



Education

FEATURED TOPIC: UNIVERSITIES AND FEDERAL INSTITUTES

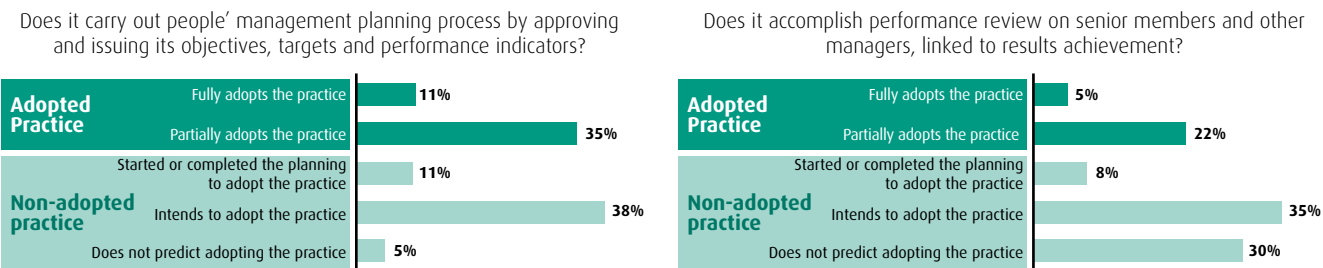
In 2014, the Federal Court of Accounts (TCU) and the Office of the Comptroller General (CGU) defined the scope of the joint audit in universities and federal institutes of education, science and technology to analyze the following aspects: a) adoption of good governance practices and people' management; b) organization, structure and internal audits performance; c) building facilities and comfort, including building maintenance, plans or firefighting devices, ombudsman and real estate equity accounting records.

MAIN FINDINGS AND RECORDS

Five components related to governance and people management were examined: senior management leadership; strategic alignment; knowledge management; results-oriented culture and talent management.

Personnel governance did not prove to be adequate in the set of the audited institutions, which, in general, are still at an early or low maturity level of professionalization of people management. The emphasis is on the management of the human resources department typical activities. The challenge is to increase the capacity of the institutions to develop talents and leaders for the fulfillment of their objectives, as well as advance towards the implementation of a results-oriented people' management culture.

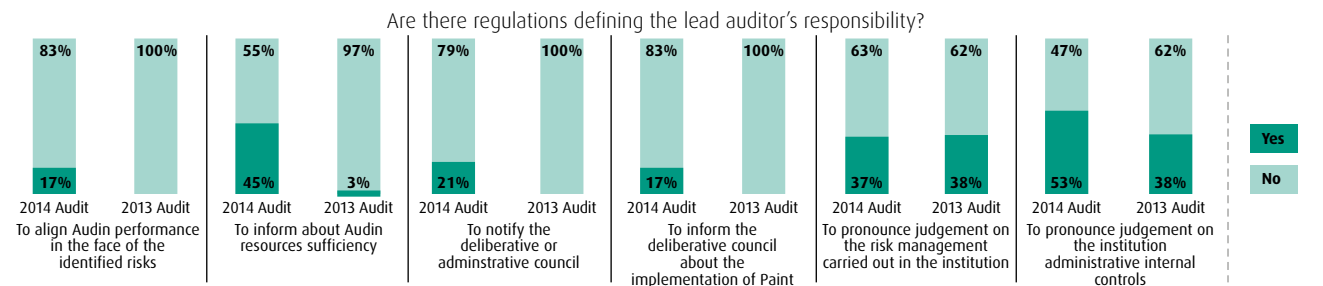
Adoption of practices related to strategic alignment of people' management and to performance review



Source: TCU and CGU. Elaboration: SecexEducation/TCU

The audits also emphasized the organization of the Internal Audit Unit (Audin) in universities and institutes, verifying aspects such as independence, authority, responsibility, regulation, staff and equipment. The most critical points observed were: a) more than half of the audited institutions still reveal a regulation gap concerning the prohibition against Audin's managers carrying out the audits themselves; b) little importance given to Audins regarded as generators of governance improvement in higher education federal institutions; c) lack of senior management knowledge on the role played by Audins in risk' management and improvement of administrative internal controls.

Regulations on the lead auditor's responsibility, obtained by sample of the audited institutions in 2013 and 2014



Source: TCU and CGU. Elaboration: SecexEducation/TCU



Education

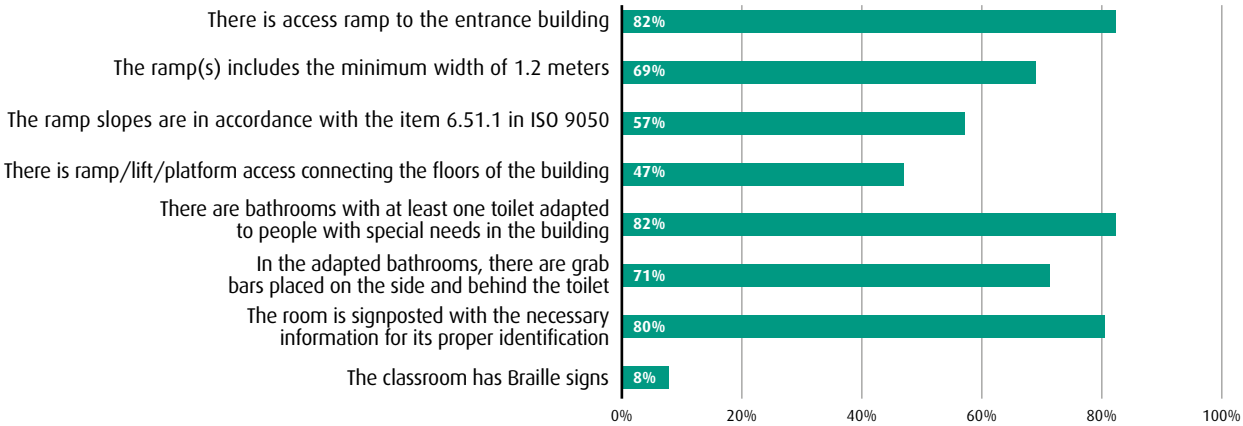
The 2013 and 2014 findings, concerning the allocation of employees to the Internal Audit units, are similar among the audited institutions sample: about half the entities relied on no more than three auditors. Consequently, in 60% of the units (24 out of 40) the number of internal auditors was considered insufficient, taking as a basis of comparison the number of jobs provided in the Internal Audit Plan (Paint).

Among the good points reported by the oversights, the greater independence of Audin in the institution organizational chart stands out: in 2013, 57% of the audited institutions had Audin directly subordinated to the rector, a fact contrary to the Decree 3.591/2002 and to the good recommended practices, while, in 2014, such proportion dropped to 30%.

There were improvements such as the greater involvement of the director's committee or the deliberative council with respect to Audin regulation approval as well as improvements on the lead auditor's decisions concerning appointments or resignations. An increase from 47% to 63% in the audited entities related to the regulation on Audin unrestricted access to documents, records, assets, and civil servants was seen, as well as a larger proportion of the institutions that define Audin's mission in its regulations (from 39% to 65%).

Concurrently with the works done on the internal audits maturity and on management and personnel governance, the real estate equity management and the relationship between the universities and federal institutions with the academic community were examined. Generally, the inspected classrooms are in reasonable maintenance conditions; however, it was found necessary to implement adaptations in the buildings to ensure effective accessibility to people with special needs and formalization and approval of the Fire Prevention Plan.

The situation observed regarding the access conditions to facilities and classrooms



Source: TCU and CGU. Elaboration: SecexEducation/TCU.

Moreover, nine of the ten audited universities by TCU proved that the maintenance services are corrective in nature, at the expense of preventive maintenance, which would require early and periodic agendas carried out by systematic inspections. Only two out of the ten universities have developed the Sustainable Logistics Management Plan required by the Decree 7.746/2012.

As demonstrated by the relations with the academic community, opportunities for improvement were identified regarding the structuring and performance of the ombudsmen. In addition, it was evident that there was little convergence of the institutions accounting to international standards, absence of implementation and updating the real estate annual physical inventory, as well as incompleteness of the records in the Spiunet system.