

25 April 2008 (Jumaat)

Govt firms that do badly to be closed

SEREMBAN: Non-performing subsidiaries of statutory bodies will be shut down if they do not meet key performance indicators. The same fate awaits projects that are a drain on public funds and of little benefit to the people. But this is the worst case scenario as they would be given a chance to change under a comprehensive review that would be undertaken.

Chief Secretary to the Government Tan Sri Mohd Sidek Hassan said they would be given deadlines to meet their KPIs. However, if they do not meet expectations, internal audit units would step in to review their progress and, if necessary, recommend their closure.

Mohd Sidek said this also applied to government projects which did not show promise of helping the people. "If the project is not meeting targets and is of no benefit to the people, it should be reviewed and, if necessary, stopped. "This way, money is not wasted and can be spent on more viable projects that are beneficial to the people," he said.

He said some subsidiaries of statutory bodies had been in operation for years without turning in a profit. In some instances, they still depend on their parent bodies for financial assistance. Speaking at the opening of a two-day internal audit symposium at the National Audit Academy in Bandar Enstek, near here, Mohd Sidek said internal auditors should have a high level of commitment to ensure a stable and accountable administration with a high level of integrity.

He also launched the new logo for the National Audit Department and a book entitled Tiger Zainal - Reminiscence Of An Auditor written by former auditor, H.P. Zainal Abidin. Also present was Auditor-General Tan Sri Ambrin Buang. He said the government had given due recognition to auditors, both internal and external, to reflect its commitment to integrity and accountability which were integral parts of public service.

"The government has significantly increased the number of auditors in the National Audit Department and internal audit units to assist the government improve the quality of administration at ministry, department and agency levels.

"We have also set up the National Audit Academy to help enhance professionalism among auditors to ensure their effectiveness and prudence in money management," he said. Meanwhile, Ambrin said several such subsidiaries at the federal and state levels were facing financial problems.

"I feel it is the responsibility of the board of directors of statutory bodies concerned to take steps to ensure that the subsidiaries are on track. "If this cannot be done, then it would be better to close down the subsidiary rather than incur unnecessary expenses," he said.

He said an officer of the National Audit Department should sit on the board of federal and state government statutory bodies and subsidiaries at state level like the Menteri Besar Incorporated (MBI). "This way, the auditor could help by contributing his knowledge and expertise towards managing the subsidiary better. This would ensure that the subsidiary did not run into financial problems," he added.

25 April 2008 (Sabtu)

Tiger Zainal's tales of auditing

SEREMBAN: For 35 years, the very mention of H.P. Zainal Abidin's name struck terror in the hearts of government staff whose books were not in order. It's no wonder that the appellation "Tiger Zainal" stuck for the best part of his career with the National Audit Department. Even today, 17 years after retirement, he is still known to old-timers by that nickname. "Tiger Zainal came about as I was a very strict auditor. My family always emphasised the importance of discipline.

"As an auditor, there were few things I was willing to compromise on and in some matters, there was simply no compromise," he said. Zainal remembers cycling from one place to another to audit books in the 1950s when he began his career at the Malacca branch as a clerk. Back then, all he had in his office was a three-legged stool, a table and a fan.

"It was nothing like the air-conditioned offices in Putrajaya today," said the 72-year-old, who retired in 1991 as assistant director. Born on Aug 10, 1936, he joined the China Malay School during the Japanese occupation and left the Malacca High School in 1956 after obtaining the Cambridge Overseas School Certificate.

At the launch of his book *Tiger Zainal - Reminiscence Of An Auditor*, Zainal said he was encouraged by Auditor-General Tan Sri Ambrin Buang to put his experiences to paper. He said an auditor's job was thankless but crucial in ensuring accountability and proper management and disbursement of funds.

Zainal was offered a two-year contract upon his retirement but only worked three months before finally calling it a day. "I wanted to look after my wife, Afifah Zainuddin, 69, who is suffering from osteoporosis," said the father of three. He said auditors these days had access to so much information and knowledge. "During my time, there were limited opportunities for promotions and we had to work long hours. I am happy that although I was very strict, my work was eventually appreciated and recognised."

On mismanagement of funds, he said this was due to lack of monitoring. The problem was prevalent during his times with "one common reason being the head of department was busy playing golf or attending meetings".

26 April 2008 (Sabtu)

Auditor sets up special state units

NILAI: The National Audit Department will establish a special audit sector at the state government level to ensure that local councils and statutory bodies are more transparent and accountable. Auditor-General Tan Sri Ambrin Buang said the sector will hopefully help to improve the public's confidence in the management of public funds.

"At the moment, there are a lot of issues raised regarding the management of public funds, especially at the state and local government level. "With the establishment of the special audit sector, it is hoped that the public's confidence in the management of public funds will be improved," Ambrin said at the closing of an internal audit symposium at the National Audit Academy near here yesterday.

He also said that the department will take follow-up measures, including acquiring the services of experts, to further improve and enhance the management and effectiveness of internal audit in the public sector as well as to improve the integrity of the auditing service in the country.

He said that courses and training will also be organised for internal audit committee members to ensure that they have the necessary skills to undertake their responsibility. "This is needed as there are still weaknesses which could lead to the professionalism and effectiveness of internal audit in the public sector being questioned.

"We will co-operate with the Association of Public Audit Institute to ensure the smooth running of these programmes as the internal audit unit is important to ensure accountability."

He also reminded those involved in internal auditing to continue improving their professionalism to ensure a satisfactory service and enhance the credibility of the department.