



**THE UNITED REPUBLIC OF TANZANIA**

**NATIONAL AUDIT OFFICE**



## **STRATEGIC PLAN 2016/17 – 2020/21**



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## ABBREVIATIONS AND ACRONYMS

<b>AAGs</b>	Assistant Auditor General
<b>ACFE</b>	Association of Certified Fraud Examiner
<b>AFROSAI</b>	African Organization of Supreme Audit Institutions
<b>AFROSAI-E</b>	African Organization of English-Speaking Supreme Audit Institutions
<b>AfDB</b>	African Development Bank
<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>ATCL</b>	Air Tanzania Company Limited
<b>CAG</b>	Controller and Auditor General
<b>CAM</b>	Compliance Audit Manual
<b>CISA</b>	Certified Information Systems Auditor
<b>CPA(T)</b>	Certified Public Accountant of Tanzania
<b>CBOs</b>	Community Based Organizations
<b>CGD</b>	Central Government Division
<b>CSOs</b>	Civil Society Organizations
<b>CSP</b>	Certified Supplies Professional
<b>DAHRM</b>	Director of Administration and Human Resource Management
<b>DAGs</b>	Deputy Auditor General
<b>DFID</b>	Department for International Development
<b>DPs</b>	Development Partners
<b>DPP</b>	Director of Public Prosecution
<b>DCI</b>	Director of Criminal Investigation
<b>EAC</b>	East Africa Community
<b>e-GA</b>	Electronic Government Authority
<b>EPZA</b>	Export Processing Zone Authority
<b>EWURA</b>	Energy and Water Utility Regulatory Authority
<b>FAM</b>	Financial Audit Manual
<b>FBOs</b>	Faith Based Organizations
<b>FYDP</b>	Financial Year Development Plan
<b>GCU</b>	Government Communication Unit
<b>GoT</b>	Government of Tanzania
<b>HIV</b>	Human Immune deficiency Virus
<b>HR</b>	Human Resource
<b>HCMIS</b>	Human Capital Management Information Systems
<b>HQ</b>	Headquarters
<b>ICT</b>	Information and Communication Technology
<b>ICBF</b>	Institutional Capability Building Framework
<b>INTOSAI</b>	International Organization of Supreme Audit Institutions
<b>INTOSAI-PFM</b>	International Organization of Supreme Audit Institutions

	Performance Framework Measurement
IT	Information Technology
LAN	Local Area Network
LGAs	Local Government Authorities
LGD	Local Government Division
LSU	Legal Service Unit
MDAs	Ministries, Departments and Agencies
MKUKUTA	Mpango wa Kukuza Uchumi na Kupunguza Umaskini Tanzania
MTP	Medium Term Plan
MTEF	Medium Term Expenditure Framework
NAOT	National Audit Office of Tanzania
NAD	National Accounts Division
NBAA	National Board of Accountants and Auditors
NDC	National Development Cooperation
NSA	Non - State Actors
OPRAS	Open Performance Review and Appraisal System
PAD	Public Authority Division
PCCB	Prevention and Combating Corruption Bureau
PFMRP	Public Financial Management Reform Programme
PPRA	Public Procurement Regulatory Authority
PO-PSM	President's Office Public Service Management
PLWHA	People Living With HIV/AIDS
PMED	Planning, Monitoring and Evaluation Division
PMU	Procurement Management Unit
PPP	Public Private Partnership
RAM	Regularity Audit Manual
RAS	Regional Administrative Secretariats
QC	Quality Control
QA	Quality Assurance
SADC	Southern Africa Development Community
SACCOS	Small Association Cooperatives Community Organization
SAIs	Supreme Audit Institutions
SIDA	Swedish International Development Cooperation Agency
SNAO	Swedish National Audit Office
SP	Strategic Plan
STACA	Strengthening Tanzania Ant Corruption Action
SDGs,	Sustainable Development Goals
SWOC	Strengths, Weaknesses, Opportunities, and Challenges
TCAA	Tanzania Civil Aviation Authority
TCRA	Tanzania Communication Regulation Authority
TIC	Tanzania Investment Centre

<b>TPA</b>	Tanzania Ports Authority
<b>TNA</b>	Training Needs Assessment
<b>TRA</b>	Tanzania Revenue Authority
<b>TSSU</b>	Technical Support Services Unit
<b>UN</b>	United Nations
<b>UNBOA</b>	United Nations Board of Audit
<b>URT</b>	United Republic of Tanzania
<b>USA</b>	United States of America
<b>VCT</b>	Voluntary Counselling and Testing
<b>WGEA</b>	Working Group on Environmental Audit
<b>WAN</b>	Wide Area Network

## PREFACE

The National Audit Office of Tanzania (NAOT) is the Supreme Audit Institution (SAI) mandated to provide public audit services to all public institutions. Given this mandate, NAOT needs to equip itself with all the necessary requirements in terms of organizational capacity, facilities, and human resources with right attitude, knowledge and skills. Critically important to NAOT are also adequate financial resources and a sound legal framework that enhances its independence.

This Plan is a product of the review of the previous Strategic Plan (2011/12-2015/16) together with other experiences acquired in the course of implementing other commitments related to NAOT mandate. More important, this Plan has been prepared in line with the National Planning Framework that includes Tanzania Development Vision 2025, Five years Development Plan(2015/16 - 2020/21), Medium Term Plan (MTP), Sector Policies and Strategies, Sustainable Development Goals(SDGs), the Ruling Party Election Manifesto, INTOSAI -E and AFROSAI guidelines.

The National Audit Office plays a key role in the Government's overall aim to achieve socio-economic development. Public sector accountability and transparency will be enhanced through the implementation of this five years Strategic Plan (2016/17 -2020/21).

This Plan has set out the Vision, Mission, Core Values and Objectives of NAOT for the next five years, commencing from July, 2016 through June 2021. The focus of the Plan will be to implement the set objective in the public sector audit as core function of the Office together with other supportive objectives related to human resources, legal framework and stakeholders' involvement.

These objectives will be monitored throughout the lifecycle of the Plan by using the key performance indicators as standard measures of our performance. In order to achieve this, we intend to improve organization's capacity to carry out its auditing functions, improve working environment and stakeholders' involvement, improve financial and human resource management, enhance information management systems, and improve supporting services to reduce HIV/AIDS infections and mainstream good governance and accountability issues.

It is my sincere hope and trust that this Plan will receive the necessary support from the Parliament, Government, the public, Development Partners and other stakeholders. Such support is important as we believe that they all have a role to

play in enhancing our performance towards quality and timely service delivery to the public.

To efficiently implement the Plan, I call upon each and every NAOT staff to be focused, transparent, accountable and innovative in carrying out our day to day business and provide quality audit services to the public sector. I wish, therefore, to urge all NAOT staff, management and stakeholders to fully commit themselves to the implementation of the Plan and to periodically monitor and evaluate its implementation, and report on the overall performance for the benefit of the people of the United Republic of Tanzania.

A handwritten signature in black ink, appearing to read 'Mussa J. Assad', with a long horizontal line extending to the right.

Prof. Mussa J. Assad  
**THE CONTROLLER AND AUDITOR GENERAL**



## EXECUTIVE SUMMARY

The National Audit Office of Tanzania (NAOT) is the supreme audit institution in Tanzania. Its mandate is enshrined under Article 143 of the Constitution of the United Republic of Tanzania (URT) of 1977 (revised 2005). Mandates of the Controller and Auditor General (CAG) are stipulated in Section 5 of the Public Audit Act No. 11 of 2008 while functions and powers of CAG are in Sections 10, 11 and 12 of the same Act.

The main function of NAOT is to audit government revenues collection and expenditures as appropriated by the Parliament in order to bring about greater transparency and accountability in the management of public resources.

The Strategic Plan for the period starting from 1<sup>st</sup> July 2016 to 30<sup>th</sup> June 2021 has been prepared from the review of the achievements of the previous Strategic Plan and the constraints encountered in order to propose areas for improvement. The critical issues to be addressed as identified in different analyses have been incorporated as well.

The achievements of the 2011/2012-2015/2016 strategic plan provided the solid building blocks for the current Strategic Plan. The specific achievements include but not limited to: perception survey on the level of corruption within the Office was conducted; development and implementation of competency framework for Auditors; annual publication of the Citizens Report; Elevation of the Office to AFROSAI-E level III; Rehabilitation of KAMATA building in Dar- es- salaam; Acquisition of two Offices at Arusha and Manyara; and construction of six regional Office buildings in Dodoma, Mbeya, Singida, Lindi, Morogoro, Kilimanjaro and Shinyanga; preparation and operationalization of Monitoring and Evaluation Manual; NAOT payroll integrated through LAWSON software to the President's Office - Public Service Management (PO-PSM).

As part of the planning process, NAOT performed critical internal and external self-examination through peer review exercises to identify the way forward. NAOT also conducted situational analysis to determine Strength, Weaknesses, Opportunities and Challenges (SWOC). Furthermore, in this planning process, stakeholders' analysis was conducted.

From the analysis, critical issues were identified which focused on the following areas: capacity to produce audit reports which meet stakeholders' expectations; availability of manuals/guidelines in some specialized audit areas; capacity to manage emerging audits; provisions in laws that weaken independence of the CAG;

Human Resources Management capacity; Office accommodation and working facilities; physical security and access control systems in NAOT buildings; communication with NAOT stakeholders; use of Information and Communication Technology (ICT) in NAOT operations.

Basing on the critical areas above, seven objectives which are below were identified. These objectives are the planning guidelines for the next coming five years, starting from 2016/17 to 2020/21:

- A. HIV and AIDS infections reduced and supportive services improved;
- B. Implementation of the National Anti-corruption Strategy enhanced and corruption incidences reduced;
- C. Public Audit services improved;
- D. CAG independence enhanced;
- E. Human Resources Management capacity and supportive services enhanced;
- F. Working environment improved; and
- G. Communication and Stakeholders' involvement improved.

From the above objectives, the major expected results include: elevation of NAOT to level four (4) of the AFROSAI-E Institutional Capability Building Framework (ICBF) Model, improved public audit service delivery, better understanding and use of NAOT reports by the Parliamentary Oversight Committees, media and citizens, strengthened capacity of the public institutions in accountability and management of resources, improved capacity of NAOT in carrying out its operations, improved working environment, enhanced independence of the Office, reduced spread of HIV and AIDS to the staff, and improved communication with stakeholders, both internally and externally.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background

This Strategic Plan covers a five-year period beginning 1<sup>st</sup> July, 2016 to 30<sup>th</sup> June, 2021. The National Audit Office of Tanzania (NAOT) offers audit services to Ministries, Departments, Agencies, Regions and Local Government Authorities, Public Corporations, Regulatory Bodies, and Public Authorities & Other Bodies. The Office is also responsible for auditing at least 14 United Nations institutions.

Therefore, the Plan aims to improve the delivery of audit services to public organisations which will ultimately improve the management of public resources.

### 1.2. Methodology for developing the Plan

The Plan was developed through participatory workshops which involved top management and senior staff. The preparation of the Strategic Plan was guided by the Planning, Budgeting, Monitoring, Evaluation and Performance Reporting Manual (PBMERM), Vision 2025, Five Year Development Plan II (2016/17 - 2020/21), Ruling Party Election Manifesto, National cross-cutting issues (HIV and AIDS infections reduced and supportive services, National Anti-corruption strategy and Gender Issues). These include reforms such as Public Financial Management Reform Programme IV (2011/12 - 2015/16), and Strategic Development Goals.

The Plan involved undertaking a situational analysis which included the review of the Strategic Plan for the period 2011/12 - 2015/16, stakeholders' analysis, strengths and weaknesses, which are internal to the organisation, as well as identifying opportunities and challenges which are external to NAOT.

The above used methodological considerations led to the identification of critical issues that formed the basis for developing the strategic objectives. The NAOT Management then developed core values, vision, mission, strategies, targets and key performance indicators that formed the Strategic Plan.

### 1.3. Purpose of the Plan

The purpose of this Plan is to create a shared vision of NAOT staff for the aim of improving the delivery of audit services to the public service organisations, which will ultimately improve the management of public resources. The objectives are expected to be achieved in the medium-term, through broad strategies and expected outputs. The Plan integrates the national planning priorities, sectoral

priorities and the areas of improvement for NAOT, hence creating a single coherent plan. Thus, the Plan aims at providing:

- (i) An accurate account of what NAOT is planning to achieve in the next five years;
- (ii) A practical framework for guiding all NAOT's operations; and
- (iii) Guidelines to the financiers who intend to contribute to our efforts towards improving the management of public resources in the country.

#### **1.4. Layout of this Plan**

The following is the layout of the Plan:

**Chapter One** covers background, methodology used for developing the Plan and purpose of the Plan;

**Chapter Two** provides mandates, functions, powers and roles of the Controller and Auditor General (CAG), NAOT's performance review for the period of 2011/12 - 2015/16, stakeholders analysis, recent initiatives for improving performance and critical issues;

**Chapter Three** contains Vision, Mission, Core Values, Strategic Objectives, Strategies, Targets to be achieved at the end of the implementation of this Plan and Key Performance Indicators that will be used to measure the performance of NAOT;

**Chapter Four** covers the development objectives, beneficiaries of the NAOT's services, linkage with **Five Years Development Plan II**, **SDGs**, and **Vision 2025**, result chain and the result framework matrix; and

**Annex 1: Strategic Plan Matrix**

## CHAPTER TWO

### SITUATIONAL ANALYSIS

#### 2.1 Historical Background

Before 2001, the National Audit Office of Tanzania (NAOT) was known as the Exchequer and Audit Department and it was among the Extra Ministerial Departments. The Department was established under Exchequer and Audit Ordinance No. 21 of 1961. The Ordinance was later repealed by the Public Finance Act No. 6 of 2001 that established the present National Audit Office. In 2008, the Public Audit Act No. 11 of 2008 was enacted and repealed the provisions related to the audit mandate in the Public Finance Act No. 6 of 2001.

#### 2.2 Previous Vision

To be a centre of excellence in Public Sector Auditing

#### 2.3 Previous Mission

To provide Efficient Audit Services in order to Enhance Accountability and Value for Money in the collection and use of Public Resource.

#### 2.4 Constitutional Mandates, Functions and Powers of CAG

##### 2.4.1 Mandates of the Controller and Auditor General

The National Audit Office of Tanzania (NAOT) is the Supreme Audit Institution in Tanzania. Its mandate is enshrined under Article 143 of the Constitution of the United Republic of Tanzania (URT) of 1977 (as amended from time to time). The Controller and Auditor General (CAG) is the Head of the National Audit Office of Tanzania and is appointed by the President of the United Republic of Tanzania in accordance with sub section (1) of section 4 of the Public Audit Act No. 11 of 2008.

The Constitutional mandate of the Controller and Auditor General as stipulated under Section 5 of the Public Audit Act is as follows:

- a) To authorize the use of money to be paid out of the Consolidated Fund upon being satisfied that Article 136 of the Constitution of the United Republic of Tanzania of 1977( as amended from time to time) has been complied with;
- b) To ensure the money authorized to be charged on the Consolidated Fund or the money, the use of which is authorized by Law, have been spent for purposes connected and incurred in accordance with authorization; and
- c) To audit and report on the accounts, financial statements and financial management of:

- i. The Ministries, Departments and Agencies (MDAs), Local Government Authorities (LGAs), Public Authorities and Other Bodies, and Donor Funded Projects,
- ii. The Judiciary, and
- iii. The National Assembly.

#### **2.4.2 Functions of the Controller and Auditor General**

The functions of the CAG are clearly stipulated under sections 10 Cap 348 and 290 of the Public Audit Act No. 11 of 2008. Therefore, the Controller and Auditor General has been mandated by law to carry out the following functions:

To examine, inquire into and audit the accounts submitted to him as required under Cap.2 of the Public Audit Act of 2008 and its Regulations of 2009, Local Government Finances Act No. 9 of 1982 and any other written laws and perform any other functions which he is authorized to perform on behalf of the National Assembly; and

To satisfy himself that:

- (a) all accounts have been kept in accordance with Internationally Accepted Accounting Standards;
- (b) all reasonable precautions have been taken to safeguard-
  - (i) The collection of revenue,
  - (ii) The receipt, custody, disposal, issue and proper use of public property, and that the laws, directions and instructions applicable thereto have been duly observed.
- (c) All expenditure of public monies has been properly authorized and applied for the purposes of which they were appropriated and that the laws, directions and instructions applicable thereto have been duly observed and provide an effective check of the assessment and collection of revenue; and
- (d) Economy, efficiency and effectiveness have been achieved in the use of public resources.

#### **2.4.3 Powers of the Controller and Auditor General**

The powers of the CAG are clearly stipulated under sections 11 and 12 Cap. 286 GN 119 of the Public Audit Act No. 11 of 2008. Therefore, when performing the functions and responsibilities vested upon him by law, the Controller and Auditor General may:

- (a) Call upon any Public Officer for any explanation and information which the Controller and Auditor-General may require in order to enable him to perform those functions and responsibilities;
- (b) Summon and examine under oath any person as he may determine in connection with the receipt or expenditure of public monies or the receipt

or issue of any public property affected by the provisions of this Act and in connection with any matter necessary for the proper performance of his functions;

- (c) Authorize any person eligible to be appointed as an auditor as per the requirements of the Accountants and Auditors (Registration) Act, to conduct an inquiry, examination or audit on his behalf and that person or Officer shall report to him;
- (d) Without payment of any fee, cause search to be made in and extracts to be taken from any book, document or record in any public Office;
- (e) Seek the professional opinion or advice of the Attorney-General or any other qualified person on matters of a legal nature or of any qualified person on any accounting, auditing or other matter;
- (f) Accept as correct without further examination, or rely upon, a certificate of any other person as he thinks fit, on the accounts of any other person entrusted with the collection, receipt, custody, control or payment of public monies or public property or with the issue, sale, transfer or delivery of public property;
- (g) Acquire the services of any person who is an expert;
- (h) Use the Public Procurement Regulatory Authority and stock verifier's findings as guidance in reaching conclusions necessary for the performance of his duties; and
- (i) Disallow any expenditure or payment made without due authority of the law.

## **2.5 Performance Review**

Performance review for each of the seven Objective of 2011/12 - 2015/16 Strategic Plan was conducted and the following were the results of the review.

### ***Objective A: HIV and AIDS Infections Reduced and Supportive Services Improved***

The following are the noted achievements made, constraints faced during the implementation of the Plan and the way forward in this particular Objective:

#### **Achievements**

- (i) Awareness programmes and health screening on HIV and AIDS were conducted to 800 NAOT staff during new year event in January 2013;
- (ii) Awareness to members of NAOT workers council and secretariat team on HIV/ AIDS and diabetes;
- (iii) 240,000 condoms were distributed;
- (iv) Voluntary health testing was conducted to 240 staff;
- (v) HIV and AIDS strategy was developed;
- (vi) 200 staff were trained on HIV and AIDS;

- (vii) Continuous care and support services (both financial and medical) to 14 staff living with HIV & AIDS who had revealed their status; and
- (viii) e - learning of staff on HIV and AIDS

### **Constraints**

- (i) Inadequate preventive programmes due to insufficient funding;
- (ii) Inadequate awareness programmes regarding care and support to staff living with HIV/AIDS due to insufficient funding;
- (iii) Inadequate number of Peer Health Educators due to insufficient funding to train them.; Some NAOT Staff fear to undertake Voluntary Counseling and Testing due to lack of series of awareness programmes; and
- (iv) Monitoring and Evaluation programme to analyze the impact of the implementation of HIV/AIDS programme at NAOT was not conducted due to insufficient funding.

### **Way Forward**

- (i) Conduct trainings to NAOT staff on HIV and AIDS;
- (ii) Conduct annual peer education to all staff;
- (iii) Increase the number of peer health educators from the current 120 to 250 due to increased number of staff;
- (iv) Review the implementation of HIV and AIDS strategy;
- (v) Develop annual action plan for HIV and AIDS to ensure its implementation;
- (vi) Strengthen facilitation of Voluntary Counseling and Testing (VCT) services in the awareness programme;
- (vii) Control and manage other diseases to our staff such as blood pressure, diabetes; and
- (viii) Continuous provision of exercise and awareness programmes on life style to all NAOT staff in order to control and manage other diseases such as blood pressure and diabetes, and
- (ix) Continuous provision of care and support services (financial and medical) to the staff who disclosed their health status on HIV and AIDS.

### ***Objective B: Implementation of Anti - Corruption Strategy enhanced and Corruption incidences reduced***

The following are the noted achievements, constraints faced during the implementation of the Plan and the way forward in this particular Objective:



## **Achievements**

- (i) A total of 425 employees were trained on ethics, corruption, fraud prevention and detection ;
- (ii) The salary entry point to audit cadre has been enhanced and raised from SAls D to SAls E;
- (iii) Perception Survey on the level of corruption within NAOT was conducted; and
- (iv) Motivational and incentive mechanism to enhance commitment and integrity were established and enhanced, for instance 'Mfuko wa Kusaidiana', Revolving Fund and SACCOs.

## **Constraints**

- (i) Lack of funds to implement awareness seminars and trainings on ethics, corruption, fraud prevention and detection to all NAOT's staff;
- (ii) Lack of database on the corruption incidence rate at NAOT;
- (iii) Low level of awareness on corruption to non - audit cadre; and
- (iv) Perception from corruption survey observed that there are incidences of corruption among Auditors.

## **Way Forward**

- (i) To solicit funds from different sources for continuous awareness creation seminars and trainings to all staff;
- (ii) To customize specific anti-corruption strategy for NAOT;
- (iii) To create database on the reported corruption incidences on NAOT and take appropriate actions; and
- (iv) To create hotline where corruption incidences can be anonymously reported.

### ***Objective C: Public Audit Services Improved***

The following are the noted achievements, constraints faced during the implementation of the Plan and the way forward in this particular Strategic Objective:

## **Achievements**

### ***a) Financial Audits***

- (i) 754 out of 810 planned Financial audits for LGAs were conducted;
- (ii) 113 out of 125 planned Financial audits for Regional Administrative Secretariats (RAS) were conducted;
- (iii) 315 out of 250 planned Financial audits for Ministerial Accounts were conducted;

- (iv) 101 out of 165 planned Financial audits for Agencies Accounts were conducted;
- (v) 170 out of 165 planned Financial audits for Embassies and East African Community (EAC) Accounts were conducted;
- (vi) 380 out of 350 planned Financial audits of Donors Funded Projects Accounts were conducted;
- (vii) 820 out of 830 planned Financial audits of Public Authorities were conducted;
- (viii) 38 out of 30 planned Financial audits of Treasury were conducted;
- (ix) 5 out of 5 planned CAG's reports on Tanzania Revenue Authority (TRA) were conducted; and
- (x) 64 out of 70 planned United Nations audits were conducted.

***b) Performance and other specialized audits***

- (i) 34 out of 30 planned Performance audits reports were produced;
- (ii) 9 comprehensive Audits for 9 LGAs were conducted;
- (iii) 12 out of 10 planned Forensic audits reports were produced;
- (iv) 14 out of 80 Special audits were conducted;
- (v) 27,000 out of 35,000 pension files were reviewed; and
- (vi) 11 out of 15 planned Pension pre-audit studies were conducted.

***c) Quality Control and Quality Assurance***

- (i) Quality Assurance and Quality Control of 5,829 out of 2045 planned audit reports were conducted;
- (ii) 1 out of 35 Quality Assurance Report on performance and specialized audits was issued; and
- (iii) Self-Assessment on Service delivery was conducted.

***d) Audit Guidelines***

- (i) Performance Audit Manual prepared and operationalized in June 2016;
- (ii) Customs Audit Manual prepared and operationalized in June 2016; and
- (iii) Income Tax Audit Manual prepared and operationalized in June 2016.

***e) Round-table discussions with audited entities***

- (i) 5 round table discussions for Public Authority with Qualified audit opinion were conducted;
- (ii) 1 out of 5 planned round table discussions for Tanzania Revenue Authority (TRA) with Qualified audit opinion was conducted;
- (iii) 2 out of 10 planned round table discussions for MDAs and LGAs with Pension problems were conducted; and

- (iv) 1 out of 5 planned round table discussions with MDAs with qualified opinion was conducted.

**f) Local and International forum**

- (i) 10 out of 40 planned Local Accountability forums for Parliamentary oversight bodies and stakeholders were conducted;
- (ii) 15 out of 25 planned International forums were attended (AFROSAI-E, INTOSAI, WGEA ); and
- (iii) Annual publication of citizen report since 2012/13 conducted.

**Constraints**

- (i) Costing policy (2014) not implemented;
- (ii) 5 out of 5 planned Researches were not conducted due to lack of funds;
- (iii) Forensic audit guidelines were not developed;
- (iv) Only 15 out of 45 International forum were attended due to budgetary constraints;
- (iv) Recommendations of Service Delivery Survey were partly implemented;
- (v) The Client Service Charter not fully operationalized;
- (vi) Real time audit is yet to be introduced; and
- (vii) Inadequate resources, (both human and financial), for coping with high demand from stakeholders to conduct special audits.

**Way Forward**

- (i) Harmonize the costing policy with CAG's constitutional mandate;
- (ii) Solicit funds from various sources such as Government, Development Partners and reform Programmes including Public Financial Management Reform Programme (PFMRP) for researches;
- (iii) Finalize and approve guidelines for conducting Forensic Audit by June 2021;
- (iv) Each department/Units should review the relevant areas which have not been implemented as per the results of the service delivery survey and ensure that Client Service Charter is operationalized;
- (v) Introduce and conduct trainings on Real Time Audit; and
- (vi) Strengthen Financial Audits in order to reduce the number of Special Audits.

## ***Objective D: CAG's Independence Enhanced***

The following are the noted achievements, constraints faced during the implementation of the Plan and the way forward in this particular Strategic Objective:

### **Achievements**

- (i) Establishment of Audit Revenue Fund in July 2014 (Public Audit Act No. 11 of 2008 was amended to that effect);
- (ii) 11 out of 12 Office buildings were constructed in eleven regions<sup>1</sup>; and
- (iii) 400 out of 780 auditors are residing in CAG's own built properties or rented Offices.

### **Constraints**

- (i) Financial independence has been compromised following the enactment of the Budget Act No. 11 of 2015. Section 68 of this Act overrides Section 44 of the Public Audit Act No. 11 of 2008 and actually contravenes CAG's independence. As a result, this will affect NAOT's international rating in the 2018 review
- (ii) Auditors still reside in clients' premises in 14 regions<sup>2</sup>.; and
- (iii) Public Service Act No.8 of 2002 and its Regulations of 2003 in a way limits CAG's Human Resource independence as required by both ISSAIs and Public Audit Act No. 11 of 2008 (Page 6 of Quality Assurance Review Report, 2012). Public Service requirements limit CAG's independence in devising SAI rewarding system for employees.

### **Way Forward**

- (i) Initiate amendments to the Public Audit Act No. 11 of 2008 on the aforementioned areas which impede CAGs' independence;
- (ii) Initiate amendment to section 68 of the Budget Act No. 11 of 2015 to enhance CAG's financial independence. There is a need for more reforms and amendments to the Public Service Act No. 8 of 2002 and its regulations in order to enable CAG to develop SAI compensation (salary) scheme and promote its implementation as per the requirements of the International Standards for Supreme Audit Institutions (ISSAIs).; and
- (iii) Increase Development budget to construct own Office buildings in 14 Regions.

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<sup>1</sup> Lindi, Dodoma, Singida, Kilimanjaro, Shinyanga, Mbeya, Morogoro, Manyara and Arusha (Mara and Rukwa are under construction)

<sup>2</sup> Iringa, Tabora, Mtwara, Tanga, Pwani, Ruvuma, Mwanza, Kigoma, Kagera, Simiyu, Songwe, Katavi, Geita and Njombe

***Objective E: Capacity to carry-out operations enhanced***

The following are the noted achievements, constraints faced during the implementation of the Plan and the way forward in this particular Strategic Objectives:

**Achievements**

***a) Office Equipment***

- (i) 31 desk top computers were procured;
- (ii) 11 scanners were procured;
- (iii) 759 laptops computers were procured;
- (iv) 22 printers were procured;
- (v) 7 Servers were procured and are in use;
- (vi) 13 photocopy machines were procured; and
- (vii) 4 standby generators were procured.

***b) Policies, Strategies, Guidelines and Plans on Human Resources Management***

- (i) Training Need Assessment (TNA) conducted and Training Plan developed;
- (ii) Development Policy and Regulations prepared;
- (iii) Training and Development Strategy developed and implemented;
- (iv) Training Action Plan and Calendar prepared;
- (v) Review of the implementation of the Training Plan conducted;
- (vi) Medium term training plan for the period from 2012/13 to 2016/17 developed;
- (vii) Human Resource Management Policy was prepared and rolled out.
- (viii) Records Management Policy was prepared and rolled out;
- (ix) Records Management Manual was prepared; and
- (x) Gender Policy was prepared.

***c) Organization Structure and Scheme of Services***

- (i) Old organization structure reviewed and the newly approved organization structure was operationalized in January 2016;
- (ii) New Scheme of Service for auditors was prepared;
- (iii) Job description for job categories was prepared in April 2013;
- (iv) Senior positions of Deputy Auditors General (DAGs) and Assistant Auditors General (AAGs) filled in June 2013; and
- (v) New job list prepared in May 2016.

***d) Staff recruitment, promotion and performance evaluation***

- (i) 98 new staff were recruited and confirmed;
- (ii) 244 staff were promoted; and

- (iii) Open Performance Appraisal System (OPRAS) operationalized.

***e) Professional Developments***

- (i) 700 staff were trained in short and long term courses including professional trainings such as Certified Public Accountant of Tanzania i.e. CPA (T), Certified Information System Auditors (CISA), Certified Fraud Examiners (CFE), Certified Supplies Professional (CSP) and Certified Internal Auditors (CIA);
- (ii) 9 staff were attached to other SAs including SAs of Canada, Ghana and USA;
- (iii) 2 staff acquired CISA;
- (iv) 88 staff were awarded CPA(T);
- (v) 73 staff sponsored to pursue undergraduate studies;
- (vi) 49 staff sponsored to pursue postgraduate studies locally;
- (vii) 7 staff were certified by the Association of Certified Fraud Examiner (ACFE); and
- (viii) 4 staff sponsored to pursue postgraduate studies abroad.

***f) Operational Manuals and Guidelines***

- (i) Accounting operational manual prepared;
- (ii) Customs and Excise Revenue Audit Manual prepared in April 2016;
- (iii) Income taxes Revenue Audit Manual prepared in April 2016;
- (iv) Regularity Audit Manual reviewed in January 2014; and
- (v) Monitoring and Evaluation Manual prepared and operationalized in January 2016.

***g) Internal Control Environment***

- (i) 20 out of 20 planned internal audit reports were issued;
- (ii) 10 out of 10 planned regional internal audits conducted and reports submitted to the management;
- (iii) 4 out of 30 planned internal special audits were conducted; and
- (iv) Internal control systems reviewed (Internal financial regulations, fuel utilization, motor vehicles utilization and utilization of Office's equipment).

***h) Strategic planning, Budgeting and Financial Audit Statements***

- (v) Review of implementation of Strategic Plan for the period from 2011/12 to 2015/16 conducted;
- (vi) Personal Emolument budget prepared using LAWSON software that was linked to Human Capital Management Information System (HCMIS) unit in the PO-PSM;

- (vii) NAOT payroll integrated through LAWSON software to the PO-PSM;
- (viii) 5 out of 5 planned sets of Financial statements were prepared and submitted to External Auditor; and
- (ix) 2 out of 3 planned non-core functions, namely security services and sanitation, were outsourced.

***i) Elevation to the AFROSAI-E Levels***

- (i) The Office has been elevated to AFROSAI-E Level Three from Level One (the lowest level).

**Constraints**

- (i) Some of the staff have insufficient entry qualifications for admission in higher learning institutions;
- (ii) Delays in obtaining recruitment permit;
- (iii) Insufficient funds to implement the planned trainings;
- (iv) Overlapping of training programme and audit calendar resulted into having insufficient time for trainings;
- (v) Inadequate database for the trained staff;
- (vi) Inadequate monitoring and evaluation mechanism on planned and conducted trainings;
- (vii) Insufficient framework for sharing knowledge between trained staff and their fellow staff;
- (viii) Delays in procurement processes of goods, works and consultancy services;
- (ix) Non adherence to training plans, budgets and action plan;
- (x) Inadequate strategy to measure the impact on the implementation of the Training;
- (xi) Delays in implementing New Job List;
- (xii) Delays in the implementation of the New Scheme of Service in aspects of new salaries;
- (xiii) Study on staff motivation has not been conducted;
- (xiv) Inadequate dissemination, awareness programmes and seminars to staff on OPRAS;
- (xv) Ineffective Risk Management Policy;
- (xvi) Inadequate awareness of the Accounting Operational Manual among users (staff);
- (xvii) Inadequate Resource Mobilization Strategy;
- (xviii) Insufficient capacity to conduct reviews of the outsourced services to measure the efficiency and effectiveness of services offered by service providers;
- (xix) Delays in the implementation of the new Organization Structure; and

- (xx) Inadequate CAG's autonomy in Financial and Human Resource issues.

### **Way Forward**

- (i) To Review the training programme to match it with the financial position and availability of staff to be trained;
- (ii) To Write more proposals to solicit funds for training;
- (iii) To Develop a database of the trained staff;
- (iv) Review of the existing Training Policy and Strategy;
- (v) Raise awareness to staff regarding training matters through the use of the existing Training Policy, Guidelines, Strategies and Plans;
- (vi) Develop a training and monitoring evaluation mechanism;
- (vii) 60 motor vehicles to be purchased;
- (viii) Develop staff competency framework ;
- (ix) Supervisors to periodically appraise staff performance and identify skill gaps;
- (x) Conduct annual reviews on the training needs assessment and prepare training plan based on the outcomes of the annual reviews;
- (xi) Conduct Training Impact Assessment;
- (xii) Develop a pool of resource persons in order to have internal capacity to train staff within NAOT;
- (xiii) Finalize NAOT staffs' job list approval ;
- (xiv) New Organization structure to be fully implemented;
- (xv) All acting positions to be filled;
- (xvi) Staff motivation study to be conducted;
- (xvii) Conduct OPRAS awareness seminars to staff
- (xviii) Risk Management Policy to be reviewed and operationalized;
- (xix) Developing Resource Mobilization Strategy;
- (xx) Elevating the status of the NAOT from the present AFROSAI-E Level III to Level IV; and
- (xxi) CAG's autonomy in Financial and Human Resource issues has to be addressed and improved.

### ***Objective F: NAOT Working Environment Improved***

The following are the noted achievements made, constraints faced during the implementation of the Plan and the way forward in this particular Strategic Objectives:

### **Achievements**

- (i) Seven out of twelve Office buildings planned to be constructed were constructed in Kilimanjaro, Morogoro, Shinyanga, Dodoma, Lindi, Singida and Mbeya regions;



- (ii) The construction of two regional Office buildings in Mara and Rukwa is on progress;
- (iii) Plots for the construction of three regional Office buildings were acquired in Geita, Mwanza and Mtwara regions;
- (iv) Three Office buildings of Mbeya, Ex-KAMATA in Dar es Salaam and Lindi regions were among the eight renovated Offices on this aspect, the performance rate is 25 per cent.;
- (v) Plot for the construction of the training center at Gezaulole Kigamboni has been acquired, and architectural drawings are already in place. The process for securing title deed is underway;
- (vi) Eleven NAOT Offices in Lindi, Morogoro, Kilimanjaro, Ex-KAMATA, HQ, NHC Samora Offices in Dar es Salaam, Singida, Shinyanga, Njombe, Katavi and Dodoma were retooled;
- (vii) Twenty nine FWD Motor Vehicles out of sixty one targeted were procured as well as one (1) Tri - cycle; and
- (viii) NAOT internal and external services were provided in line with the Office's set arrangements.

### **Constraints**

- (i) Timely availability of adequate resources;
- (ii) Difficult Processes for acquiring building plots, title deeds as well as building permits;
- (iii) Substandard construction of some of the Office buildings;
- (iv) Inadequate funds for renovation of NAOT Office buildings;
- (v) Insufficient funds for the construction of the training centre at Gezaulole - Kigamboni in Dar-es-salaam;
- (vi) Non assurance of funding from financiers; and
- (vii) Insufficient funds for procuring and maintaining Motor Vehicles as planned.

### **Way Forward**

- (i) Completion of construction of the remaining two Office buildings in Mara and Rukwa regions;
- (ii) Construction of seven new Office buildings in Iringa, Mtwara, Mwanza, Geita, Kagera, Coast, and Njombe;
- (iii) Renovation of the NAOT existing Office buildings - HQ building, Arusha, Lindi, Mbeya, and Morogoro;
- (iv) NAOT Retooling plan and financing strategy developed and implemented;
- (v) NAOT transport requirements, maintenances and financing plan developed, implemented and monitored; and

- (vi) NAOT services to be provided in line with demand and availability of funds.

### ***Objective G: Internal and External Communication Improved***

The following are the noted achievements made, constraints faced during the implementation of the Plan and the way forward in this particular Objective:

#### **Achievements**

- (i) The Information and Communication Technology (ICT) policy was reviewed in 2013;
- (ii) Information and Communication Technology (ICT) strategy reviewed and implemented;
- (iii) Draft Information, Education and Communication (IEC) strategy is in place;
- (iv) Installation of Wide Area Network (WAN) to Dar es salaam and 20 Regional Offices and in use;
- (v) Installation of Local Area Network (LAN) in NAOT Offices and it is in use;
- (vi) Intranet, emails system has been developed and it is in use; and
- (vii) CAG's official email has been introduced and is used by NAOT staff to communicate direct to CAG.

#### **Constraints**

The following constraints were encountered:

- (i) Inadequate of financial resources to conduct stakeholder's forum in order to get their comments and views to finalize the Communication Strategy; and
- (ii) Inadequate connectivity in six regional Offices due to financial constraints.

#### **Way Forward**

- (i) Stakeholders forum to be conducted; and
- (ii) Seek financial support to finance the connectivity of the remaining six regional Offices; and
- (iii) Use of IP phones to reduce costs.

## **2.6 Stakeholders Analysis**

NAOT has internal and external stakeholders. It offers services to internal staff as well as to external stakeholders in terms of auditing, consultancy, capacity building, advisory services and information. The internal and external stakeholders need certain services from NAOT and they have expectations in quality levels and

standards of the services to be offered. The list of stakeholders with their respective expected services and expectations are detailed below:

**Table 2.1 Stakeholders Analysis**

S/N	Stakeholders	Information/Services offered	Expectations
1.	General Public	<ul style="list-style-type: none"> <li>• Audit reports</li> <li>• Journals and publications</li> <li>• Citizen reports</li> </ul>	<ul style="list-style-type: none"> <li>• Accurate, timely audit reports, and reliable information, and</li> <li>• User friendly reports</li> </ul>
2.	Ministries, Departments, Executive Agencies, Regions, Local Government Authorities, Public Authorities and other bodies and Political Parties	<ul style="list-style-type: none"> <li>• Audit services (Regularity, Performance, Forensic and Specialized audits)</li> <li>• Consultancy services, and</li> <li>• Pre- audit services on terminal benefits</li> </ul>	<ul style="list-style-type: none"> <li>• High quality professional advice,</li> <li>• Timely and high quality audit reports,</li> <li>• Independent Auditors with high integrity,</li> <li>• Participatory audit process, and</li> <li>• Timely and accurate pre audit of terminal benefits.</li> </ul>
3.	Ministry of Finance and Planning (as financier)	<ul style="list-style-type: none"> <li>• Plans and Budgets</li> <li>• Budget Implementation reports</li> <li>• Approval for the release of funds from consolidated fund</li> </ul>	<ul style="list-style-type: none"> <li>• Quality and realistic plans and budgets</li> <li>• Timely and accurate budget performance reports</li> <li>• Timely approval of funds from the consolidated fund</li> </ul>
4.	President's Office-Public Service Management and Good Governance	<ul style="list-style-type: none"> <li>• Request for recruitment permits, promotions and sanctions of staff</li> <li>• Request for salary increases</li> <li>• Request for staff inter - ministerial transfer</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and realistic request for recruitment permits, promotions and sanctions of staff</li> <li>• Timely payment of recruitment process fees</li> <li>• Proposal adhered to promotion guidelines</li> <li>• Timely and justified reasons for salary increase</li> </ul>
5.	Parliament	<ul style="list-style-type: none"> <li>• Audit reports,</li> <li>• Oversight Committees briefs,</li> <li>• Professional advice,</li> <li>• Capacity building and</li> <li>• Annual Performance report</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and high quality audit reports,</li> <li>• Independent Auditors with high integrity,</li> <li>• Timely and high quality Parliamentary Oversight Committees briefs,</li> <li>• High quality professional advice,</li> <li>• Timely and high quality capacity building programmes, and</li> <li>• Timely and accurate Annual Performance audit report</li> </ul>
6.	Development Partners (PFMRP,	<ul style="list-style-type: none"> <li>• Proposal for funding</li> <li>• Implementation report of</li> </ul>	<ul style="list-style-type: none"> <li>• Well analyzed and justified Project write-ups</li> </ul>

S/N	Stakeholders	Information/Services offered	Expectations
	,AfDB, SNAO GIZ) and International organizations	<ul style="list-style-type: none"> <li>activities</li> <li>Audited accounts and audit reports and</li> <li>NAOT Annual Performance report</li> </ul>	<ul style="list-style-type: none"> <li>Timely implementation adhering to agreement</li> <li>Timely and accurate Project Performance report</li> <li>Accurate and reliable information,</li> <li>Timely and high quality audit reports and</li> <li>Independent Auditors with high integrity</li> </ul>
7.	Non - Governmental Organizations (NGOs), Civil Society Organizations (CSOs), CBOs, FBOs and Special Needs Groups	<ul style="list-style-type: none"> <li>Information,</li> <li>Audit reports,</li> <li>Annual performance report and</li> <li>Citizen reports</li> </ul>	<ul style="list-style-type: none"> <li>Accurate and reliable information,</li> <li>Timely and high quality audit reports,</li> <li>Independent Auditors with high integrity, and</li> <li>Timely and accurate Annual performance report.</li> </ul>
8.	Professional Bodies (Local and International) and Academic Institutions	<ul style="list-style-type: none"> <li>Knowledge sharing,</li> <li>Any relevant information, and</li> <li>Publications and Journals</li> </ul>	<ul style="list-style-type: none"> <li>Accurate and reliable information,</li> <li>Compliance with professional standards, guidelines and regulations, and</li> <li>Relevant knowledge.</li> <li>Acting professionally</li> </ul>
9.	Private Audit Firms, Suppliers and Consultants	<ul style="list-style-type: none"> <li>Audit Quality review,</li> <li>Business opportunities, and</li> <li>NAOT Audit Guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Impartial information on business opportunities,</li> <li>Accurate and reliable information,</li> <li>Clear guidelines and procedures,</li> <li>Timely and high quality audit review,</li> <li>Prompt payments,</li> <li>Transparent and competitive procurement process,</li> <li>Compliance to agreement, and</li> <li>Fair treatment</li> </ul>
10.	Media	<ul style="list-style-type: none"> <li>Audit reports,</li> <li>Capacity building, and</li> <li>Press release</li> </ul>	<ul style="list-style-type: none"> <li>Timely and high quality audit reports,</li> <li>Timely and high quality capacity building Programmes,</li> <li>Timely, accurate and reliable information,</li> </ul>
11.	External Auditors to NAOT	<ul style="list-style-type: none"> <li>Annual performance reports,</li> <li>Financial statements, information and related records, and</li> <li>Audit fees</li> </ul>	<ul style="list-style-type: none"> <li>Timely, accurate and reliable information,</li> <li>Timely and high quality financial statements,</li> <li>Prompt payments</li> <li>High level of cooperation and</li> </ul>

S/N	Stakeholders	Information/Services offered	Expectations
			<ul style="list-style-type: none"> <li>• Access to financial statements, information and related records</li> </ul>
12.	Supreme Audit Institutions and associated Professional Organization	<ul style="list-style-type: none"> <li>• Learning opportunities, and</li> <li>• Sharing of knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• Accurate and reliable information,</li> <li>• Compliance with professional standards, guidelines and regulations,</li> <li>• Independent auditors with high integrity, and</li> <li>• Relevant knowledge.</li> </ul>
13.	Law enforcement organs (DPP, DCI, PCCB, Judiciary etc.)	<ul style="list-style-type: none"> <li>• Audit reports,</li> <li>• Reliable audit evidence, and</li> <li>• Testimonies</li> </ul>	<ul style="list-style-type: none"> <li>• Timely, accurate and reliable audit reports,</li> <li>• Independent auditors with high integrity,</li> <li>• Compliance with professional standards, guidelines and regulations,</li> <li>• Reliable and admissible evidence, and</li> <li>• Authentic testimony.</li> </ul>
14.	NAOT employees	<ul style="list-style-type: none"> <li>• Training and development,</li> <li>• Staff welfare,</li> <li>• Working tools, equipment and facilities,</li> <li>• Information on establishment matters,</li> <li>• Career development and progression,</li> <li>• Scheme of services, Standing Orders and Regulations, and</li> <li>• Counseling, coaching and mentoring.</li> </ul>	<ul style="list-style-type: none"> <li>• Conducive working condition,</li> <li>• Fair treatment,</li> <li>• Job safety, security and satisfaction,</li> <li>• Timely confirmation and promotion,</li> <li>• Attractive package after retirement,</li> <li>• Timely payment of terminal benefits,</li> <li>• Recognition for outstanding performance, and</li> <li>• High quality counseling, coaching and mentoring.</li> </ul>

## 2.7 Strengths, Weaknesses, Opportunities, and Challenges (SWOC) Analysis

The SWOC analysis describes NAOT's strength to take advantage of Weaknesses for intervention, Opportunities to grab and Challenges to address during the period of this Strategic Plan.

**Table 2.2 SWOC Analysis**

AREA	STRENGTH	WEAKNESS	OPPORTUNITY	CHALLENGES
Independence	Existence of CAG in the URT Constitution (1977)	Inadequate own Office accommodation and working facilities for NAOT	Support from Other SAls	Section Of the Budget Act No. 11 of 2015, which overrides PAA 2008 Existence of other

AREA	STRENGTH	WEAKNESS	OPPORTUNITY	CHALLENGES
		Staff		Acts which impair CAG independence
	Establishment of National Audit Office of Tanzania		Only a recognized SAI in Tanzania	Lack of independence in the human resources recruitment, management and rewarding system
			Existence of Political Will in enhancing governance	
Legal Framework	Article 143 of the Constitution of URT (1977) guarantees the independence of the CAG and its officials	Some of the policies, regulation and guidelines are not known by the staff Some of the policies and guidelines have not been updated	Government commitment in enhancing accountability and transparency in the Public sector	Alignment of NAO mandate and its functions with government available resources.
	Existence of Public Audit Act No.11 of 2008 and its Regulations of 2009		Availability of SAI's for benchmarking	
	Existence of operational policies, regulations and guidelines for core and non-core functions			
SAI Reporting (Results)	Existence of a reporting framework	Lack of effective monitoring system on implementation of audit recommendations	Public trust on CAG's work Increased Awareness of the public on the CAG's reports	Limited Dissemination and use of CAG's results
	Timely submission of CAGs' Annual reports		Government acts on CAG's reports seriously	
	Existence of follow up mechanisms		Regular hearings by the Parliamentary Oversight Committees	Audit recommendations take too long to be implemented

AREA	STRENGTH	WEAKNESS	OPPORTUNITY	CHALLENGES
	Acceptability of CAG Audit Reports			The possibility of the CAG Report to be challenged
Audit Standards and Methodology	Existence of operational policies, regulations and guidelines for auditing and supporting services	Inadequate capacity to cope with rapid technological changes	Learning of best practices from other SAs	Frequent changes of international accounting and auditing standards, laws, methodology and technology
	Availability of Auditing standards and manuals	Inadequate dissemination and internalization of policies, regulations and guidelines among staff	Availability of training opportunities within and outside the country	Emerging of new auditing areas such as Oil and Gas, Mining, Environmental, PPP, and E-Government
	Availability of audit documentation software	Lack of resources to capacitate new recruited auditors on the use of new audit standards, methodologies, manuals and audit documentation software	Emerging of ICT to improve NAOT services	Difficulties in obtaining information and data from some of auditees
	Establishment of Quality Assurance Unit	Lack of Office working facilities and equipment		
	Existence of RAM, PAM, Revenue Audit Manuals			
Human resources	Presence of qualified professions such as CPA(T), CSP, CISA, CFE, and CIA	Un updated human resource plan	Opportunities for attachment of staff to other institutions	Existence of HIV pandemic, Diabetic, Blood Pressure and kidney problem

AREA	STRENGTH	WEAKNESS	OPPORTUNITY	CHALLENGES
	Presence of multi-disciplinary staff Such as Auditors, Lawyers, Engineers, Economists, Administrator, and Planners	Lack of placement and rotation strategy	Availability of training opportunities within and outside the country,	Lack of autonomy in HR issues
	Existence of training policy and strategy	Lack of competence of framework,	Existence of emerging ICT to improve NAOT services.	Low remuneration and terminal benefits
	HR Policy, records management policy	Noncompliance to OPRAS requirements	Opportunities of sharing knowledge and experience with other international organization such as AFROSAI-E and INTOSAI	Limited resources for facilitating capacity building and training Programmes
	NAOT Staff regulations	Lack of succession plan, and Skewed spatial distribution of posts.		
	Existence of support to NAOT staff welfare.	Inadequate dissemination and internalization of information about training policy and Programme offered by NAOT		
	Well exposed auditors in the international assignments	Undocumented retention strategy in NAOT		
	Low staff turnover	Lack of awareness on obligation, right and responsibilities of NAOT staff		
Management and Support Structures	Existence of organizational structure	Inadequate follow up mechanism	Restructuring Directive from The PO-PSM offer an opportunity for revision of NAOT organization structure	Inadequate independence for approving organization structure
	Existence of code of ethics for Auditor			



AREA	STRENGTH	WEAKNESS	OPPORTUNITY	CHALLENGES
	<p>and Non Auditors staff (declaration)</p> <p>Well established Financial Guidelines and governance structures such as Audit committees, Tender Board, and Integrity Committee</p>		Existence of INTOSAI and AFROSA-E guidance	
Communication and Stakeholders Management	<p>Existence of participatory audit mechanism with Auditees.</p> <p>Existence of dedicated NAOT Communication Unit.</p>	Inadequate dissemination of information to stakeholders	<p>Existence of ICT Unit</p> <p>Existence of Information sharing between SAls and other stakeholders</p> <p>The newly established Unit provides room for improvement</p>	<p>Inadequate funds</p> <p>Inadequate capacity for communication and stakeholders management</p>
Communication	<p>Existence of goodwill towards our customers</p> <p>Existence of official NAOT Website and Journal</p> <p>Existence of communication policy and strategy</p> <p>Existence of Communication Unit</p>	<p>Client service charter not operational</p> <p>Inadequate capacity to meet stakeholders expectations</p> <p>In effective complaints handling mechanism</p> <p>Inappropriate issuance of audit opinion</p>	<p>Opportunity to expand auditable areas to our customers</p> <p>Existence of knowledgeable customers and citizen who demand accountability in the use of public resources</p> <p>Opportunity to harness ICT in auditing services</p> <p>Opportunity to benchmark audit services with other SAI's</p> <p>Existence of customer care training Programme</p>	<p>Incomplete information provided to NAOT by Auditees</p> <p>Misinterpretation and non-compliance to laws and regulations</p> <p>Fulfilling customers' expectations</p>

AREA	STRENGTH	WEAKNESS	OPPORTUNITY	CHALLENGES
				Inadequate resources to undertake participatory audit mechanism for better audit results
Stakeholders Management	Goodwill of NAOT to engage with our stakeholders	Inadequate communication with our stakeholders	Existence of supportive stakeholders	Dependence of DPs funds to finance our operations
	Timely submission of reports to the parliament	Inappropriate issuance of audit opinions	Existence of strong public trust	Fulfilling stakeholders' expectations
	Timely submission of physical and financial performance reports to development partners		Strong support from the highest political level and government as well	Late or non-release of funds from the Government
	Membership and Participation to international audit associations such as AFROSAI, INTOSAI		Existence of DPs dependence on support	
	Participation in Public awareness Programmes such as Public Service Week, Saba Saba		Existence of cooperative mass media such as TVs, radios, etc.	

## 2.8 Recent Initiatives for Improving Performance

The recent initiatives undertaken by NAOT in improving its performance include the following:

- (i) Introducing Audit of Extractive Industry (mineral, oil and gas);

- (ii) Implementing Comprehensive audit on contract management in three pilot regions (Tanga, Morogoro and Mtwara) and covering three LGAs from each region. Comprehensive audit rolled out in five regions, namely Mbeya, Njombe, Singida, Dodoma and Mwanza covering 15 LGAs;
- (iii) Time Allocation Management System (TAMS) re-introduced;
- (iv) Introduction of Performance Audit Flow;
- (v) Operational efficiency review of nine public entities namely:- Energy and Water Utility Regulatory Authority (EWURA), Air Tanzania Company Limited (ATCL), Tanzania Ports Authority (TPA), Reli Assets Holding Company (RAHCO), Tanzania Investment Centre (TIC), National Development Corporation (NDC), Tanzania Communications Regulatory Authority (TCRA), Tanzania Civil Aviation Authority (TCAA) and Export Processing Zone Authority (EPZA);
- (vi) Conducting round-table discussions with law enforcement organs:- Tanzania Police Force (TPF), Prevention and Combating Corruption Bureau (PCCB) and Director of Public Prosecution (DPP) in order to strengthen the working relationship among them;
- (vii) Introduction of Strengthening Tanzania Anti - Corruption Action (STACA) project funded by DFID to finance capacity building to NAOT and law enforcement organs;
- (viii) Development of Performance Audit Strategy;
- (ix) A new Scheme of Service for auditors was approved by the PO-PSM;
- (x) 3 Workshops for Media, 5 for CSOs, and 4 for Members of Parliament were conducted. The Office also organized 10 study visits for Members of Parliament and CSOs;
- (xi) Citizen report is produced and disseminated annually;
- (xii) Gaining experience and relevant skills through Auditing of UN institutions;
- (xiii) A new Organization structure approved and additional Divisions and Units established i.e. Public Authorities and other bodies division, Specialized Audit, GCU, Legal, Procurement Management Unit (PMU), Human Resource (HR), Parliamentary and International Relations Unit, Quality Assurance Unit, Risk Management Unit, Forensic Audit Unit and Planning Unit upgraded to Planning, Monitoring and Evaluation Division.

## **2.7 Critical Issues**

Performance review of the Strategic Plan has identified the following critical issues which will be addressed in the 2016/17 - 2020/21 Strategic Plan:

- (i) Provisions in laws that impair the independence of the CAG;
- (ii) Human Resource Management capacity;

- (iii) Inadequate Office accommodation and working facilities;
- (iv) Inadequate Stakeholders capacity to use audit reports;
- (v) Lack of manuals in some specialized audit areas;
- (vi) Inadequate communication with NAOT Stakeholders;
- (vii) Inadequate use of ICT in NAOT operations;
- (viii) Inadequate capacity to manage emerging changes and audit areas, such as extractive industry;
- (ix) HIV and AIDS incidences in NAOT;
- (x) Inadequate use of Management Information Systems for decision making;
- (xi) Inadequate Monitoring and Evaluation of plans;
- (xii) Addressing integrity issues of NAOT staff;
- (xiii) Unpredictable and inadequate flow of resources;
- (xiv) Operationalization of the Audit Revenue Fund;
- (xv) Quality Control and Assurance of both Financial and Performance Audits;
- (xvi) Compliance/implementation of INTOSAI Performance Measurement Framework (INTOSAI-PMF); and
- (xvii) Inadequate physical security and access control at NAOT Offices.

## CHAPTER THREE

### THE PLAN

#### 3.1 Vision Statement

“To be a highly regarded Institution that excels in Public Sector Auditing.”

#### 3.2 Mission Statement

“To provide high quality audit services that improves public sector performance, accountability and transparency in the management of public resources.”

#### 3.3 Core Values

##### i. Objectivity

We are an impartial public institution, offering audit services to our clients in an unbiased manner.

##### ii. Excellence

We are professionals providing high quality audit services based on standards and best practices.

##### iii. Integrity

We observe and maintain high standards of ethical behavior, rule of law and a strong sense of purpose.

##### iv. People Focus

We value, respect and recognize interest of our stakeholders.

##### v. Innovation

We are a learning and creative public institution that promotes value added ideas within and outside the institution.

##### vi. Results Oriented

We are an organization that focuses on achievement based on performance targets.

##### vii. Team Work Spirit

We work together as a team, interact professionally, and share knowledge, ideas and experiences.

### **3.4 Objectives**

Seven main objectives are earmarked to be achieved for the period from 2016/17 to 2020/21. Those objectives are:-

#### **3.4.1 Objective A: HIV and AIDS Infections Reduced and Supportive Services Improved**

##### **Objective Rationale**

HIV and AIDS is a national pandemic that has an implication in the supply and demand of human resource and future operations of NAOT as well as the Government. The major effects of the pandemic are reduction of human resource through deaths from HIV and AIDS related cases, low productivity associated with unhealthy staff suffering from diseases associated with HIV and AIDS and loss of man-hours for attending affected members of the family.

The above effects have an impact on the operations of NAOT. The situation necessitates the Office to take initiatives to increase preventive sensitization measures, support to infected staff and strengthening of monitoring and evaluation of HIV AND AIDS interventions.

##### **Strategies**

- (i) Strengthening preventive services;
- (ii) Mobilizing resources for supporting services to staff living with HIV and AIDS; and
- (iii) Strengthening Monitoring and Evaluation of HIV and AIDS initiatives.

##### **Targets**

- (i) 10 HIV and AIDS awareness interventions prepared and implemented by June, 2021;
- (ii) Support services provided to PLWHA by June, 2021;
- (iii) Preventive gears provided to staff by June, 2021 and
- (iv) HIV and AIDS awareness interventions monitored and evaluated annually by June 2021.

##### **Key Performance Indicators**

- (i) HIV and AIDS incidence rate;
- (ii) Percentage of NAOT employees undertake Voluntary Counselling and Testing (VCT) for HIV and AIDS; and
- (iii) Perception of employees on quality of HIV and AIDS programs and support services.

### **3.4.2 Objective B: Implementation of the National Anti-corruption Strategy Enhanced and Corruption Incidences Reduced**

#### **Objective Rationale**

Corruption in public life undermines good governance and economic growth, distorts national development, and retards the general welfare of the citizens, particularly the poor and the vulnerable in the society. Corruption incidences in the NAOT make some implications in the service offered to the public and distort the image of the Office and the integrity of staff.

Considering these ill effects, NAOT maintains a zero tolerance on all acts of corruption, petty or grand, in the use of public resources and will therefore create public awareness and engage all stakeholders in preventing and combating corruption.

In addressing the implementation of the National Anti-corruption Strategy, NAOT has planned to promote the actions that focus on preventing and combating corruption.

#### **Strategies**

- (i) Strengthen implementation and monitoring of institutional anti-Corruption strategy and action plan; and
- (ii) Strengthen Ethics Committee within the Office.

#### **Targets**

- (i) Institutional anti-corruption strategy reviewed, implemented, and monitored by June, 2021;
- (ii) 5 Ethics awareness creation programs developed and implemented by June, 2021;
- (iii) 20 Ethics Committees' meetings facilitated by June 2021; and
- (iv) Study on the perception of the public on the level of corruption at NAOT conducted by June, 2021.

#### **Key Performance Indicators**

- (i) Corruption incidences rate; and
- (ii) Public perception on NAOT level of corruption as a zero corruption tolerant institution.

### 3.4.3 Objective C: Public Audit Services Improved

#### Objective Rationale

By virtue of the Article 143 of the Constitution of United Republic of Tanzania, CAG is required to audit and form opinion regarding transparency and accountability of public resources in all Government Ministries, Local Government Authorities, Public Authorities, Agencies, Development Projects and other undertakings. In fulfilling this mandate, CAG conducts regularity, compliance, performance, forensic, investigations and special audits as deemed necessary.

However, NAOT is facing a challenge of insufficient funds allocation and inadequate competency especially in emerging audit areas.

In order to improve service delivery to the public, the focus will be to strengthen the participatory audit approach, activation and application of all five modules of Team-mate software and consulting services.

#### Strategies

- (i) Strengthen the capacity to provide audit services to the public sector;
- (ii) Strengthen Quality Control and Quality Assurance of the audit process;
- (iii) Strengthen synergies with National and International stakeholders;
- (iv) Strengthen monitoring and evaluation of the planned activities; and
- (v) Strengthen audit team management and skills by June 2021.

#### Targets

##### *a) Financial Audits*

- (i) 905 financial audits for LGAs conducted by June 2021;
- (ii) 130 financial audits for RAS conducted by June 2021;
- (iii) 270 financial audits for ministerial accounts conducted by June 2021;
- (iv) 165 financial audits of Agencies accounts conducted by June 2021;
- (v) 170 financial audits of Embassies and EAC Accounts conducted by June 2021;
- (vi) 799 financial audits of Donors Funded Projects Accounts conducted by June 2021;
- (vii) 960 Public Authority financial audits conducted by June 2021;
- (viii) 45 financial audits for Treasury conducted by June 2021; and
- (ix) 10 financial audits for TRA conducted by June 2021.

##### *b) Performance and Specialized Audits*

- (i) 50 Performance audits conducted by June 2021;



- (ii) 10 Real Time audits conducted in the construction sector in MDAs and reports in place by June 2021;
- (iii) 15 Extractive industries audits conducted by June 2021;
- (iv) 35 Forensic and specialized audits conducted and reports in place by June, 2021;
- (v) 125 Special audits conducted and reports timely submitted to respective authorities by June 2021;
- (vi) 37 United Nations (UN) and International Assembly audits conducted and submitted to UNBoA by June 2021;
- (vii) 35,000 Pension files pre-audited, approved and submitted to Treasury for payment by June 2021;
- (viii) 15 Pension pre-audit studies conducted and report in place by June 2021; and
- (ix) 10 Information Technology (IT) audits conducted by June 2021.

**c) *Quality Control and Quality Assurance***

- (i) 25 CAG's Annual General Audit reports prepared and reviewed by June, 2021;
- (ii) 1 Quality Assurance report prepared by June, 2021; and
- (iii) Quality Assurance and Quality Control of 5,829 audit reports conducted by June, 2021.

**d) *Audit Guidelines***

- (i) Guidelines for conducting Forensic audits developed and implemented by June 2021;
- (ii) Guidelines for conducting performance audits on Public Private Partnership (PPP) projects, Public Debt, Extractive Industries and Construction Project developed and implemented by June, 2021;
- (iii) Quality Assurance manual and guidelines developed and operationalized by June, 2021;
- (iv) Guidelines for conducting BOT audit developed and operationalized by June, 2021;
- (v) Guidelines for conducting Government Budget, Payroll systems and Pension audits developed and implemented by June, 2021;
- (vi) Revenue manuals updated by June, 2021;
- (vii) Quality Assurance capacity building strategy developed and implemented by June, 2021;
- (viii) NAOT Regularity Audit Manual reviewed, updated to Financial Audit Manual (FAM) and Compliance Audit Manual (CAM) by June 2021;
- (ix) TeamMate, FAM and CAM support provided to Auditors and reports prepared by June 2021; and

- (x) Information Technology (IT) audit manual and guidelines developed and implemented by June 2021.

**e) Professional Developments**

- (i) Competency Framework Model for Auditors developed and implemented by June, 2021;
- (ii) Training Center for Auditors constructed by June, 2021; and
- (iii) Professional development and training in relevant audit disciplines conducted by June, 2021.

**f) Researches and studies on various audit areas**

- (i) 5 researches on the audit methodologies conducted and reports in place by June, 2021;
- (ii) 2 researches on the costing of audit activities manual and guidelines developed and implemented by June, 2021;
- (iii) 5 consultancies on various audit areas conducted by June 2021;
- (iv) 2 Service Delivery Surveys conducted and reports submitted by June, 2021
- (v) 1 Institutional Self-Assessment conducted by June, 2021;
- (vi) Client Service Charter reviewed and operationalized by June, 2021;
- (vii) 5 teammate modules operationalized by June, 2021; and
- (viii) A review of value benefits of the CAG's audits conducted by June, 2021.

**Key Performance Indicators**

- (i) Percentage of CAGs' audit recommendations implemented by audited entities;
- (ii) Perception of stakeholders on the quality of audit services rendered;
- (iii) Percentage of audit opinion issued;
- (iv) Savings out of audit recommendations.

**3.4.4 Objective D: CAG's Independence Enhanced**

**Objective Rationale**

The Independence of the Office of the CAG in terms of Legal, Human Resource, Finance and Office Accommodation is a major pre - requisite in the promotion of accountability in the management of public resources. This independence is enhanced by the mandate given under Article 143 of the Constitution of the United Republic of Tanzania of 1977 (Revised 2005) and the Public Audit Act No. 11 of 2008. However, this independence is likely to be jeopardized due to the following:

- (i) Inadequate resources both financial and human;
- (ii) Lack of CAG's autonomy in the Human Resource acquisition and promotion;
- (iii) Conflicting provisions in Laws that impede the CAG's Independence; and
- (iv) Outdated sections in the Public Audit Act No. 11 of 2008.

### **Strategies**

- (i) Assess relevant laws as per the standards set by the International Organization of Supreme Audit Institutions (INTOSAI) and UN Declarations; and
- (ii) Review and propose amendments of all conflicting provisions in laws that impede CAG independence.

### **Targets**

- (i) Existing organization structure reviewed and operationalized by June 2021;
- (ii) Resource mobilization strategy, developed, implemented and monitored by June 2021;
- (iii) Provisions in laws that impede CAGs' independence reviewed by June, 2021;
- (iv) Auditors residing in auditees' premises reduced by 80 percent by June, 2021;
- (v) Plans and budgets prepared and implemented by June, 2021; and
- (vi) Audit Revenue Fund operationalized by June, 2021.

### **Key Performance Indicators**

- (i) Stakeholders' perception on CAG independence;
- (ii) Level of NAOT elevation to AFROSAI-E Institutional Capacity Building Framework (ICBF) model;
- (iii) Level of compliance with ISSAIs 10 - Mexico Declaration.

## **3.4.5 Objective E: Human Resources Management Capacity and Supportive Services Enhanced**

### **Objective Rationale**

It is clear that, an organization cannot build a good team of working professionals without good human resources. The major human resource management functions include: Recruiting qualified and competent personnel; Training; Performance appraisal; Motivating employees; Workplace communication; and Workplace safety.

The Office of the CAG is however facing a challenge in the areas of Risk Management, Inadequate Monitoring and Evaluation System, Inadequate ICT infrastructures and inadequate number of staff with multi - skills.

### **Strategies**

- (i) Strengthen Human Resource Management and Training Program;
- (ii) Enhance capacity to NAOT staff on various areas;
- (iii) Enhance Public Private Partnership (PPP) in the provision of corporate services;
- (iv) Enhance ICT Infrastructure;
- (v) Strengthen strategic planning, monitoring, evaluation and reporting framework; and
- (vi) Strengthen working tools (guidelines, manuals and policies).

### **Targets**

- (i) 150 qualified and competent staff employed by June, 2021;
- (ii) HR Management plan prepared and implemented by June, 2021;
- (iii) 26 non - core services outsourced and monitored by June, 2021;
- (iv) Accounting Operational Manual reviewed by June 2021;
- (v) Monitoring and Evaluation Manual operationalized by June, 2021;
- (vi) Medium term training and development plan reviewed by 2021;
- (vii) Risk Management Policy reviewed by June 2021;
- (viii) Strategic plan reviewed by June 2021;and
- (ix) Retention strategy prepared and implemented by June, 2021.

### **Key Performance Indicators**

- (i) Stakeholders' perception on the quality of services rendered; and
- (ii) Staff turnover rate.

## **3.4.6 Objective F: Working Environment Improved**

### **Objective Rationale**

Working environment in this perspective refers to availability of Office accommodation, equipment's, transport facilities, ICT working tools and facilities which contributes to the staff performance towards realization of organizational goal.

However, NAOT is facing a challenge of insufficient working facilities such as laptops, printers, scanners, digital cameras, in adequate ICT Infrastructures,

inadequate M/Vehicles, Inadequate Office furniture and auditors residing in Auditees premises.

In addressing the challenges at hand NAOT intends to improve the working environment by undertaking various interventions including mobilizing resources for construction of own additional Office buildings in 10 regions to accommodate its Auditors, renovation of 6 regional Office buildings.

### **Strategies**

- (i) Strengthen capacity to mobilize resources for creating conducive working environment; and
- (ii) Strengthen ICT Infrastructures and systems.

### **Targets**

- (i) 10 Office buildings constructed and furnished in Kagera, Rukwa, Mara, Iringa, Mtwara, Coast, Njombe, Tanga, Geita and Mwanza regions by June 2021;
- (ii) 5 regional Offices retooled in Dodoma, Arusha, Mbeya, Mwanza and Geita by June 2021;
- (iii) 6 Office buildings of HQ building in Dar es Salaam, Arusha, Lindi, Mbeya, Morogoro and Singida renovated by June, 2021;
- (iv) 60 Motor vehicles acquired and maintained by June, 2021;
- (v) 600 laptops and other ICT working tools acquired and maintained by June, 2021; and
- (vi) Information and Communication Technology (ICT) infrastructures improved by June, 2021

### **Key Performance Indicators**

- (i) Percentage of Auditors accommodated in NAOT own buildings;
- (ii) Percentage of staff provided with working tools; and
- (iii) Employee satisfaction level.

## **3.4.7 Objective G: Communication and Stakeholders' Involvement Improved**

### **Objective Rationale**

Effective communication and stakeholders involvement enables the Organization to prepare better plans and more informed policies, projects, programs and service delivery that adds value to the Shareholders.

The objective details the communication strategy and better practices that embrace the organization at large. However, NAOT is facing the following challenges: inadequate communication with NAOT Stakeholders, inadequate use of ICT in NAOT operations, and inadequate capacity of the Parliamentary Oversight Committees to use audit reports.

### **Strategies**

- (i) Enhance and improve information and communication systems;
- (ii) Improve and operationalize communication strategy; and
- (iii) Strengthen the use of ICT.

### **Targets**

- (i) Communication strategy operationalized and reviewed by June 2021;
- (ii) Communication Policy reviewed by June 2021;
- (iii) 9 Regional Offices connected with Wide Area Network (WAN) by June 2021;
- (iv) Educative programmes performed to Media, CSOs, and Citizens by June 2021;
- (v) 10 Citizens reports and 25 CAG's Annual General Audit Reports published and disseminated by 2021;
- (vi) Website and Intranet updated and maintained by June 2021;
- (vii) 10 joint forums with prosecuting and investigating agencies enhanced by June 2021;
- (viii) 15 Local Accountability forums for Parliamentary Oversight Committees and other stakeholders conducted by June 2021; and
- (ix) 45 International forums organized by INTOSAI, INTOSAI-Working Groups, AFROSAI, AFROSAI-E and other international professional bodies attended by June 2021.

### **Key Performance Indicators**

- (i) Level of staff compliance with communication policy and strategy;
- (ii) Level of stakeholders' awareness on services delivery;
- (iii) Percentage use of Management Information Systems generated reports for decision making; and
- (iv) Level of accessibility of citizens' reports and CAG's Annual General Audit Reports.

## CHAPTER FOUR

### RESULTS FRAMEWORK

#### 4.1. Introduction

This chapter shows how the results envisaged in this Strategic Plan will be measured as well as the benefits that will be accrued to NAOT staff and other stakeholders. The chapter also shows how various interventions are to be undertaken during the five years of the Strategic planning cycle will lead to achievement of the Development Objective, how the interventions will be monitored, what kind of reviews will be done over the period and what type of evidence based evaluation studies and analytical work will be undertaken.

#### 4.2. The Development Objective

The development objective of NAOT is to qualify in International standards on the provision of audit services to the stakeholders. This represents the highest level of results in the NAOT result chain and will be achieved by improving public audit services, enhancing CAG's Independence, enhancing human resources management capacity and supportive services, improving the working environment, improving communication and stakeholders' involvement, enhancing implementation of the National Anti-corruption strategy and reducing corruption incidences within NAOT and reducing HIV and AIDS infections and improving supportive services. Achievement of the above high level result will also depend on the contribution of other players such as; Parliament, Judiciary, Law enforcement organs (DPP, Police and PCCB); MDAs, LGAs, Public Bodies, Other Public Authorities, Non-State Actors (NSA) and the Private sectors.

#### 4.3. Beneficiaries of the NAOT Services

There are two levels of beneficiaries of NAOT services. The first level comprises direct beneficiaries of the External audit services namely: -NAOT Staff, Ministries, Regions, Independent Departments, Executive Agencies, Local Government Authorities and Public Authorities.

The second level is the indirect beneficiaries. These include the General public, Development Partners, Non State Actors, INTOSAI, AFROSAI, AFROSAI-E, Independent Consultants, Researchers, Academicians, Training Institutions, Media, Other Supreme Audit Institutions, Law enforcement organs and Parliamentary Oversight Committees. The above beneficiaries use the audit reports to cater for their respective needs.

#### **4.4. Linkage with Vision 2025 and FYDP II**

The results that will be derived from the implementation of seven objectives of this Strategic Plan will contribute to the Tanzania Vision 2025 attributes and FYDP II. This Strategic Plan will contribute to the Good Governance attribute of the VISION 2025. The attribute focuses on upholding the rule of law, ensuring the culture of accountability, combating corruption and other vices, creating performance culture and empowering citizens to make their political leaders and public servants accountable.

This Strategic Plan also contributes to priority area of FYDP II intervention number 3.5.4 where one of its priorities is to prioritize reform that eradicate corruption and ensure good leadership, governance, accountability and transparency.

This Strategic Plan is a result of a detailed analysis of the NAOT's challenges while considering the need to fully implement the Five year strategic plan 2016/17 - 2020/21. The analysis revealed challenges facing NAOT including; inadequate CAG independence, inadequate stakeholders engagement, inadequate compliance with standards and audit methodologies, inadequate human resources management and inadequate organizational management. This document sets out targets to be implemented for a period of five years to resolve the challenges noted and achieve the objective of delivering high quality audit services.

This Strategic Plan aims to keep pace with National Priorities indicated in the National Five Year Development Plan 2016/17 - 2020/21. Among the priorities include; transformation in the industries, building and constructions, infrastructure development and usage of natural resources as stipulated in Para 3.5 (3.5.1 - 3.5.4) Page 42 to 46 of the FYDP II. These priorities require huge investments from the Government and donors, which call for heightened responsibility for the National Audit Office to conduct its oversight role of the public resources and provide assurance on the effectiveness of the government policies and interventions aimed at transforming the lives of citizens. The strategic plan also made reference to Tanzania Development Vision of 2025; Para 1.2.3, 3.2, 4.3 and 5 (iv) and Sustainable Development Goals (17 Goals to transform the world).

#### **4.5. Results Chain**

NAOT's results chain consists of inputs, activities, outputs and outcomes which broadly contribute to attribute 3.5.4 in the FYDP II. The combination of the objectives and targets in the Strategic Plan, activities and inputs in the MTEF form NAOT's results chain. The basic assumption is that, there is causal linkage in the various elements of NAOT's results chain. The inputs i.e. utilization of resources will lead to achievement of the activities, which will contribute to achievement of



outputs. Achievement of outputs will lead to achievement of objectives which will lead to the realization of NAOT's development objectives. Realization of NAOT's development objective in the long term will contribute to the Country's Vision 2025 and in the medium term will contribute to the achievement of FYDP II goals. This chain of results will justify NAOT's use of the tax payer's money through various interventions and thus contribute to the development of the country through improve accountability and transparency on the management of public resources in MDAs, LGAs, Public Bodies and other Public Authorities.

#### **4.6. The Results Framework Matrix**

This matrix contains NAOT's Overall development objective, objective codes, objectives, planned outcomes and outcome indicators. The matrix envisions how the development objective will be achieved and how the results will be measured. The indicators in the matrix will be used to track progress towards achievement of the planned outcomes and objectives. It should be noted that the achievement of NAOT's overall objectives will be contributed by several other players, and may not be solely attributed to the interventions under this Strategic Plan. The results framework matrix is detailed below:

**Table 4.1 Results Framework Matrix**

Development Objectives	Objective Code	Medium Term Objectives	Planned Intermediate/Output	Outcome Indicators
To improve public sector performance, accountability and transparency in the management of public resources in MDAs, LGAs, Public Bodies and other Public Authorities	A	HIV and AIDS Infections Reduced and Supportive Services Improved	<ul style="list-style-type: none"> <li>• Number of staff imparted with HIV/AIDS knowledge</li> <li>• Number of NAOT employees Undertaking Voluntary Counseling and Testing (VCT) for HIV and AIDS and supported</li> </ul>	<ul style="list-style-type: none"> <li>• HIV/AIDS incidence rate reduced from 0.7% to 0.1%</li> <li>• Number of staff disclosed their HIV/AIDS health status.</li> </ul>
	B	Implementation of the National Anti-corruption Strategy Enhanced and Corruption Incidences Reduced	<ul style="list-style-type: none"> <li>• Number of staff understanding and implementing NAOT Anti - corruption strategy</li> <li>• Number of staff who attended ethics awareness creation programs</li> </ul>	<ul style="list-style-type: none"> <li>• Number of corruptions reported; and</li> <li>• Number of employees sanctioned for being involved on corruption practices as NAOT being a zero tolerant institution.</li> </ul>
	C	Public Audit Services Improved	<ul style="list-style-type: none"> <li>• Number of Audit reports produced and timely submitted to the Parliament</li> <li>• Number of audit</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage of CAGs' audit recommendations implemented by audited entities;</li> <li>• Perception of</li> </ul>

Development Objectives	Objective Code	Medium Term Objectives	Planned Intermediate/Output	Outcome Indicators
			guidelines produced and operationalized <ul style="list-style-type: none"> <li>• Quality Control and Quality Assurance Mechanism in place</li> <li>• Number of staff developed to improve audit services</li> </ul>	stakeholders on the quality of audit services rendered; <ul style="list-style-type: none"> <li>• Percentage of audit opinion issued; and</li> <li>• Savings out of audit services/recommendations.</li> </ul>
	D	CAG's Independence Enhanced	<ul style="list-style-type: none"> <li>• Number of conflicting laws and provisions reviewed and enacted</li> <li>• Independent resource base established</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholders' perception on CAG independence;</li> <li>• Level of NAOT elevation to Framework ICBF Model; and</li> <li>• Level of compliance with ISSAIs 10 - Mexico Declaration.</li> </ul>
	E	Human Resources Management Capacity and Supportive Services Enhanced	<ul style="list-style-type: none"> <li>• Number of competent staff employed and retained with gender consideration;</li> <li>• Number of strategies, manuals and guidelines developed, operationalized and</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholders' perception on the quality of NAOT services rendered; and</li> <li>• Staff turnover rate</li> <li>• Number of NAOT plans, budgets and reports in place.</li> </ul>

Development Objectives	Objective Code	Medium Term Objectives	Planned Intermediate/Output	Outcome Indicators
			reviewed. and reviewed	
	F	Working Environment Improved	<ul style="list-style-type: none"> <li>• Number of buildings constructed, furnished ,retooled and renovated/rehabilitated</li> <li>• Number of working facilities acquired and maintained</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage of auditors accommodated in NAOT own buildings;</li> <li>• Employees satisfaction level; and</li> <li>• Percentage of staff provided with working tools.</li> </ul>
	G	Communication and Stakeholders' Involvement Improved	<ul style="list-style-type: none"> <li>• Number of communication guidelines developed and operationalized</li> <li>• Number of educative programs conducted to stakeholders</li> <li>• Number of Offices connected with WAN</li> <li>• Number of staff who attended international forums</li> </ul>	<ul style="list-style-type: none"> <li>• Level of staff compliance with communication policy and strategy;</li> <li>• Level of stakeholder's awareness on NAOT services delivery; and</li> <li>• Level of accessibility of citizens' reports and CAG's Annual General Audit Reports</li> </ul>

#### 4.7 Monitoring, Reviews and Evaluation Plan

This subsection details the Monitoring Plan, Planned Reviews and Evaluation Plan for the period covering the five years strategic planning cycle which is 2016/17 -2020/21.

##### 4.7.1 Monitoring Plan

The Monitoring Plan matrix consist of indicators, indicator description, baseline, indicator targets values, data collection and methods of analysis, indicator reporting frequencies and the Division/Unit responsible for data collection, analysis and reporting. This Plan is comprised of 20 indicators which will be tracked quarterly and reported on an annual basis. The monitoring and evaluation plan is detailed below:

**Table 4.2 Monitoring, Reviews and Evaluation Plan**

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
1.	<b>HIV and AIDS incidence rate</b>  This indicator will be calculated using no. of newly affected staff over Total no. of staff	2015-16	0.004	0.004	0.003	0.002	0.001	0.00	Files from HIV and AIDS focal person	Documentary Review	Quarterly, semi-annually and Annually	Data from HIV and AIDS focal person files	Quarterly, semi-annually and Annually	DAHRM
2.	<b>Number/Percentage of employees undertaking VCT</b>	2015-16	80	80	200	300	400	500	Files from HIV and AIDS focal person	Documentary Review	Quarterly, semi-annually and Annually	Data from HIV and AIDS focal person files	Quarterly, semi-annually and Annually	DAHRM

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
	This indicator will be calculated as a % of employees undertaking VCT for HIV/AIDS over Total no. of staff.													
3.	<p><b>Perception of NAOT employees on PLWHA (discrimination and stigma) and support services</b></p> <p>This indicator will be calculated as the percentage of staff aware of HIV and AIDS Programmes against the total number of respondents.</p>	2015-16	50	50	70	80	90	100	NAOT staff	Questionnaire	Annually	Raw data from the questionnaire	Annually	DAHRM

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
4.	<p><b>Corruption allegation incidences rate.</b></p> <p>This indicator will be calculated as the no. of corruption allegation cases reported over the total no. of staff</p>	2015-16	0.004	0.004	0.003	0.002	0.001	0	NAOT administrative records	Documentary review	Semi-annually and Annually	Data from personal file	Semi-annually and Annually	DAHRM
5.	<p><b>Perception of public on the level of corruption at NAOT</b></p> <p>This indicator will be calculated as a percentage of positive responses on the level of corruption at NAOT over the total No. of Respondents</p>	2015-16	63	63	54	42	33	20	General Public, MDAs, LGAs, Public Authorities	Questionnaire & Interview	Annually	Raw data from questionnaire and interview records	Annually	DAHRM
6.	<b>Percentage of</b>	2015-16												

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
	<p><b>CAGs audit recommendations implemented by auditees</b></p> <p>This indicator will be calculated by the % of audit recommendations implemented over the total no. of recommendations issued yearly</p>		14	14	40	65	75	80	General Public, MDAs, LGAs, Public Authorities	Questionnaire & Interview	Annually	Raw data from documentary review (Audit recommendations data base, MLs, Audit queries and General reports )	Annually	TSSU
7.	<p><b>Perception of stakeholders on the quality of audit services rendered</b></p> <p>This indicator will be calculated as the % of stakeholders who are satisfied with</p>	2015-16	88	88	91	93	95	96	General Public, MDAs, LGAs, Public Authorities	Questionnaire , independent study & Interview	Annually	Study reports	Annually	DPME



S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
	quality of audit service rendered over the total no. of respondents													
8.	<b>Percentage of unqualified opinion</b>  This indicator will be calculated as the % of unqualified opinion	2015-16	86	86	89	91	93	95	CAG report	Documentary review	Annually	CAG Report	Annually	TSSU
9.	<b>Stakeholder's perception on independence of CAG</b>  This indicator will be calculated as the % of stakeholders satisfied with the level of CAG independence over the total no. of respondents.	2015-16	10	10	30	40	50	60	Stakeholders perception survey	Questionnaire , Interviews and study report	After two years	Independent study report	After two years	DPME

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
10.	<p><b>Level of NAOT elevation to ICBF Model</b></p> <p>This indicator will be measured through AFROSAI-E Peer review assessment</p>	2015-16	Level III	Level III	Level III	Level IV	Level IV		AFROSAI-E Peer Review Assessment Review Report	Documentary review and interview	After three years	AFROSAI-E Peer Review Reports	After three years	TSSU
11.	<p><b>Level of compliance with ISSAIs 10 Mexico Declaration</b></p> <p>This indicator will be measured through NAOT independent quality assurance review and assessment of NAOTs' independence respectively</p>	2015-16							Independent study	Documentary Review	Annually	Independent study and documentary review	Annually	LSU

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
12.	<b>Staff turnover rate</b>  This will be measured by the no. of staff resigned over total number of existing staff	2015-16	3	3	2.2	1.7	1.5	1	Staff personal files	Documentary review	Annually	Data from staff personal files	Annually	DAHRM
13.	<b>Percentage of staff accommodate in NAOT own and rented buildings</b>  This will be measured by calculating the no of staff accommodate in NAOT buildings over total number of staff	2015-16	38	38	55	75	85	100	Posting list and Office buildings files	Documentary review	Annually	Data from posting list and Office files	Annually	DAHRM
14.	<b>Percentage of staff provided with working tools</b>  This will be	2015-16	80	80	88	92	94	96	ICT Unit files	Documentary review	Annually	Physical counting	Annually	ICT

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
	estimated by calculating percentage of staff with working tools against total no. of staff													
15.	<p><b>Level of staff compliance with communication policy and strategy</b></p> <p>This will be estimated by calculating the % staff complying to Communication Policy &amp; Strategy against total no of staff</p>	2015-16	25	25	55	70	85	100	NAOT administrative records	Documentary review	Annually	Data from personal file	Annually	GCU
16.	<p><b>Employee satisfaction level</b></p> <p>This indicator will be measured by calculating the % of staff</p>	2015-16	xxx	xxx	40	50	55	65	Survey report	Questionnaire, interview and documentary review	After 2 years	Survey report	After 2 years	DPME

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
	satisfied over the total number of the staff													
17.	<p><b>Level of stakeholder's awareness of NAOT service delivery</b></p> <p>This will be measured by calculating % of the total number of respondents aware of NAOT activities against the total respondents</p>	2015-16	65	65	75	75	85	90	General public, Parliament and Media	Survey study	Annually	Study report	Annually	GCU
18.	<p><b>Percentage use of Management Information Systems generated reports for decision making.</b></p> <p>Calculated as</p>	2015-16	5	5	30	45	65	75	MIS report	Documentary review	Annually	MIS report	Annually	DAHRM

S/N	Indicator and Indicator Description	Baseline		Indicator Target Value					Data Collection and Methods of Analysis				Frequency of Reporting	Responsibility for Data Collection and Analysis
		Date	Value	YR1	YR2	YR3	YR4	YR5	Data source	Data Collection Instrument and Methods	Frequency of Data Collection	Means of Verification		
	a % of MIS report used for decision making													
19.	<p><b>Level of accessibility of Citizen report</b></p> <p>This indicator will be calculated by number of reports issued to the total number of reports required to be issued</p>	2015-16	7500	7500	12,500	17,500	22,500	25,000	Performance report	Documentary review	Annually	Performance reports	Annually	GCU

#### 4.7.2 Planned Reviews

NAOT plans to carry out a total of eight (8) formal reviews during the Strategic Plan Cycle that is four (4) midyear reviews and four (4) annual reviews. The reviews will be tracking progress on implementation of the milestones and targets on a semi-annual and annual basis. A total of **thirty seven** targets will be tracked during the period of five years.

During the second year of the Strategic Plan (2017/18), one annual review will be conducted in June 2018. The review will focus on determining whether the planned activities are moving towards achieving the annual targets and will find out whether they are on track, off track, unknown or at risk. The reviews will be based on a total of thirty seven planned targets. In addition, the reviews will track any changes in terms of outputs realized over the period as well as assessing issues, challenges and lessons learnt over the years and to what extent the outputs delivered are contributing towards achievement of the objectives. The review findings will be used to adjust implementation strategies whenever necessary. The respective Heads of Divisions and units will take lead in the review process.

During the third year (2018/19), fourth year (2019/20) and fifth year (2020/21) six more reviews will be undertaken i.e. two reviews per year. Like in the first year of the plan, the reviews in these years will also focus on performance against planned targets. Whereas during the second year, a total of ten milestones will be assessed; a total of 12 milestones will be due for assessment during the third year (2018/19). In addition, the reviews to be conducted during the fifth year will focus on determining whether the planned outputs over the five year period have been achieved against the indicators, and if not what could have been the reasons for the under achievement. All the five years' outputs and milestones will be reviewed. The review will also assess as the extent to which the achieved targets have contributed towards achievement of the five years' outcomes as well as issues, challenges and lessons learnt over the five years period. The Controller and Auditor General and Heads of Divisions/Units will take the leading role in the review process on the completion of the Strategic Plan cycle.

The specific planned reviews, milestones, timeframes and the responsible Divisions/Units are detailed below:

**Table 4.3: Planned Reviews Matrix**

Years	Planned Reviews	Milestones	Timeframe	Responsible Person
2017-18	Two Reviews per year - (Midyear and Annual reviews)	500 NAOT staff trained on HIV and AIDS	Jan 2017 to July 2018	DAHRM
		100 NAO staff trained on Ethics and National Anti-corruption strategy	Jan.2018 to June 2018	DAHRM
		Study on various laws that impede CAG's independence conducted	Dec. 2018	HEAD LEGAL UNIT
		Audit finalized in 87 MDAs	March. 2018	DAG(CG)
		Financial Statements for 181 LGAs examined	March 2018	DAG(LGA)
		Competence framework model for Auditors developed	April. 2018	DAHRM
		Communication Strategy Operationalized and reviewed	Dec. 2017	Head GCU
		Communication Policy reviewed	Dec 2017	Head GCU
		400 NAOT staff trained in various fields	June 2017	DAHRM
		NAOT Annual Financial Statements in place	September 2017	CA
2018-19	Two reviews per year (Midyear and Annual review)	207 Financial Audits for LGAs and RAS conducted	March 2018	DAG(LGA)
		87 Financial audits for central government conducted	March 2018	DAG (CG)
		70 Financial audits for donor funded projects conducted	March 2018	DAG (CG)
		166 Financial audit for public authorities conducted	March 2018	DAG(PA)
		7 financial audit for treasury and TRA conducted	March 2018	DAG(NA)
		Quality review of 413 financial audit reports conducted	March 2018	TSSU
		2 forensic audit reports in place	June 2018	DAG (PSA)
		5 performance audit reports in place	June 2018	DAG (PSA)
		12 Motor vehicles in place	June 2018	DAHRM
4 internal audit reports prepared	June 2018	CIA		



Years	Planned Reviews	Milestones	Timeframe	Responsible Person
		400 NAOT staff trained in various fields	June 2018	DAHRM
2019-20	Two reviews per year (Midyear and Annual review)	Self-assessment study in place	Oct. 2018	DPU
		Service delivery survey conducted	Oct. 2018	DPU
		5 CAG annual audit general reports prepared	June, 2019	TSSU
		2 Office buildings in place	June, 2019	DAHRM
		Identification of construction contractors for the training centre	June 2019	DAHRM
		400 NAOT staff trained in various fields	June 2019	DAHRM
		4 internal audit reports prepared	June 2019	CIA
		6 local accountability forum conducted	June 2019	TSSU
		4 forensic audit reports in place	June 2019	AAG-Forensic
		Quality review of 826 financial audit reports conducted	June 2019	TSSU
		5 performance audit reports in place	June 2019	DAG (PSA)
2020-21	Two reviews per year (Midyear and Annual review)	8 local accountability forum conducted	June 2021	TSSU
		4 new Office buildings in place	June 2021	DAHRM
		Quality review of 1239 financial audit reports conducted	June 2020	TSSU
		6 forensic audit reports in place	June 2020	DAG (PSA)
		Self-assessment study in place	June 2021	DPME
		Service delivery survey conducted	June 2021	DPME

#### 4.7.3 Evaluation Plan

This Evaluation Plan consists of the evaluation studies to be conducted during the Strategic Planning Cycle, description of each study, the evaluation questions, methodology, timeframe and the responsible Division/Unit. NAOT intends to conduct eight evaluation studies over the period of three years with a total of fifty three evaluation questions. The evaluation studies intend to obtain evidence as to whether the interventions and outputs have led to the achievement of the outcomes as envisioned in the strategic plan outputs.

The Evaluation Plan matrix is detailed in the next page.

**Table 4.4 Evaluation Plan Matrix**

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
1.	Baseline study	<p>This study will collect baseline data for the 20 indicators</p> <p>Perception of NAOT employees on PLWHA (discrimination and stigma) and support services</p> <p>.</p>	<ul style="list-style-type: none"> <li>• What is HIV and AIDS incidence rate?</li> <li>• What is the percentage of employees undertaking VCT for HIV and AIDS?</li> <li>• What is perception of NAOT employees on PLWHA (Discrimination and stigma and support services)?</li> <li>• What is corruption incidences rate?</li> <li>• What has been the perception of public on the level of corruption at NAOT?</li> <li>• What is the percentage of CAGs audit recommendations implemented by audited entities?</li> <li>• What is the perception of stakeholders on the quality of audit services?</li> <li>• What is the percentage of unqualified opinion?</li> </ul>	Surveys	Jan. 2019	DPME

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<ul style="list-style-type: none"> <li>• What is the value added services and other mandatory functions?</li> <li>• What is the stakeholder's perception on the independence of CAG?</li> <li>• Has NAOT been elevated from level III to AFROSAI-E level IV?</li> <li>• What is the level of compliance with ISSAIs 10 Mexico Declaration</li> <li>• What is the number of competent staff employed?</li> <li>• What is the percentage of auditors accommodated in NAOT own buildings?</li> <li>• What is the level of stakeholder's awareness of NAOT service delivery?</li> <li>• What is the NAOT staff turnover rate?</li> </ul>			

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<ul style="list-style-type: none"> <li>• What is the percentage of staff provided with working tools?</li> <li>• What is the level of stakeholder's awareness of NAOT service delivery?</li> <li>• What is the percentage use of Management Information Systems generated reports for decision making?</li> <li>• What is the number of workshops and media programs for CSOs and study tours of POCs members?</li> <li>• What is the number of citizen reports and CAG's Annual General Report?</li> <li>• What is the level of accessibility of the Citizen report?</li> </ul>			
2.	A study on the level of competency of auditors	The study will gather information on the strengths and gaps in terms of knowledge, skills and behaviour of external auditors	<ul style="list-style-type: none"> <li>• What are the expected competences for external auditors at the international level?</li> <li>• What is the competence</li> </ul>	Surveys	March 2020	DAHRM

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<p>level of external auditors at NAOT?</p> <ul style="list-style-type: none"> <li>• What are the strengths and gaps?</li> <li>• What are the required competence levels at developmental and mastery levels?</li> </ul>			
3.	Study on various laws that impede CAGs independence	This study will collect and evaluate all laws that impede the CAGs autonomy from performing his statutory duties	<ul style="list-style-type: none"> <li>• What are the issues that constitute CAGs independence?</li> <li>• What laws impede CAGs independence?</li> <li>• What are the recommendations to address the situation?</li> <li>• What is the perception of staff on the incentives and packages?</li> </ul>	Documentary Reviews	March 2020	H/LEGAL UNIT
4.	Training needs assessment	This study will assess the training needs for NAOT staff	<ul style="list-style-type: none"> <li>• What qualifications are required for each cadre?</li> <li>• What are the current training programs offered?</li> <li>• Are the training programs offered relevant, satisfactory and sufficient?</li> </ul>	Documentary Reviews, Interviews and Questionnaires	November 2017	DAHRM

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<ul style="list-style-type: none"> <li>• What are the identified gaps between training and staff responsibilities?</li> <li>• Are training needs raised from operational level to managerial level?</li> <li>• Does NAOT have effective training program and implement accordingly?</li> <li>• Is there transparency in implementation of TNA?</li> <li>• Is there transparency in terms of trainings with regards to mode of application, procedures and programs involved with NAOT staff?</li> </ul>			
5.	Effectiveness of Quality Control and Assurance	The study will assess the effectiveness of Quality Control and Assurance measures in the management of the NAOT's functions	<ul style="list-style-type: none"> <li>• What are the internal stakeholders' perception on the QC and QA?</li> <li>• What are the external stakeholder's perception on the QC and QA?</li> <li>• Are the divisions and units activities adhering to the required standards?</li> </ul>	Compliance Inspections, Interviews and Questionnaires	February 2018	AAG-TSSU

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<ul style="list-style-type: none"> <li>• Are the divisions and units roles and functions relevant to the current circumstances?</li> <li>• Is the quality improving?</li> <li>• What are the recommendations?</li> <li>• What are the standards and criteria for achieving quality control and assurance?</li> <li>• Are the set standards and criteria known and understandable to all staff?</li> </ul>			
6.	Study on effectiveness of implementation of NAOT Strategic Plan	This study intends to measure the level of achievement of expected outcomes/objectives/results as stipulated in NAOT Strategic Plan quantitatively and qualitatively	<ul style="list-style-type: none"> <li>• Is there a reduction in HIV and AIDS prevalence and incidence rate?</li> <li>• Are the HIV and AIDS supportive services improving?</li> <li>• How effective is the implementation of NACSAP II at NAOT?</li> <li>• Are the measures taken to enhance CAGs autonomy</li> </ul>	This study will be done through surveys	December 2019	DPME



S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<p>effective?</p> <ul style="list-style-type: none"> <li>• Are the external audit services improving?</li> <li>• Are the measures taken to enhance NAOTs capacity to carryout operations effective?</li> <li>• Is the working environment conducive and improving?</li> <li>• Are staffs satisfied with internal communication?</li> <li>• Are external stakeholders satisfied with the level of quality of information and transparency?</li> <li>• Is NAOT performance improving?</li> </ul>			
7.	Service Delivery Survey	The study will assess the level of external stakeholders satisfaction with the quality of services offered	<ul style="list-style-type: none"> <li>• What are the external stakeholders perceptions on the quality of services offered?</li> <li>• Are the service delivery strategies effective?</li> <li>• Are the mechanisms used to</li> </ul>	This study will be done through surveys	December 2019	DPME

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<p>engage NAOT stakeholders effective?</p> <ul style="list-style-type: none"> <li>• What are the gaps in engaging stakeholders in service delivery?</li> <li>• Is the quality of services improving?</li> <li>• What are the areas for improvement?</li> <li>• Is communication to stakeholders done in time on changes, updating?</li> </ul>			
8.	Self-assessment study	The study will assess organization activities and results referenced against best practices in other SAls	<ul style="list-style-type: none"> <li>• How is the capacity of leadership and top management?</li> <li>• What is the management style?</li> <li>• How is the quality of organizational policies and strategies?</li> <li>• How are organizational resources managed?</li> <li>• Are the staffs satisfied with the HR practices?</li> </ul>	This study will be done through surveys	December 2020	DPME

S/N	Evaluation Study	Description	Evaluation Study Questions	Methodology	Timeframe	Responsible Person
			<ul style="list-style-type: none"> <li>• Do employees understand their duties and responsibilities?</li> <li>• Do employees abide to the rules and regulations?</li> <li>• Are the business processes effective?</li> <li>• Is the mechanism for engaging NAOT stakeholders effective?</li> <li>• What are the areas for improvement?</li> <li>• Are there carrier succession plans and job rotation in NAOT for its staff?</li> <li>• Does NAOT implement OPRAS timely and effectively?</li> </ul>			

## 4.8 Reporting Plan

This sub-section details the Reporting Plan which contains both the internal and external reporting plans. The reporting plan is in accordance with the Tanzanian Public Sector statutory requirements of the Medium Term Strategic Planning, Budgeting, Monitoring and Evaluation Manual; INTOSAI, AFROSAI- E and NBAA requirements or as may be required from time to time.

### 4.8.1 Internal Reporting Plan

This plan will involve preparation of various performance reports by each Division, Unit and Section/Zone under NAOT. These reports will be prepared on weekly, monthly, quarterly, semi-annually as well as on annual basis or on demand basis as may be required from time to time. The Reporting Plan is detailed below:

**Table 4.5: Internal Reporting Plan Matrix**

S/N	Type of Report	Internal Recipient	Frequency	Responsible Person
1.	Sections/Zones Progress Reports	DAGs	Weekly	AAGs
2.	Divisions and Units Progress Reports	CAG/AO	Weekly/ Monthly/Quarterly/ Semi -annually /Annually	Heads of Divisions and Units
3.	Quality Review and Assurance Reports	DAG	Annually	AAGs
4.	Quality Review and Assurance Report	CAG	Annually	HTSSU
5.	Designated Committees Reports (recruitment committee, budget committee etc.)	CAG/AO	Weekly/Quarterly/ Semi -annually/ Annually	Committees Chairpersons
6.	Tender Board Reports	AO	Monthly	Secretary of Tender Board

### 4.8.2 External Reporting Plan

This plan will involve preparation of five types of reports namely physical performance reports, financial performance reports, project reports, Annual Audit reports and five years outcome performance report. The reports will be submitted to various external stakeholders including President's Office - State House, The Prime Minister's Office, Ministry of Finance and Planning, The Parliament, Development Partners, PPRA and the General Public. The reports will be prepared

on quarterly, semi - annually and annually or on demand basis from time to time. The reporting plan will be in accordance with the Tanzanian Public sector statutory requirements of the Medium Term Strategic Planning, Budgeting, Monitoring and Evaluation Manual, or INTOSAI, AFROSAI-E and NBAA requirements as may be required from time to time.

**Table 4.6: External Reporting Plan Matrix**

S/N	Type of Report	External Recipient	Frequency	Responsible Person
1.	Procurement Report	PPRA	Monthly	CAG
2.	HR Development Report	Public Service Commission/POPSM	Quarterly	CAG
3.	Project Reports	Development Partners/MoFP	Quarterly	DPME
4.	Performance Reports	PMO /MoFP/ Development Partners	Quarterly	DPME
5.	Mid-Year Review Report	MoFP	Semi Annually	DPME
6.	Annual Report	MoFP	Annually	DPME
7.	Annual Performance Report	PO-SH/PMO/MoFP	Annually	CAG
8.	Final Financial Statements	NAOT External Auditor	Annually	Accounting Officer
9.	CAG Annual Audit General Report	President/Parliament	Annually	CAG
10.	5 Years Outcome Report	PO-SH/PMO/MoFP	5 Year Once	CAG

## 4.9 Relationship between Results Framework, Results Chain, M&E and Reporting Arrangements

### 4.9.1 Level 1-Inputs

The first level of the Results Chain tracks the allocation and use of resources on various planned activities. Resources availability will be reviewed on weekly, fortnightly or monthly basis and will be reported on respective implementation reports. At this level, inputs indicators will focus on the number and quality of human resources available for various tasks, amount of time dedicated to tasks by staff and information flow between various levels. Indicators will also focus on the time spent in resolving problems, quality and timeliness of decisions, staff

timeliness as well as predictability of resource flows and the alignment of resources flow to the activities and outputs.

#### **4.9.2 Level 2 - Activities**

The second level of the Results Chain focuses on realization of planned activities in the MTEF and linkage between activities and targets. At this level, indicators will focus on processes, activities Programming and timeliness of implementation. Activities will be reviewed on weekly, fortnightly or monthly basis and will be reported on respective implementation reports. The reports will focus on quality and timeliness of the activities implemented and will suggest corrective measures if activities are not being delivered on time, to the expected quality and not effectively contributing towards the expected set targets.

#### **4.9.3 Level 3 - Outputs**

The third level of the Results Chain tracks the realization of the outputs that NAOT produces and which are attributed solely to NAOT. The outputs at this level will be measured by output indicators. Data collection, analysis and review of the outputs, and output indicators will be done quarterly and reported in quarterly reports. The reports will focus on how the outputs produced are contributing to the outcomes, and will recommend corrective action if the outputs are not being delivered on time, to the expected quality and are not contributing to planned outcomes.

#### **4.9.4 Level 4 - Outcomes**

The fourth level of the Results Chain tracks the realization of the planned outcomes specified for each objective, though achievement of these outcomes may not be attributed to NAOT alone as there will be several players contributing to these outcomes. These planned outcomes will be measured through outcome indicators whose data collection and analysis could be done annually. Indicators at this level are reported through the annual reports or the five years outcome report. The annual reports and the five years outcome report will be based on specific analytical/ evidence based studies using NAOT data, information and reports. The outcome report will focus on benefits delivered /value added to NAOT staffs and other stakeholders.

## Annex 1: Strategic Plan Matrix

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
<b>A: HIV and AIDS Infections Reduced and Supportive Services Improved</b>	Strengthening preventive services	5 HIV and AIDS awareness Programmes prepared and implemented by June, 2021	Reduction in HIV and AIDS incidence rate I. Reduction in HIV and AIDS incidence rate; II. Percentage of NAOT employees undertaking VCT for HIV and AIDS and supported; III. Perception of NAOT employees on PLWHA (discrimination and stigma) and support services.	DAHRM	GoT
	Mobilizing resources for supporting services to staff living with HIV and AIDS; and	Support services provided to all PLWHA by June 2021		DAHRM	GoT
	Strengthening Monitoring and Evaluation of HIV and AIDS initiatives.	Preventive gears provided to NAOT staff by June, 2021		DAHRM	GoT
		HIV and AIDS awareness Programmes monitored and evaluated annually by June 2021		DAHRM	GoT
<b>B: Implementation of the National Anti-corruption Strategy Enhanced and Corruption Incidences Reduced</b>	Strengthen implementation and monitoring of institutional anti-Corruption strategy and action plan	Institutional anti-corruption strategy reviewed, implemented, monitored and report in place by June, 2021	I. Reduction in Corruption incidences rate II. Public perception on NAOT as a zero corruption tolerant institution	LSU	GoT
	Strengthen Ethics Committee within the Office.	Ethics awareness creation Programmes developed and implemented by June, 2021		LSU	GoT
		Ethics Committees quarterly meetings facilitated by June 2021		LSU	GoT
		1 study on the perception of the public on the level of		LSU	GoT

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		corruption at NAOT conducted by June, 2021			
<b>C: Public Audit Services Improved</b>	Strengthen the capacity to Audit Public Sector	905 financial audits for LGAs conducted by June 2021	I. Percentage of CAGs' audit recommendations implemented by auditees II. Perception of stakeholders on the quality of audit services rendered III. Percentage of unqualified opinion	LGD	GoT
	Strengthen Quality Control and Quality Assurance of the audit process	130 financial audits for RAS conducted by June 2021		LGD	GoT
	Strengthen synergies with National and International stakeholders	270 financial audits for ministerial accounts conducted by June 2021		CGD	GoT
	Strengthen monitoring and evaluation of the planned activities	165 Financial Audits of Agencies Accounts conducted by June 2021		CGD	GoT
	Strengthen audit team management and skills by June 2021.	170 Financial Audits of Embassies and EAC Accounts by June 2021		CGD	GoT
		799 Financial Audits of Donors Funded Projects Accounts conducted by June 2021		LGD and CGD	GoT/DPs
		960 Public Authority financial audits conducted by June 2021		PAD	GoT
		35,000 Pension files pre-audited, approved and submitted to Treasury for payment by June 2021		NAD	GoT



Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		15 Pension pre-audit studies conducted and report in place by June 2021		NAD	GoT/DPs
		45 Financial audits for Treasury by June 2021		NAD	GoT
		10 Financial audits for TRA by June 2021		NAD	GoT
		50 Performance audits by June 2021		P&SAD	GoT
		10 Real Time audits conducted in the construction sector in MDAs and reports in place by June 2021		TSSU/P&SAD	GoT/DPs
		15 Extractive Industries audits conducted by June 2021		PAD	GoT
		35 Forensic and specialized audits conducted and reports in place by June, 2021		Forensic Audit Unit	GoT
		125 Special audits conducted and reports timely submitted to respective authorities by June 2021		LGAs CGD PAD NAD P&SAD	GoT/DPs

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		37 UN and International assembly audits conducted and submitted to UNBoA by June 2018		NAD	UN/Other organisation
		Competency Framework Model for Auditors developed, and implemented by June, 2021		DAHRM and TSSU	GoT/DPs
		Guidelines for conducting Forensic audits developed and implemented by June 2021		Forensic Audit Unit	GoT/DPs
		Guidelines for conducting performance audits on PPP, Public Debt, Extractive Industries and Construction Project developed and implemented by June, 2021		P&SAD PAD NAD	GoT/DPs
		25 CAGs Annual General Audits Reports prepared and reviewed by June, 2021		TSSU	GoT
		5 Quality Assurance reports prepared by June, 2021		QA Unit	GoT
		Quality Assurance manual and guidelines developed and operationalized by June, 2021		QA Unit	GoT/DPs
		Quality Assurance capacity building strategy developed and implemented by June,		QA Unit	GoT/DPs

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		2021			
		5 researches on the audit and methodologies conducted and reports in place by June 2021		PMDE and TSSU	GoT/DPs
		2 Researches on the costing of audit activities and manual and guidelines in place by June, 2021		PMDE/TSSU	GoT/DPs
		5 consultancies conducted and reports in place by June 2021		PMDE/TSSU	GoT/DPs
		2 Service Delivery Surveys conducted and reports submitted by June,2021		TSSU	GoT
		1 Institutional Self-Assessment conducted by June, 2021		DAHRM	GoT
		Client Service Charter reviewed and operationalized by June, 2021		DAHRM	GoT
		10 IT audit conducted and timely submitted by June 2021		TSSU	GoT
		IT audit manual and guidelines developed and implemented by June 2021		TSSU	GoT/DPs

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		5 Teammate modules operationalized by June, 2021		TSSU	GoT/DPs
		A review of value benefits of the CAG's audits conducted by June, 2021		TSSU and DPME	GoT/DPs
		Training Center for Auditors constructed by June, 2021		DAHRM	GoT/DPs
		Establishment of Auditors Training Center by June, 2021		DAHRM	
		Professional development and training in relevant audit disciplines conducted by June, 2021		DAHRM	GoT/DPs
<b>D: NAOT Independence enhanced</b>	<ul style="list-style-type: none"> <li>Review and propose amendments of all conflicting laws that impede CAG independence</li> <li>Assess relevant laws in view of the standards set by the International Organization of Supreme Audit Institutions (INTOSAI) and UN Declarations</li> </ul>	NAOT existing organization structure reviewed and operationalized by June 2021	i. Stakeholders' perception on CAG independence	DAHRM	GoT
		NAOT resource mobilization strategy, developed, implemented and monitored by June 2021	ii. NAOT elevation to ICBF model	DPME	GoT/DPs
		All provision in laws that impede CAGs' independence reviewed by June, 2021	iii. Level of compliance with ISSAIs 10 Mexico declaration	LSU	GoT/DPs
		Number of Auditors residing in auditees' buildings reduced by 80%		DAHRM	GoT/DPs

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		5 NAOT plans and budget prepared and implemented by June, 2021		DPME	GoT
		Audit Revenue Fund operationalized by June, 2021		Finance Department	GoT
<b>E: Human resources management Capacity and Supportive Services enhanced.</b>	Strengthen Human Resource Management Training and Training Program	150 qualified and competent staff employed by June, 2021	i. Number of competent staff employed ii. Stakeholders' perception on the quality of services rendered iii. Staff turnover rate	DAHRM	GoT
	Enhance capacity to NAOT on various area	HR Management plan prepared and implemented by June, 2021		DAHRM	GoT
	Enhance Public Private Partnership (PPP) on the provision of corporate services	26 Non - core services outsourced and monitored by June, 2021		DAHRM	GoT
	Strengthen Strategic Plan monitoring, evaluation and reporting framework	Accounting Operational Manual reviewed by June 2021		DAHRM	GoT
	Enhance ICT infrastructures				
	Strengthen working tools (guidelines, manuals and policies)	Internal Audit manual developed and operationalized by June, 2021		Finance & Accounts Department	GoT
		Monitoring and Evaluation Manual operationalized by June, 2021		IA Unit	GoT

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		Medium term training and development plan reviewed by 2021		DPME	GoT/DPs
		Risk management policy reviewed by June 2021		DAHRM	GoT/DPs
		Strategic plan reviewed by June 2021		Risk Management Unit	GoT
		Retention strategy prepared and implemented by June, 2021		DPME	GoT
<b>F: Working environment Improved</b>	Strengthen capacity to mobilize resources for creating conducive working environment	10 Office buildings constructed and furnished in Kagera, Rukwa, Mara, Iringa, Mtwara, Coast, Njombe, Tanga, Katavi and Mwanza regions by June 2021	(i) Percentage of staff provided with working tools (ii) Employee satisfaction level	DAHRM	GoT/DPs
	Strengthen ICT infrastructures and system	5 regional Offices retooled in Dodoma, Arusha, Mbeya, Mwanza and Geita by June 2021		DAHRM	GoT/DPs
		6 Office buildings renovated by June, 2021		DAHRM	GoT
		60 Motor vehicles acquired and maintained by June, 2021		DAHRM	GoT/DPs
		600 laptop and other ICT working tools acquired and		IT Unit	GoT/DPs

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		maintained by June, 2021			
		ICT infrastructure improved by June, 2021		IT Unit	GoT/DPs
<b>G: Communication and Stakeholders involvement improved</b>	Enhance and improve information and communication systems	Communication strategy operationalized and reviewed by June 2021	(i) Level of staff compliance with communication policy and strategy. (ii) Level of stakeholder's awareness of NAOT services delivery (iii) Percentage use of Management Information Systems generated reports for decision making. (iv) 10 citizens' reports and 25 CAG's Annual General reports	TSSU/GCU	GoT/DPs
	Improve and operationalize communication strategy	Communication Policy reviewed by June 2021		TSSU/GCU	GoT/DPs
	Improve internal communication	9 Regional Offices connected with WAN by June 2021		ICT	GoT/DPs
	Strengthen the use of ICT	Educative Programmes delivered to Media, CSOs and Citizens by June 2021		GCU	GoT/DPs
		10 Citizens reports and 25 CAG's annual reports to stakeholders published and disseminated by 2021		GCU	GoT/DPs
		Website and Intranet updated and maintained by June 2021		ICT	GoT
		10 Joint forum with prosecuting and investigating agencies enhanced by June 2021		LSU	GoT/DPs

Strategic Objectives	Strategies	Targets	Indicators	Responsible Division/Unit/Section	Source of funding
		15 Local Accountability forums for Parliamentary oversight committees and other stakeholders conducted by June 2021		PCU	GoT/DPs
		45 International forum organized by INTOSAI, AFROSAI, AFROSAI-E, WGEA and other international professional bodies attended by June 2021		TSSU	GoT/DPs