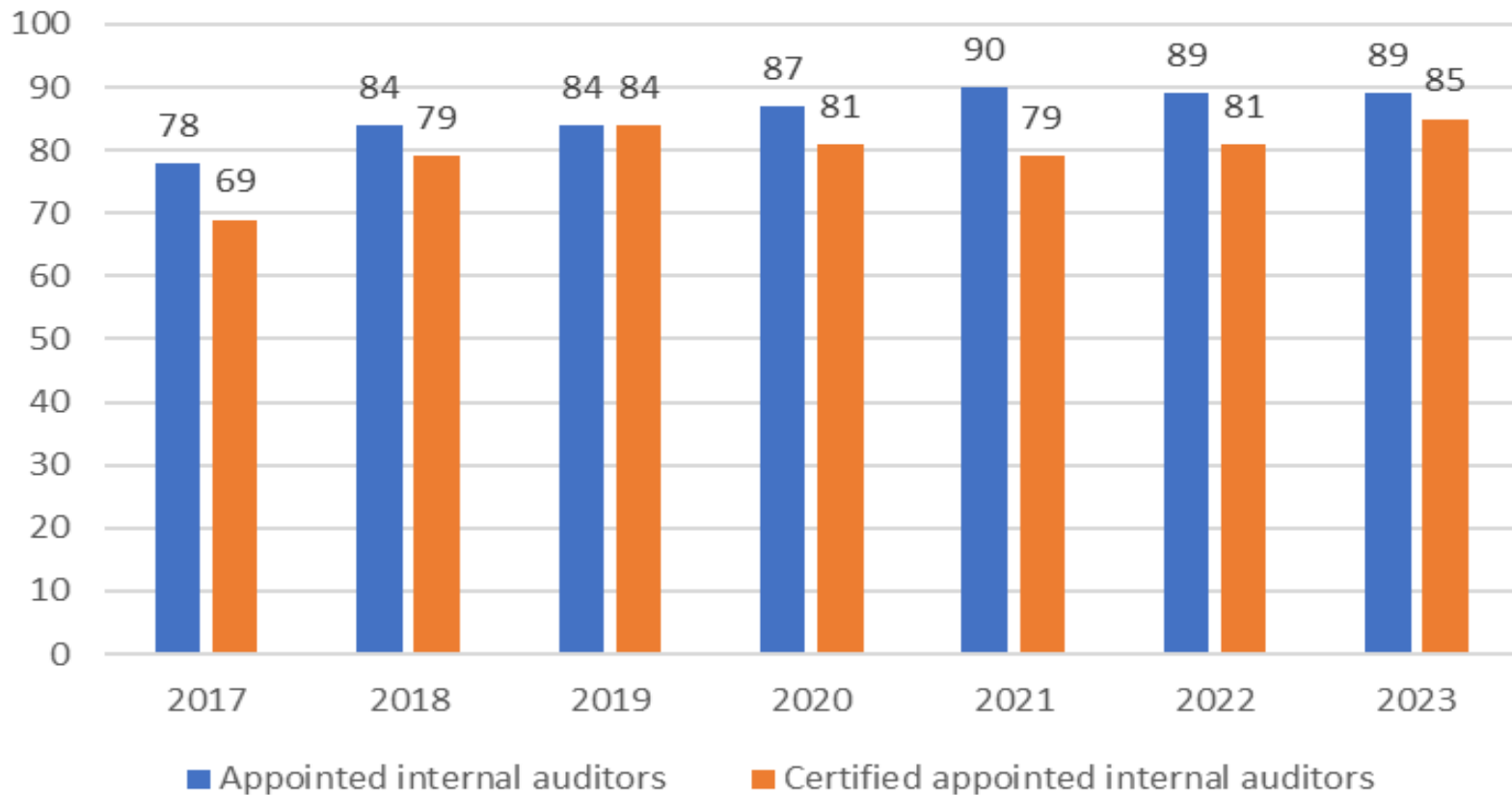
Pregled preporuka po vrstama 2022. godina





Number of internal auditors in public sector

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Role of internal auditor in PSA reforms

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- Public sector accounting reform
- Accrual based accounting system
- strategy for transition on accrual based
- phases of transition vs role of internal auditors



Role of internal auditor in PSA reforms

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- Examine and evaluate the adequacy and effectiveness of internal controls
- Critical role in enhancing effective management in the public sector
- Improvement of performance
- Assessing and monitoring the risks that the organization faces
- Improved accountability and greater transparency
- Improved financial reporting



Role of internal auditor in PSA reforms

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- Assessment of existing legal framework and administrative capacities
- Objective assurance and consulting activity
- System audits and its audits
- Review of critical areas
- Specialized tasks
- Assessing system readiness, chart of accounts
- Deliver trainings



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**Thank you
for your attention!**

