

SUPREME AUDIT OFFICE



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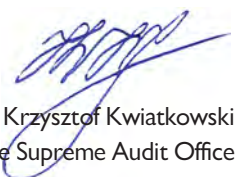
Foreword

The etymology of the word *administration* is commonly known. It derives from the Latin verb *ministrare*, which means *to serve*. Administration means service or work provided on behalf of somebody more important, superior, decisive. Article 1 of the Polish Constitution states that the “Republic of Poland is a common good of all its citizens”. The essential duty of the state is therefore to create favourable conditions in such fields as education, entrepreneurship, healthcare, security – in order for all the citizens to have an equal chance for a worthy, fulfilled life. The activities of public authorities should form a logical sequence and their efficient and effective implementation should cause planned results, that meet the citizens’ expectations and needs.

NIK’s role in the improvement of public administration efficiency is significant. The Polish Supreme Audit Office is in the Polish administrative system an external entity, independent of administration, which assesses its activities on behalf of and to the benefit of the society. The main aim of NIK is to look at the administration from the angle of public interest, as well as the organisational efficiency of its operations.

Thanks to the activities of NIK, the provision of parliament and society with information, the real results of administration activities are more visible, and the significant irregularities, as well as good practices are made publically known. The provision of reliable information to the parliament and society strengthens the public accountability and what follows, the sense of responsibility of the authorities and administration towards the society.

However, external audit does not only describe and assess the reality, but also contributes to its improvement. Substantial external assessments strengthen the inner-administrative progress mechanism and direct the entities towards performance improvement, what is of significant meaning for the quality of public life in Poland.



Krzysztof Kwiatkowski
President of the Supreme Audit Office

The Supreme Audit Office

– helping to make for a better state

Where we come from

Known in Polish as Najwyższa Izba Kontroli (or simply as NIK), the Supreme Audit Office came into being on 7 February 1919, thus making it one of the first institutions put in place in newly sovereign Poland, after 123 years off the map of Europe. It was the country's famous inter-War leader, Marshal Józef Piłsudski, who signed the relevant Decree, and appointed Józef Higersberger first President. During the Second World War, NIK continued operations within the framework of Poland's Government-in-Exile based in London. It then came through half a century of communist governments in the People's Republic of Poland, again becoming an independent auditing institution after the 1989 fall of communism.

Who we are

NIK is Poland's supreme audit institution, reporting to the lower house of Parliament (the Sejm), but independent of the country's executive. We operate on the basis of the 1997 Constitution of the Republic of Poland, as well as the recently amended Supreme Audit Office Act. We check upon the activity and financial management of the most important state institutions, i.e. the Ministries and the agencies subordinate to them, as well as the National Bank of Poland and the administrations at regional and local level. We subject spending in line with the budget to scrutiny, along with the assumptions underpinning monetary policy. We also look very carefully at whether authorities are putting taxpayers' money to use in an economical, efficient and effective way.

Where we are going

By auditing the way in which Poland's public administration functions, we point out irregularities and warn of the risks. We pay heed to both the legal order and best practice when it comes to the management of assets and public finances. We supply information on the condition the state is found to be in, to both the Sejm and the public. We indicate where mechanisms are flawed and need putting right, as well as identify loopholes in the law. In all of these ways, we help make for a better state.

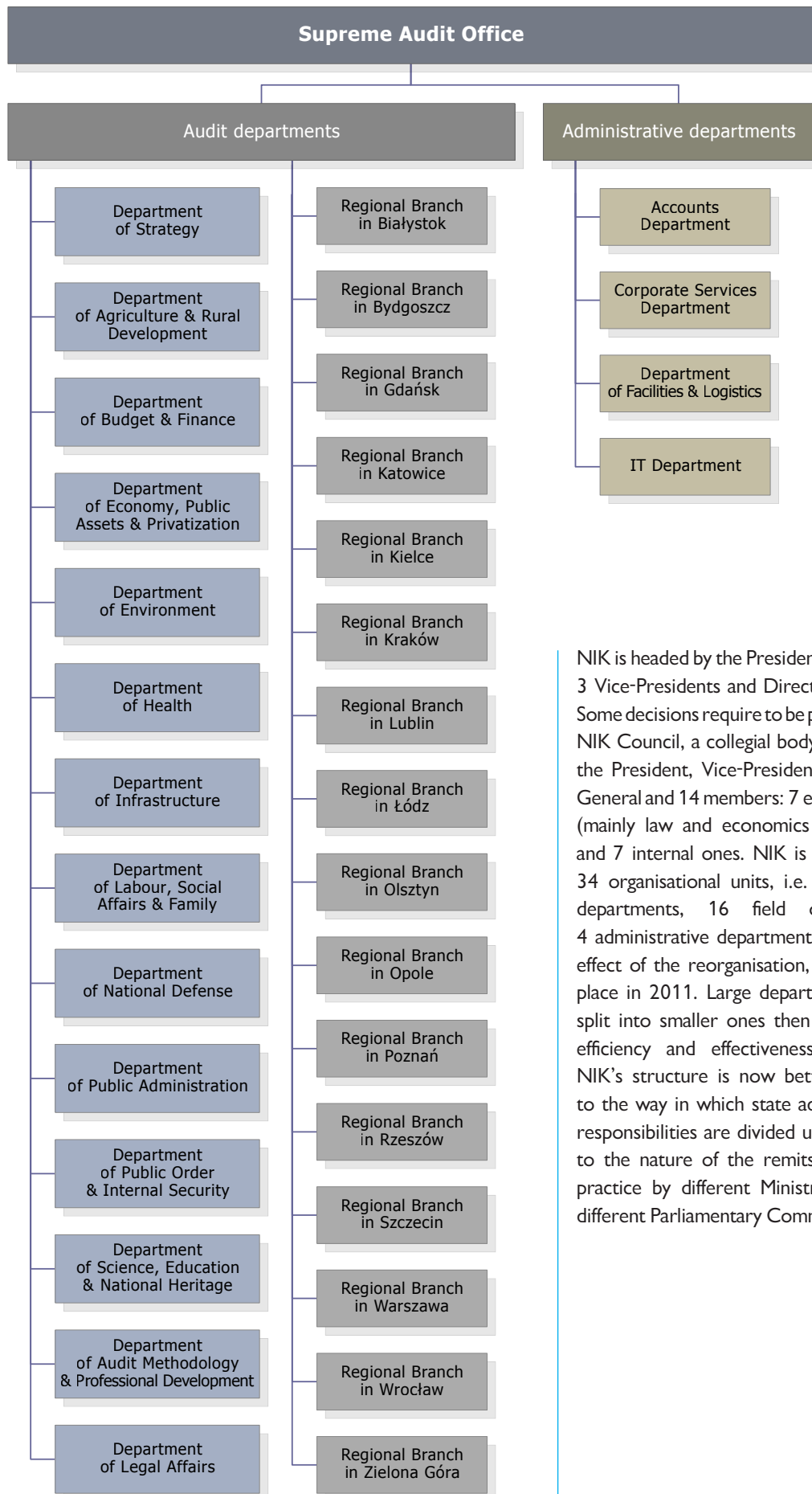
Our planning strategy

In 2012 NIK introduced a new planning approach with a one year time perspective. NIK's aim is to audit precisely those areas of public sector that do not function properly, what results in irregularities adverse for the society. The new planning process relies i. a. on the selection of audit subjects and auditees based on a thorough risk analysis. By means of an improved selection of audit subjects NIK wants to decrease audit costs and optimise the use of its resources. What makes this planning approach innovative is the fact that now NIK monitors and analyses the external signals concerning irregularities in public administration, as well as the defects or lack of legal and systemic solutions in the public sector and also the macroeconomic factors that influence the quality of life and the state's functioning. The analysis is conducted on the basis of both foreign reports on the situation in Poland (OECD, World Bank, Council of the European Union, International Monetary Fund) and domestic strategic documents, financial plans, statistical reports, the evaluations of particular areas prepared by NIK's entities and experts, but also basing on the public opinion (the media, public opinion surveys, including those commissioned by NIK) and the opinion of individual citizens, like personal complaints and motions submitted to NIK. ■

NIK in figures

185	reports on the results of audits laid before the Sejm	182	notifications to the commissioners responsible for discipline in public finances
2930	post-audit statements issued	136	notifications to bodies responsible for investigating offences
2856	entities audited	65	conclusions connected with the making or amending of law
182	topics addressed by planned audits		
225	topics addressed by ad hoc audits		
95	audits of the implementation of the central budget		
10	audits carried out parallelly with SAIs of other countries		
PLN 18.7bn	sum of the financial, reporting or potential consequences of irregularities uncovered in the course of auditing		
PLN 4.5bn	level of financial benefits and savings achieved as a result of audits		

How the Supreme Audit Office is organised



NIK is headed by the President assisted by 3 Vice-Presidents and Director General. Some decisions require to be passed by the NIK Council, a collegial body comprising the President, Vice-Presidents, Director General and 14 members: 7 external ones (mainly law and economics professors) and 7 internal ones. NIK is divided into 34 organisational units, i.e. 14 auditing departments, 16 field offices and 4 administrative departments. This is an effect of the reorganisation, which took place in 2011. Large departments were split into smaller ones then to increase efficiency and effectiveness. Certainly, NIK's structure is now better adjusted to the way in which state administrative responsibilities are divided up, as well as to the nature of the remits enjoyed in practice by different Ministries, and by different Parliamentary Committees. ■



Cooperation with Parliament

The only body to which the Supreme Audit Office reports to is the Sejm of the Republic of Poland, which is the country's lower house of Parliament. The Sejm appoints the President of NIK for a 6-year term in office, and has the right to commission audits. It is nevertheless usual for NIK to initiate audits of its own volition, regularly laying before the Sejm the reports deriving from them.

In fact, each year NIK supplies Parliament with around 200 such reports. Indeed, the results of more important audits are presented and discussed at sittings of different Parliamentary Committees.

Furthermore, our institution each year presents the Sejm with an analysis of spending in line with the central budget, along with assumptions that are to underpin monetary policy, an opinion regarding the so-called absolutorium (attesting to a lack of irregularities where the financial operations of the executive are concerned), and a report on NIK activity throughout the given year. These documents are all debated by Parliament during a plenary session.

NIK also provides the Sejm with so-called *de lege ferenda* conclusions, i.e. ones that suggest or call for changes to remove the loopholes in flawed legislation that audits have been able to uncover.

By means of an ordinance, the Speaker of the Sejm confers statutes upon the Supreme Audit Office, these *inter alia* determining such key matters as NIK's organisational structure. It is obviously also a matter for the Sejm to pass the annual budget for the Supreme Audit Office.

In addition, NIK cooperates closely with the Parliamentary Committee on State Auditing. ■



NIK audits in 2012

We audited among others:

In the area of public services

- management of community facilities
- functioning of the civil service
- activities of revenue offices
- supervision over municipal partnerships
- accessibility of public utility facilities to disabled people
- aid for citizens in case of flood
- use of EU funds for the development of rural areas

In the area of public finances

- state budget execution
- security of the financial system in Poland
- execution of the excise tax
- use of public funds by state-owned companies
- process of restructuring and privatisation of state-owned companies
- public aid in the special economic zones

In the area of public order and safety

- security of mass events
- security of civil aviation
- security and organisation of foreign visits made by VIPs
- drug prevention programmes in schools
- veterinary and sanitary supervision

In the area of economic affairs

- infrastructure investments in the Polish railways
- construction of roads and highways
- development of the Polish seaports
- regulations of tourism services
- development of broadband Internet

In the area
of environmental
protection

- wastewater management
- utilisation of medical waste
- animal rights protection
- flood control
- use of renewable energy sources

In the area of health

- patient rights in psychiatric treatment
- the medical rescue system
- execution of the National Health Fund financial plan
- financial situation of hospitals
- purchase of medical devices

In the area of culture
and education

- historic preservation and protection of the cultural heritage
- performance of tasks by the state cultural institutions
- organisation and functioning of the education system and professional trainings for teachers
- education of disabled children with special educational needs
- effects of primary and high school education

In the area of social
protection

- implementation of programmes aimed at occupational development
- organisation and financing of the rehabilitation
- quality of services provided by nursing homes

In the area of defence

- professionalization of the army
- functioning of the military police





Performance audit: assessing the value added for citizens



Józef Płoskonka
Advisor
to the President
of NIK

The public administration in a modern state is an active provider of various public services, as well as the main manager of its development. This is to be understood as another layer added to the modern administration activities, and not as a replacement of the traditional formalistic approach. That new layer of administration tasks results from the fact, that the citizens nowadays want to see real effects of the authorities and administration activity. What matters to them are outcomes accomplished by the administration, such as drop in the unemployment rate or the increase of life quality. However, the concept of effective administration, though it may seem obvious, is not easy to implement. Its realisation requires fundamental changes in the way of thinking and acting of the all levels of public officials. Furthermore, it requires different expectations towards public servants, changes in the state budget's preparation and budget reporting processes, and finally relevant changes in the activities of the Supreme Audit Institution.

The observance of law and the compliance with internal provisions should only be part of the assessment of a public institution. The assessment made only on the basis of legality would cause many public servants to believe, that the results of their activity have to be simply compliant with the law, and what matters is the procedure implementation, not the provision of public services. The administration, of course, has to work within the legal framework and on the basis of law, because it spends public money and acts on behalf of the citizens. Nevertheless, one may not forget, that the procedure is not an aim itself, but it is to serve the realisation of tasks to the benefit of the public. At the same time, if we want to account the administration for the results achieved, then the public servant should be made responsible for risk analysis and the construction of their own control mechanisms. If we would say: "You have to achieve this goal by following this particular procedure", it is as if we would tie somebody up and tell them to run...

The change in the way of thinking, a switch from the regulation culture to the culture of the achievement of planned results remains today the main challenge for the public administration in Poland and following that, an important strategic goal for NIK. That challenge has led to the formulation of NIK's mission – "to care for sound management and efficiency in the public sector". Therefore, the increasingly important device of NIK in the assessment process of authorities and administration is performance audit. Challenges that NIK has to overcome in that context include development of systemic approach, understanding the complexity of cause-result relations, ability to conduct thorough risk analysis, strategic analysis of future scenarios and many other analytical evaluation methods. This is not to be treated as an attempt to decrease the importance of the legality criterion. A positive assessment from the point of view of this criterion remains an absolute condition for the acceptance of public administration activities, but should not be the only criterion taken into consideration. One has to always remember that the citizens expect the administration to deal and help with their specific problems and concerns. The challenge faced nowadays by the Polish administration is to support the state and its citizens in the achievement of their goals. And the challenge for NIK is to effectively support the administration. ■



Our success is based on teamwork



Jolanta Stawska
Director
Regional Branch
in Kraków

Being the head of NIK's regional branch is a vast responsibility. The effects of our activity result from the whole team's work and to manage this team is a challenge.

NIK's regional branch in Kraków annually conducts about 140 local and supraregional audits that concern over 30 subjects. We make sure that the approach to performance audit and its methodology are applied to the most extent possible. Therefore, we do not conduct financial studies only. Performance audits are very beneficial from the citizen's point of view, because they show how the public funds are spent. They are also interesting and helpful in recommending good practices and, above all, systemic changes.

We have been developing our project methods of audit management for several years. Our auditors work in teams and a lot of time is dedicated to the preparation of audits. We promote effectiveness using i. a. time saving mechanisms, including videoconference.

Our regional branch is particularly interested in matters connected with health service. In 2012 we coordinated two priority audits: "The audit of healthcare providers and the verification of provided contract health care services by the Polish National Health Fund (NFZ)" and "Contracting health care services by NFZ". Both are very significant from the patient's point of view. They also help to supervise the use of public funds on health care services. The post-audit statement, prepared after the first audit, was submitted to the Sejm in April 2013. We established i. a. that the National Health Fund checks the availability and quality of medical services too rarely.

Our second area of interest is flood protection and the liquidation of damages caused by floods. Last year we published the post-audit statement of the audit "Aid for entrepreneurs affected by the damages caused by flood in 2010". We also conducted two other audits in the Małopolska region – "Aid in reconstruction of buildings and housing units damaged by landslides in 2010" and "Flood protection system by example of the Serafa river". The results of those studies, as well as the findings from previous years, may be summarised as follows: we still spend a lot of public funds in order to eliminate the damages caused by the flood and not enough money is invested in the prevention and protection aimed at minimising the flood damages.

However, those are not the only two areas of our interest. When we audited the "Exclusion of land from the agricultural production and its results for tax recording system in municipalities", we once again underlined, that the tasks connected with the investments on land and the conduction of change registers, are not performed properly. As a result we lack thorough knowledge about the real area of land used for agricultural purposes. Furthermore, municipalities cannot receive income from lands excluded from agricultural purposes.

This year we will finish an audit which results will undoubtedly arouse interest. The subject of the audit is: "The right to equal remuneration for women and men in the public sector". ■



Panels of experts

The results of audits often depend on the proper formulation of problems to be studied and entities to be audited in the audit programme. Therefore, NIK started to rely more often on the experts' opinions in the process of audit preparation. In 2012 NIK organised 18 panels of experts that concerned different audit subjects. The panels were organised during various stages of audit procedures and some of them were repeated after the end of audit activities, but before the audit report was published.

The panel meetings are attended by representatives of administration, science, business, members of the Sejm committees and members of NGOs that are related to the audit subject. The conclusions drawn during panel discussions were used to improve audit programmes and helped to establish the scope of audit activities more precisely in case of i. a. the following audits: "Security of Rail Traffic in Poland", "Drug Prevention in Schools", "Performance of Municipal Tasks Concerning Animal Protection". Two panels of experts were organised in case of audits conducted by the Department of Science, Education and National Heritage: "Pedagogical Supervision Exercised by Chief Education Officers and the Headmasters of Public Schools" and "Education of Disabled Students with Special Educational Needs". Before conducting the audit "The Collection and Processing of Billing Data, Data Concerning Location and Other Data Listed in Article 180 c of the Act of 16 July 2006 – Telecommunications Law – by Entitled Entities", the Department of Public Order and Internal Security organised a panel of experts who specialise in issues connected with the planned audit subject. The Department of Labour, Social Affairs and Family organised a panel of experts that concerned the audit: "Prevention of Domestic Violence by Public Administration". During the panel experts discussed subjects connected with the problems that are present in the domestic violence prevention system, the functioning of the so called "blue card" and the proposed solutions.



The opinion of experts is also very important while formulating the audit recommendations, especially when a change of law is proposed, like in case of the audits: “The Implementation of State Budget – the Evaluation of Planning, Monitoring and Reporting Processes”, “The Execution of Public-Private Partnership Projects”, “Compliance of Touristic Services with Their Regulations”, “Use of Public Funds by Zoological Parks”. The problems connected with the medical rescue system were discussed with regard to the recommendations of the audit “Functioning of the Medical Rescue System” during the panel of experts, who were invited by the Department of Health.

Also in 2013 auditors have often used the possibility to organise such a panel. The panels of experts that took place during the first half of the year concerned the functioning of the adoption system in Poland and safety on Polish roads. During another meeting the experts analysed, whether Act on Self-Government, which is in force since 2008, improved the functioning of local administration. Yet another interesting panel concerned the issue of A2 highway investments – whether they were conducted in line with the law and with respect for the public funds; especially, whether it was necessary to put so many acoustic screens on the A2 highway. ■



We pay special attention to the issues important for the citizens



Piotr Prokopczyk
Director
Department of Science, Education and National Heritage

The Department that you manage is occupied with many socially important subjects.

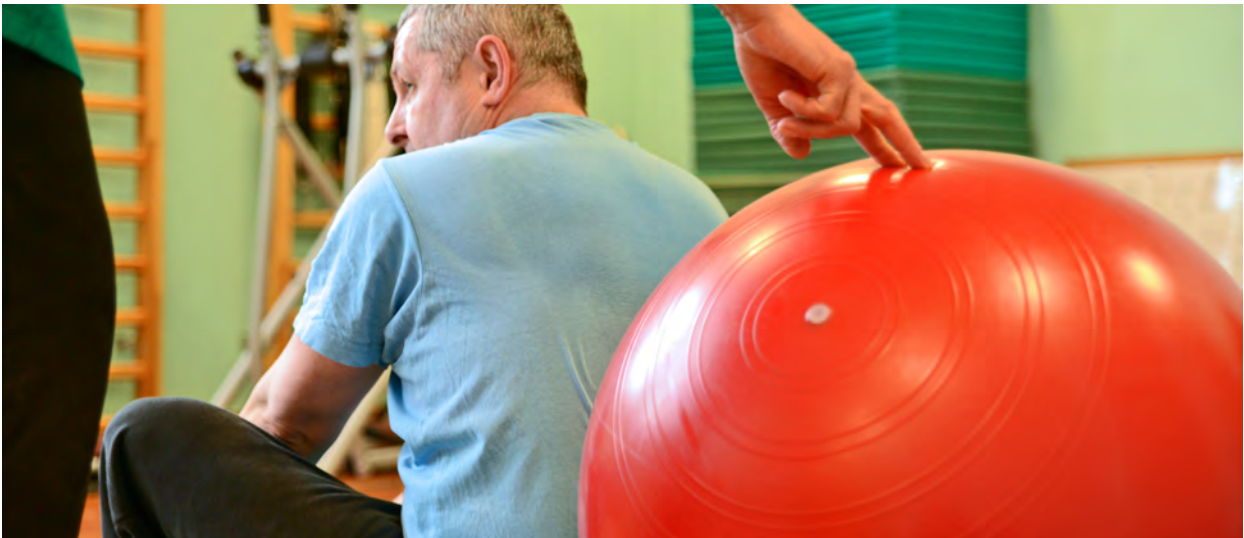
In 2012 the Department of Science, Education and National Heritage audited i. a. they way in which the national cultural institutions fulfil the tasks assigned by the Ministry of Culture and National Heritage, the activities of the Polish public television Telewizja Polska S.A., the use of public funds for science, the pedagogical supervision performed by the chief education officers and headmasters of public schools, the organisation and financing process of education and professional trainings for teachers, the organisation of graduation exams in 2010/2011 by the District Examination Board in Łódź and the education of disabled students with special educational needs.

How does NIK assess the education of disabled students?

In our opinion the Ministry of National Education implements the state educational policy regarding disabled students in a proper way. Their parents or supervisors may choose, whether the children are tutored in common or integrated schools or in common schools that also have integrated classes. However, there are some irregularities concerning public schools and the institutions that manage them. Some of the ordinary schools are not adjusted to the education of disabled children in terms of space and facilities. In some cases the supervising institutions did not support schools in providing education to such students. Moreover, in NIK's opinion, the number of employed specialists is not sufficient. Furthermore, we are aware that there were cases, in which headmasters did not comply with the regulations concerning proper psychological and pedagogical help for the disabled children. What is more, some of the schools did not organise specialised classes, despite the recommendations of psychological and pedagogical counselling centres.

Currently there have been discussions about compulsory education for six-year-olds.

We indeed conducted an audit to establish, whether schools are adjusted to the needs of six-year-olds. However, the educational system does not only encompass the early school education. Our Department has a systemic approach to the audited areas. Recently we finished an audit concerning the effects of public education. We also started to audit the effects of education in private schools. ■



We thoroughly audit the healthcare services



Piotr Wasilewski
Director
Department
of Health

Quality and accessibility of healthcare services are of great social importance. Therefore all of NIK's audits in this area draw public attention.

The Polish Supreme Audit Office regularly audits budget implementation of the National Health Fund (NFZ). In 2012 this audit covered two aspects. NIK audited the implementation of financial plan from the accounting perspective and in this case, despite some irregularities, our opinion was positive. NIK also decided to check how the National Health Fund fulfils its main duty, financed by the EU funds, which is to provide equal access to healthcare services. In this case the opinion was negative. The accessibility of some procedures is very diverse, depending on the type of services or the geographical region. One may wait for a service from zero to couple hundred of days. It varies among the NFZ provincial departments. Moreover, the healthcare providers are not treated equally in the contracting process.

However, according to NIK, the condition of healthcare in Poland is satisfying in many areas. Cardiology is very successful. Fewer patients die due to heart attacks. The medical rescue also functions properly. One has to say that the well-equipped hospital emergency rooms have become victims of their own success. During non-working days and at night time they admit patients that qualify as basic healthcare patients. This causes risk for the patients, who truly need emergency help. Such situation also causes a threat to the hospital emergency rooms, because they become loss-making, due to the increase of costs, what may lead to their liquidation. That is why we plan to audit the night time and holiday healthcare system.

On the one hand cardiology functions very well, on the other psychiatric treatment is underinvested. Numerous complaints led to the development of the "National Psychiatric Health Programme" in 2010. Unfortunately, as our audit indicated, the implementation of tasks included in the programme is significantly delayed. At the same time, studies show that the number of people with psychiatric disorders is increasing. NIK checked whether the rights of patients of psychiatric treatment are complied with. We found out that the evidence was kept improperly. This indicates, that the patients' rights were violated. The lack of entries in the evidence was common, also those that document the applied procedures, including the use of direct coercion. What adds to this unclear picture is the fact, that only 35% of the hospitals were supervised by patients' ombudsmen. ■



Our audits contribute to enhanced security



Marek Bieńkowski
Director
Department of Public Order and Internal Security

I am convinced that an audit carried out well leads to tangible improvements in the way the state operates. As it performs its duties, NIK wishes to attach importance, not only to the functioning of key state institutions, but also – and above all – to the way things look from the standpoint of the ordinary citizen. It is after all to him or her that state institutions are supposed to be providing a good and efficient service. It is the task of our department to carry out audits in the areas connected with justice and internal security.

In response to the aviation tragedy at Smoleńsk, in which the President of Poland and 95 other members of his delegation died, NIK carried out an audit of a strategic nature – to look for and identify possible irregularities, in particular of a systemic nature, that might have arisen in regard to the organising and safeguarding of foreign trips in general and this visit in particular. We wanted to check whether state institutions had been taking due care of the most important officials in the state – a meaningful question given the enormously tragic dimensions of the events that had unfolded. A large number of state institutions and offices were audited simultaneously, not least in the military, particularly in the air force squadron at that time responsible for VIP flights. Of course, seeking out irregularities was just one aspect to this work. There was also the overriding aim of making sure that the security systems were changed with due urgency, in order to prevent similar disasters from ever taking place in the future.

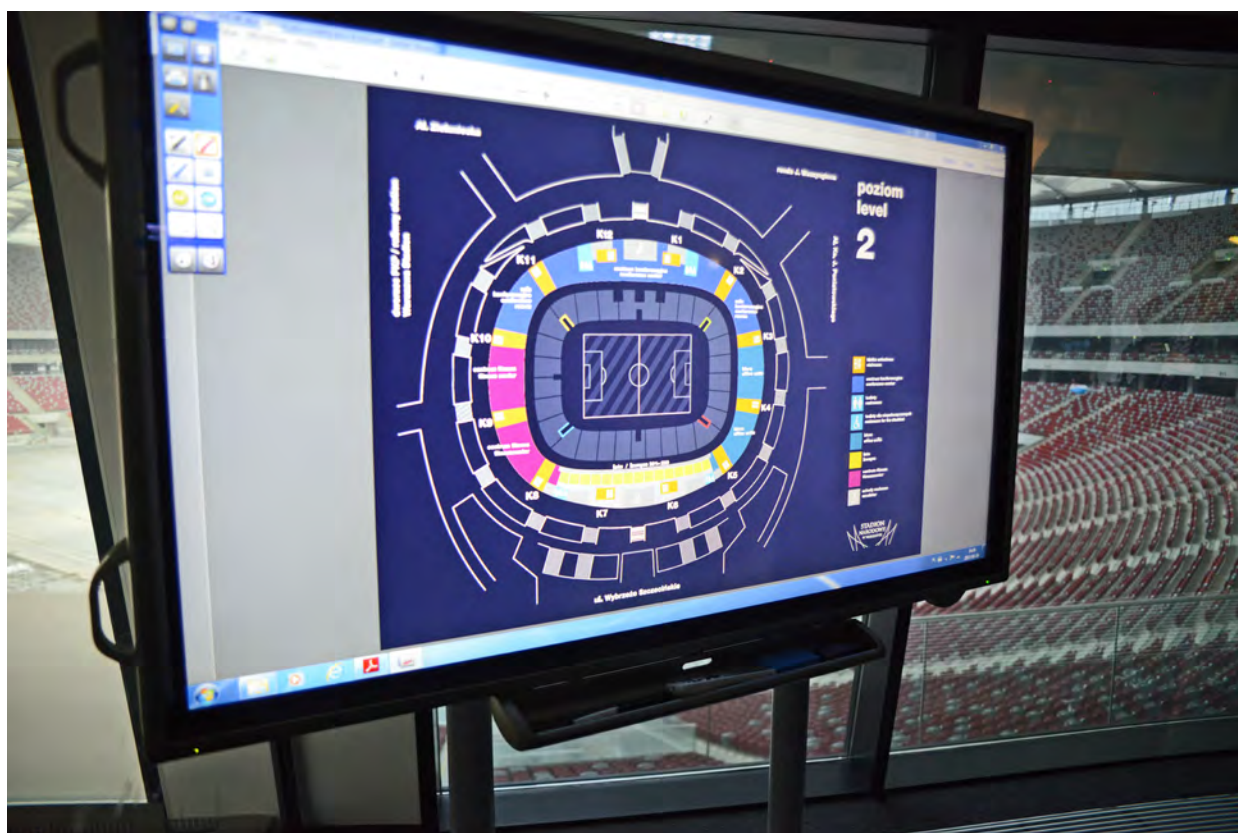
The Department of Public Order and Internal Security, audits, among others, the Internal Security Agency, the Central Anti-Corruption Bureau, the Police, Border Guard and Fire Brigade Headquarters, the Ministries of Internal Affairs and of Justice, and the Office of the Prosecutor-General. Our task in each case is to check, if the activities these services engage in coincide with the goal of the effective functioning of the state. Audits of the institutions responsible for internal security are in fact particularly focused on the extent to which the ordinary citizen is being served as he or she should be. It is also important that the NIK audits not merely the ways in which the different institutions prepare for threats that may arise, but also to what extent they are working to prevent crisis situations from taking place in the first place. Preventative measures are still being neglected in Poland, and NIK is striving to ensure that they be strengthened, all the more so since they are of cardinal importance to a sense of safety and wellbeing.

The security of citizens, especially children, was our aim, when we audited the drug prevention system in schools. The audit showed that the effectiveness of prevention activities is fairly low. It is caused by the fact that the headmasters underestimated the

importance of the problem or they were afraid that their school's opinion and image may suffer. The prevention programmes for schools were often too general or prepared without a proper diagnosis of the problem. The effective and reliable prevention methods included in the European and domestic prevention programme databases were used very rarely. What constituted another significant problem were the teachers. In about 1/3 of schools the teachers were not prepared to take up any activities connected with the drug prevention system.

When we audited the informatization process in the Police organisational units we wanted to check how effectively the state acts in this scope and how to improve the quality of services provided to the citizens by the Police. In the course of the audit we found out that the funds used for the informatization of the Police were spent, without proper preparation and not effectively. The audit also revealed breaches of law concerning the protection of citizens' personal data.

During the audit of collecting and processing of the citizens' telecommunication data by intelligence services and other entitled entities we focused on the protection of citizens' rights and liberties. The audit showed that the current regulations do not protect citizens' laws and liberties against excessive interference of the state sufficiently enough. The intelligence services have a very wide access to the citizens' data and they use it very often, without well-based reasons. There is no supervision over the data collecting process and the data that is no more useful is not disposed of. Furthermore, the reporting mechanisms do not provide reliable information on the scale on which the telecommunications data is used by the state bodies. The audit recommendations convinced the Polish Sejm to commence activities in order to amend the regulations in force. ■





Contributing to the development of state infrastructure



Stanisław Jarosz
Director
Department
of Budget
and Finance
(former Director
of Department
of Infrastructure)

Before Euro 2012 a lot of road constructions began, new stadiums were being built, there were also new investments on rail and at the airports. I assume that the Department of Infrastructure has many subjects to audit?

Infrastructure is a very wide area. Our department audited subjects connected i. a. with the road and rail investments, security of the road transport, development of seaports and the security of civil aviation, but also housing, land planning and municipal infrastructure.

How does NIK assess the situation of the Polish rail?

Having audited the infrastructural investments of PKP PLK SA, a company of the Polish Rail Group, NIK assessed that the rail infrastructure manager carried out tasks unpunctually and unreliably. NIK critically evaluated the organisational and institutional preparations of the Polish Railways (PKP SA) to the effective use of the EU aid funds. We may lose part of the EU subsidies and will therefore have to finance the commenced investments from the state budget, if PKP PLK does not start to use the subsidies in a more effective way.

Are there similar threats in the case of road investments?

There is, in our opinion, fortunately no risk that we may lose EU funds for road investments. The General Directorate of National Roads and Motorways (GDDKiA) achieves impressive results in the effective use of EU funds.

Were the road investments carried out properly?

Unfortunately not all of them. NIK has objections concerning the construction of the express road S2 in Warsaw, in terms of planning and keeping to a schedule. We are also critical against the construction of Poznań's western bypass, which is part of the S11 road. Despite the indicated irregularities, NIK positively assess the construction of Opoczno's bypass.

NIK established that the organised tenders were often settled in favour of the bidder, who offered lower prices. Due to a significant competition on the market, in some cases the bidders offered prices cheaper than the actual construction costs.

How can we prevent such threats?

Indeed, settling tenders in favour of the bidder who offers the lowest price, especially when it strikingly differs from the market price, posed a serious threat. The ordering party did not check whether the offered price is strikingly low. Some of the tenders were won by contractors who were not later able to carry out the construction on the established conditions. Therefore, NIK proposed to change the Public Procurement Law and include the definition of "strikingly low price" and to prepare a new management model of projects implemented by GDDKiA, which would improve the investment process, at the same time taking into consideration both the investor and the contractors. It is essential to introduce a transparent mechanism that would allow to exclude such companies from the tenders, which do not have enough financial resources and do not conduct their business activity in a reasonable way. The role of the contract engineer should be more significant. The engineer should act as a mediator between investor and contractor. This would help to avoid costly, long-lasting disputes in court, by means of understanding between the parties. ■





How to become an auditor?

Work at NIK

NIK offers interesting employment in an institution that enjoys considerable renown with the Polish public. But to work for NIK also means to serve the state and the society. Being aware of its mission to the state, NIK uses best efforts to make sure, that its employees comply with the highest required standards. It is particularly important, when you take into consideration the tens of applicants regularly contesting for a single auditor vacancy.

Therefore, the employees that are being recruited to NIK should prove above average knowledge and abilities, but also have proper education and professional experience. Candidates are to be Polish citizens, with higher education (especially in legal or economic fields), have professional experience in public administration or an NGO and have a clean record as certified as far as criminal activity is concerned. The knowledge of a foreign language is also most welcome or sometimes even necessary. The recruitment process in NIK is thoroughly planned, so as to make sure, that it will result in the employment of a competent, capable and committed staff.

Recruitment to NIK

The recruitment for auditor posts is conducted as an open and competitive recruitment procedure, on the basis of a public announcement. The announcement includes information on new job positions together with their descriptions, the requirements for candidates applying for a specific post, the way in which to submit the applications and finally the submission deadline.

State auditors

The Law on NIK requires newly employed auditors to complete within three years NIK's internal introductory hands-on-the-job auditing course and to pass the final exams. Only then can the NIK President nominate them as state auditors. Nominated NIK auditors form a special corps of public servants and their independence is protected by law, e.g. auditors may be held criminally liable in connection with their official duties only upon prior consent of the NIK Council.

Code of conduct

State auditors' conduct should set an example for other public servants. Exemplary conduct on and off duty is one of their duties defined in the Law on NIK and the detailed Code of Conduct is part of NIK's Auditor's Manual. Auditors may not be members of political parties and may not be elected MPs, senators or members of local government councils or assemblies. Every year they have to declare their earnings and assets, and any additional paid employment requires the NIK President's prior consent. ■



International activity



**Aleksandra
Kukuła**

**Head
International
Relations Unit**

International Cooperation

NIK has a rich experience in international cooperation with other Supreme Audit Institutions (SAIs) at various levels. This helps it develop its knowledge of auditing standards and good practices as well as to share its experience and achievements with other organisations.

INTOSAI and EUROSAI

NIK is a member of INTOSAI and EUROSAI. Its representatives contribute to the work of various INTOSAI and EUROSAI committees, subcommittees, working groups and task forces.

Since 2010, NIK has been the Chair of the INTOSAI Subcommittee for Internal Control Standards and part of the Steering Committee of the INTOSAI Professional Standards Committee. At the XXI INTOSAI Congress in China in October 2013 NIK was appointed Member of the INTOSAI Governing Board for a term of 6 years, as one of two EUROSAI-region representatives.

NIK held the EUROSAI presidency in the years 2008–2011 and it strongly promoted in the Organisation the concept of strategic planning, which resulted in the preparation of EUROSAI's first ever Strategic Plan. Within this Plan's implementation NIK is currently part of two EUROSAI Goal Teams: Governance and Communication and Knowledge Sharing.

Cooperation with other Supreme Audit Institutions

NIK has also a long bilateral cooperation track record. Bilateral cooperation activities include parallel audits, peer reviews, joint training events, study visits all of which contribute to the exchange of experiences and audit practices.

In the past, NIK took part in peer reviews of the SAIs of Denmark and the Slovak Republic and recently it has been appointed by the Indonesian Parliament as the partner for the peer review of the Audit Board of the Republic of Indonesia in 2014.

Also recently NIK, together with the German Bundesrechnungshof successfully applied to be twinning partners of the Georgian SAI in the twinning project entitled: Institutional Strengthening of the State Audit Office of Georgia. The implementation of the project will start in 2014.

NIK has been for years very active in international parallel audits, carried out parallel by two or more Supreme Audit Institutions from different countries. In 2013 it is involved in 8 parallel audits: done together with the SAIs of e.g. the Czech Republic, Lithuania, Slovakia and Ukraine.

In the years 2012–2013, the NIK launched an ambitious programme of bilateral cooperation with the SAI of Albania and organised a series of bilateral seminars on financial and performance audit for Albanian auditors. Recently, NIK has contributed to the implementation of the World Bank's project designed for strengthening the SAI of Iraq (the project was finished in August 2013).

Audit of international organisations and projects

NIK is the external auditor of the European Organization for Nuclear Research CERN for the years 2013–15. A member of NIK's staff chairs the College of Auditors of ATHENA, the EU mechanism for financing military operations. In the past, NIK auditors were also involved in external audit activity at the OECD and NATO. In the years 2010–2012 NIK conducted the audit of the Multinational Corps Northeast of NATO. Moreover, NIK has long tradition of cooperation with the World Bank, encompassing numerous audits of projects financed and implemented by the World Bank in Poland. ■





External audit of international organisations



**Wiesław
Kurzyca**
Advisor to the
President of NIK
Head of NIK's
Audit Team
at CERN

NIK has been and currently is involved in the audit of international organisations. What are the main reasons of such participation?

For NIK the involvement in such audits is part of Poland's membership commitment to the international audit society and those organisations themselves. Being a member of an international organization and contributing to the fulfilment of its objectives requires to be involved in all aspects of the organisation's functioning, also in external audit activities for them. There are always important reasons for a country to become a member of an international organisation, so it does matter that this organisation performs well, that it is efficient and effective and accountable to their contributors. In my opinion it is quite valuable that Poland shares responsibility for such organisations' accountability and transparency, as well as for their performance.

We are pleased and proud of the fact that NIK is a part of this process and is able to complement in this way Poland's membership in international organisations.

You are the head of NIK's external audit team at the European Organization for Nuclear Research CERN. Previously you served as a member and chairman of the International Board of Auditors for NATO. Do domestic audit activities carried out by NIK in Poland differ from external audit activities done at international organisations?

Underlying philosophy of external audit always remains the same. External auditors provide reasonable assurance for the organisation's financial statements, sometimes they are also expected to carry out performance audits and report on the organisation's effectiveness, efficiency and economy.

At the same time, one has to bear in mind, that each organisation is different and you have to spend some time in order to get to know it, the way it is organised and managed. The same rule applies to audited domestic bodies.

What is significantly different is the work in an international environment, with people from different regional and cultural backgrounds.

International organisations are usually audited subsequently by Supreme Audit Institutions from various member countries. Usually one SAI is appointed as an external auditor for a specific time-period. As a result, over the years international organisations are audited by different external auditors, which is, I think, quite beneficial and enriching for the auditee, as each SAI has slightly different approach, methods and procedures.

This is a mutually beneficial process. For SAIs, the service as an external auditor at international organisations means being confronted with a different administrative culture and regime than that at their home country. In my view, it is a very illuminating enterprise, providing one with new insights and experience. ■



Peer reviews: improving quality through mutual learning



Paweł Banaś
**Advisor to the
 President of NIK**
 Member of the
 INTOSAI CBC
 Subcommittee 3

The aim

Peer reviews may be organised for many different reasons: in order to seek for a more effective strategy, verify procedures, show transparency, improve working tools. Some of the countries are obliged by the law to take part in peer reviews. The institution subject to peer review often awaits a positive opinion. This is of course understandable, however the biggest benefit that a peer review may cause is the preparation of accurate findings that are basis for useful recommendations, both creative and realistic.

Voluntary review conducted by peers

The International Standards of Supreme Audit Institutions ISSAI define peer review as: “a review of an SAI by one or several partner SAIs”. The review is voluntary and depends only on the good will of its participants. The Supreme Audit Offices may participate in peer reviews as they fit into the peer definition provided previously. In practice an exception from this principle may be made for professional bodies of international organisations such as: INTOSAI Development Initiative (IDI) or Support for Improvement in Governance and Management (SIGMA) – joint initiative of the EU and OECD.

NIK

NIK has been particularly active in this domain in the last several years. We took part in peer reviews of the Danish National Audit Office (2007/8) and the Supreme Audit Office of Slovakia (2010). In 2014 we will individually conduct a peer review of the Audit Board of the Republic of Indonesia. NIK itself has already been subject to three peer reviews.

INTOSAI

NIK actively participates in the activities of Subcommittee 3 of the INTOSAI Capacity Building Committee, whose task is to promote best practices and quality assurance through voluntary peer reviews. The subcommittee prepared the draft ISSAI 5600, approved in 2010 during the INTOSAI Congress in Johannesburg. It was the first time when INTOSAI decided to formulate a definition of peer review, specify how it is to be conducted and define its importance.

Having collected first experiences and remarks, Subcommittee 3 is currently working on an updated version of ISSAI 5600. We believe that this useful mechanism will be constantly improved and will gain importance and meaning among organisations that are often asked the question: “Who audits the auditor?”.

Expectations and benefits

According to ISSAI 5600, SAI subject to peer review may count on many benefits, but also has to be ready to meet various expectations. SAI has to confirm that it implements its mission, by applying effective audit tools, increasing quality of management and enhancing the credibility of the SAI vis-à-vis stakeholders. Of course, all this depends on the reviewer and the entity subject to the review.

To learn how to learn

To me the most striking fact during NIK’s latest peer review was that – irrespective of the changes in the way we work and the improvements – we made a significant progress in understanding various audit approaches, that differ from ours. This review was conducted in 2012 by peers from Denmark, Austria, Lithuania and the Netherlands. Multiple traditions of national audit, different meanings of the same terms, difficulty in understanding the requirements of audit environment – all these factors pose and will continue to pose a difficulty for peer reviews. Nevertheless, it is of great importance to be aware of those differences and to try to comprehend them. We should not be afraid to ask ourselves the question: “We have always solved this problem in a completely different way. But is our solution really better?”.

ISSAI and INTOSAI GOV

During the last years NIK has been participating more actively in INTOSAI teams that constitute the Professional Standards Committee (PSC). Since 2011 we’ve been leading the Subcommittee on Internal Control Standards that prepares the Guidance for Good Governance (INTOSAI GOV), which is directed to governments. Furthermore, we increased our involvement in subcommittees that prepare standards and guidance for SAIs (ISSAI). In our opinion, a well prepared ISSAI system will lead to well conducted audits, which will result in the formulation of good guidance for governments.

In search for synergy

Peer review is also a way, yet underestimated, to improve the quality and usefulness of the INTOSAI standards. It is a great opportunity to not only verify, whether the standards are respected by the SAI subject to the review, but also to exchange opinions on topics connected with ISSAI and INTOSAI GOV; to get to know what the SAI really think about their readability, topicality and usefulness. The most problematic issue is for sure the vast range covered by ISSAI, and limited amount of time that can be devoted for peer reviews. The main task for the upcoming years is to prepare proper tools for the reviewing teams and to provide feedback i. a. to the PSC. ■



We are open to the media and society



Paweł Biedziak
NIK Press Officer

NIK's information policy

The Polish Supreme Audit Office (NIK) conducts an open policy towards the citizens and the media. Our Press Office delivers information to the media and enables contact with NIK's management and employees. Furthermore, current and archival materials are published on the website of NIK, as well as in the Public Information Bulletin (BIP). NIK is also active on the social networking sites.

Website

NIK's Internet portal provides an up-to-date access to information on the current activities of NIK. Citizens, deputies, public administration staff, journalists may via the portal get access to the reports on the situation and functioning of the state. Students and pupils may expand their knowledge about NIK's role, its organisation, structure, and history. Internet users share the information obtained via NIK's website more often, thanks to the social networking sites. Our website is our business card directed at the citizens.

The website nik.gov.pl is constantly visited by users. In 2012 there were over 2 million visits to the portal by more than half million users. NIK's profiles on Facebook, Twitter and YouTube are also very popular. Altogether, in 2012 hundreds of users joined them. Additionally we created a Google+ account. All the profiles contain updated information on and notifications about audit results.

In 2012 the Press Office put special emphasis on the promotion of the English language version of the website. All of the most important news that appear on the site are translated, and the information is published in two language versions.

NIK in media

The priority of Press Office is a modern, dynamic broadcasting, that fit the requirements of modern media. Thanks to the strategy of "instant" answer and the fact that NIK's spokesperson and the Press Office are permanently available for the journalists, NIK functions as an open institution, adjusted to the process of changes in the society of information. The Press Office also makes sure that the relation between the institution and society maintains to be a two-side relation and that the presented information is up-to-date. This all enables to show, that the Polish Supreme Audit Office is not only theoretically, but truly an institution close to the citizens.

While presenting audit results the Press Office sends information and press releases mostly to the journalists that specialise in a given field, who have thorough knowledge in the audited areas. Thanks to this strategy more articles on the work of NIK are published. Our information and findings serve as basis for comprehensive publications and materials.

Altogether in 2012, 13 426 materials on NIK were published. Starting from 2009 the number of information on NIK published in the media constantly increases. Over 500 texts concerning NIK's post audit statements were published in three of the most prominent Polish newspapers. It is on average one article per day during the whole year in the opinion forming newspapers.

www.nik.gov.pl

You are most welcome to sign up for our newsletter to stay updated and learn interesting facts about NIK: <https://www.nik.gov.pl/en/newsletter/> ■



Logowanie do portalu

Login
Hasło
Novell

zaloguj

Katalog tematyczny

KontrolNIK

- Metodyka kontroli
- Planowanie kontroli
- Webplot
- Szablony dokumentów kontroli
- Wniosek o upoważnienie do kontroli
- System publikacji kontroli
- Komisje sejmowe
- Uchwały Kolegium NIK i Komisji Rozstrzygającej
- Finansowe rezultaty kontroli
- Archiwum NIK
- Wsparcie informatyczne kontroli (WIK)
- Wzór rozdziałnika do Informacji
- Wykonanie budżetu państwa GUS i CBOS

Aktualności

Poszukiwany administrator systemów

29 października 2013 11:34

Prezes NIK poszukuje, w ramach naboru wewnętrznego, kandydata na stanowisko głównego specjalisty – administratora systemów teleinformatycznych w Biurze Organizacyjnym. Zgłoszenia można przysłać na adres sekretariatu BOE boe@nik.gov.pl do 4 listopada 2013 roku.

więcej >

NIK i NOK Słowacji o bezpieczeństwie turystyki i rekreacji w górach

24 października 2013 09:43 @

17 i 18 października br., w Delegaturze NIK w Krakowie odbyło się spotkanie z przedstawicielami NKU Republiki Słowacji. Izba oraz słowacki NOK, w ramach kontroli równoległej, oceniają jak funkcjonuje system bezpieczeństwa w górach. W spotkaniu obu zespołów – ze strony słowackiej pod przewodnictwem dyrektora generalnego sekcji NKU Petera Kapuscinskiego, ze strony polskiej dyrektor Delegatury NIK w Krakowie Jolanty Stawskiej – udział wzięli wiceprezes NIK Wojciech Misiąg.

Baza teled adresowa

- Książka telefoniczna
- Departamenty, Delegatury i Biura
- Poczta

Uchwały

Kolegium NIK i Komisja Rozstrzygająca

Pocztówka z wakacji

Zagłosuj >>

Nowelizacja ustawy o NIK

najważniejsze zmiany, nowe zarządzenia

NIK's Intranet



Magdalena Czerniak-Kowalska
NIK Intranet
Webmaster

NIK's internal portal is an intranet platform that supports the internal communication in the Polish Supreme Audit Office. According to our statistics, it is clear that every single employee makes use of its contents, on average several times a day. Recently, the subjects of greatest interest have been the election of new President of NIK, the contests for new Directors and NIK's internal policies.

It is our aim that each of our ca 1700 employees – irrespective of whether they are at the head office, a branch office or on the premises of an entity being audited – should have constant access to information. The pages accessible online give readers access to the latest information on their place of work, but also on employee issues, NIK's cooperation with other institutions, and such useful files as computer applications or blank documents.

Our further goal is interactivity. Our employees often inform us about interesting upcoming events worth wide-spreading. Therefore, it is often thanks to the portal that we learn of our colleagues' interests and hobbies, in areas like painting, photography, sport and music. In our opinion the constant, quick access to up-to-date and exhaustive information helps NIK employees to better identify with their workplace. We, the team responsible for Intranet's editorial side, are doing all we can in order to constantly improve the services. ■



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Maximilien Brice/CERN, picture of National Stadium in Warsaw on page 16 – published with the consent of Narodowe
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