



e-Audit in BPK RI

Lessons learned and way forward

Why e-Audit?

Need For Synergies Between Auditor And Audited Entities



Limited HR : ± 4.000 Auditors



Audit Coverage (2015): ± 1.806 Audit Reports



Limited Audit Time



Green Audit



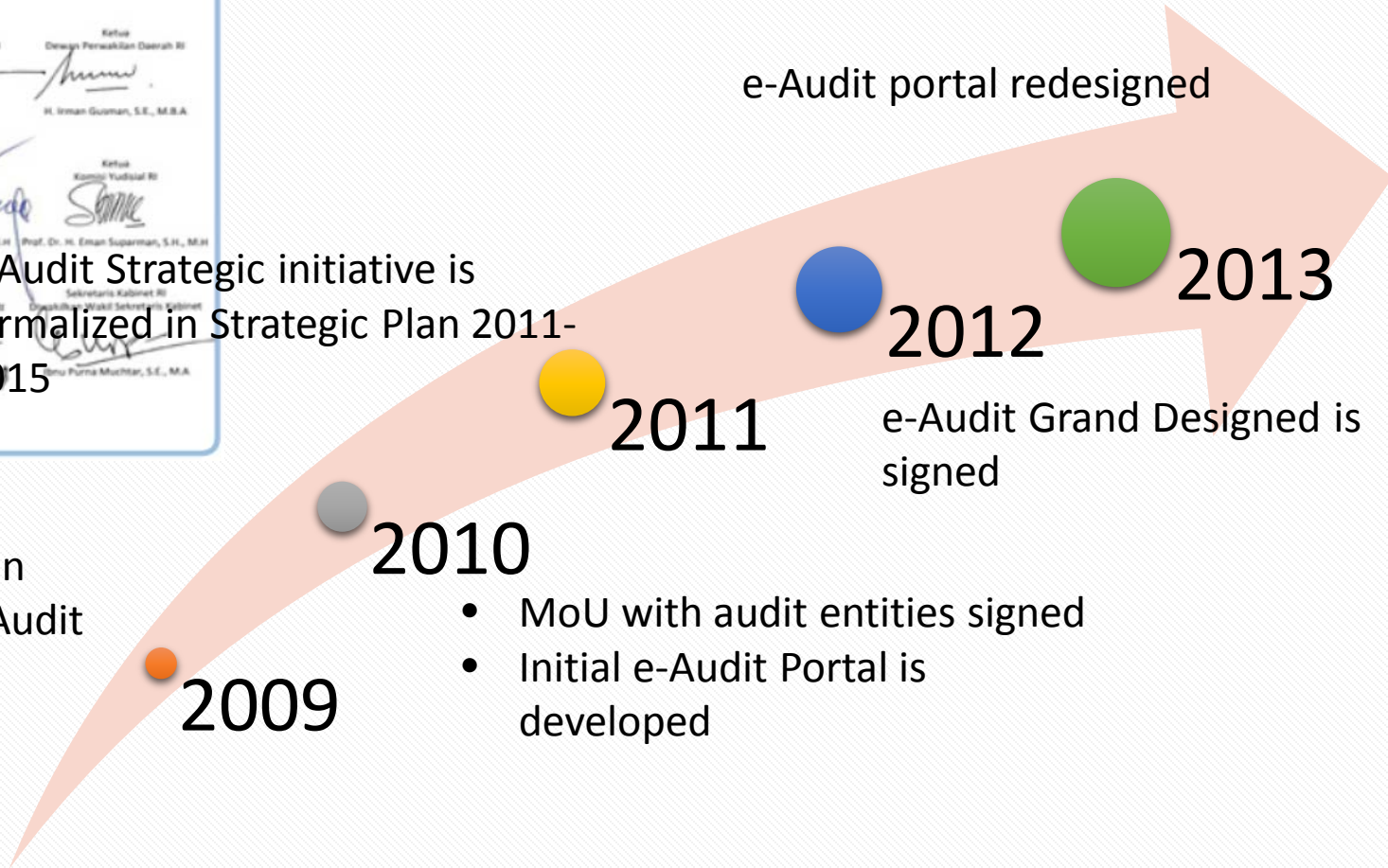
E-Audit: Our Simple Concept

“ a system which creates synergy between the Audit Board’s information system (e-BPK) and the auditees’ information system (e-auditees) through an online communication between e-BPK and e-auditees, besides this system also develops a data center of management and accountability of public finances ”

E-Audit Timeline 2009-2015 and Brief Statistics



e-Audit Strategic initiative is formalized in Strategic Plan 2011-2015



Pencanangan Program e-Audit (Declared)

2009

2010

- MoU with audit entities signed
- Initial e-Audit Portal is developed

2011

2012

e-Audit Grand Designed is signed

2013

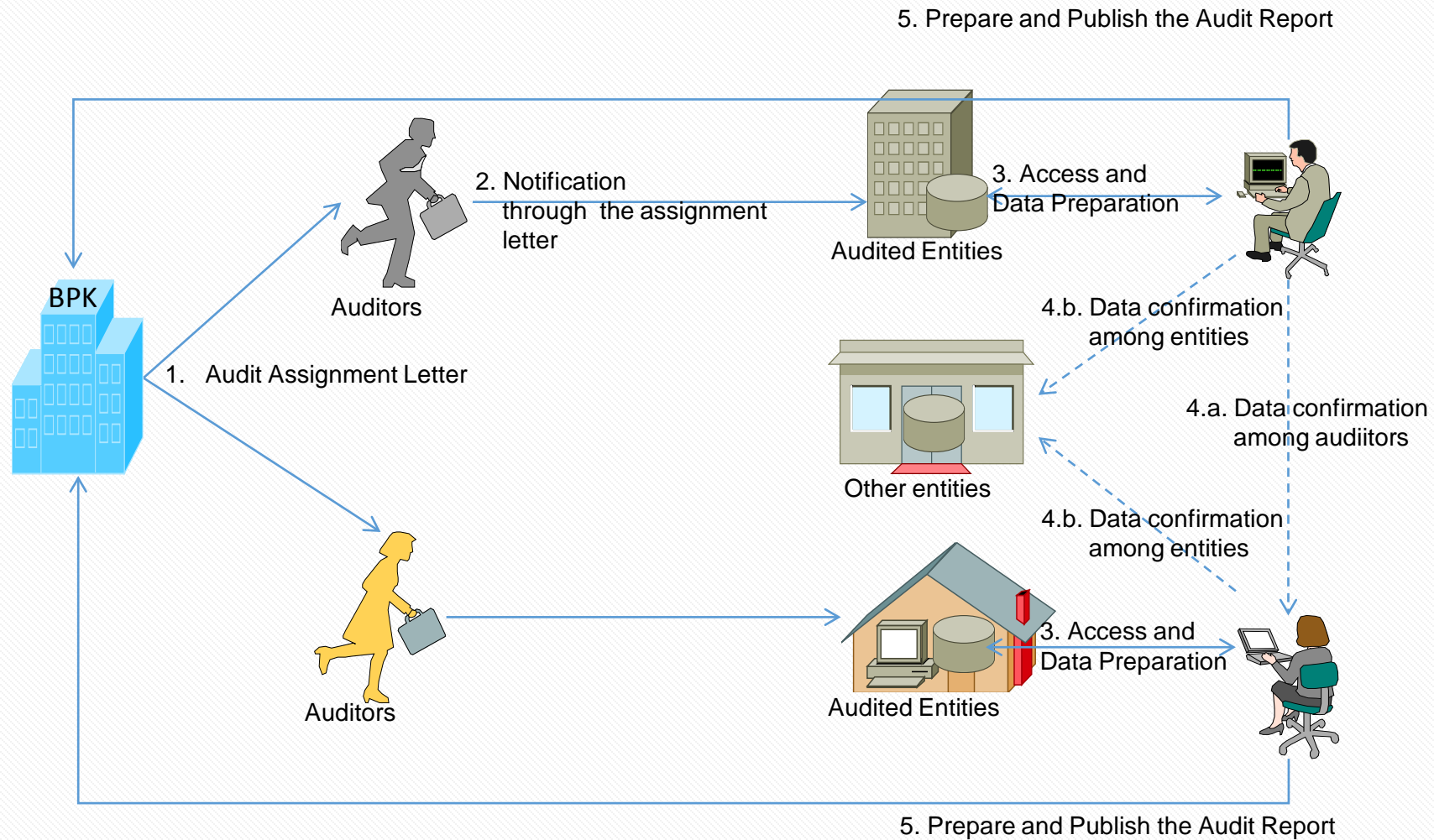
e-Audit portal redesigned

2014 – now :

- BPK propose e-Audit as one of program in RPJMN 2015-2019
- MoU with all BPD (local Banks)
- Standardize financial data submitted to BPK
- MoU: 756 entities, 599 Juknis, 601 AK installed, 406 transfer their data
- Development of e-Audit portal for entities to monitor audit follow-ups

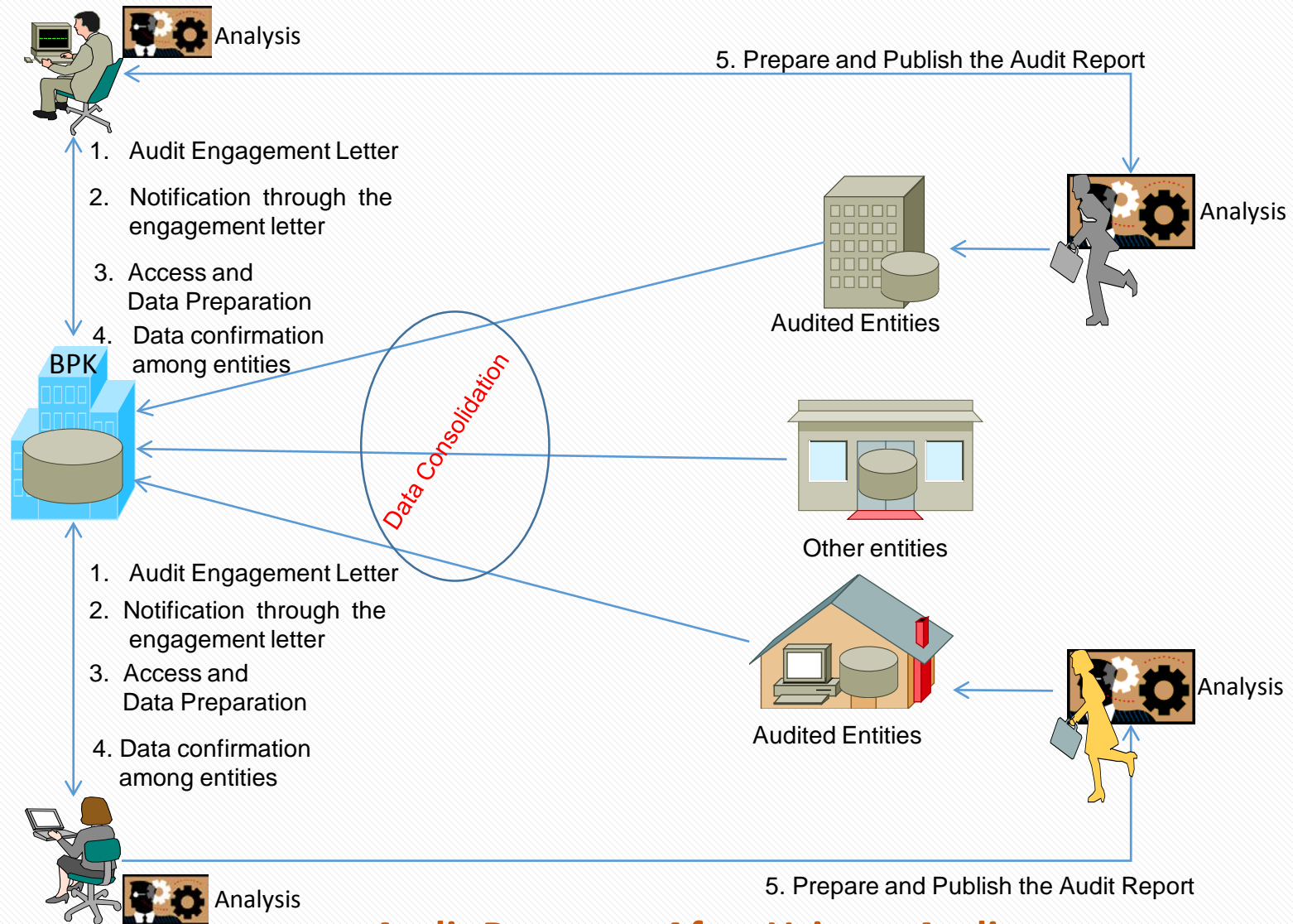


Changing Paradigm : Audit Process before and After Using e-Audit



Audit Process – Before using e-Audit

Changing Paradigm : Audit Process before and After Using e-Audit



Audit Process – After Using e-Audit

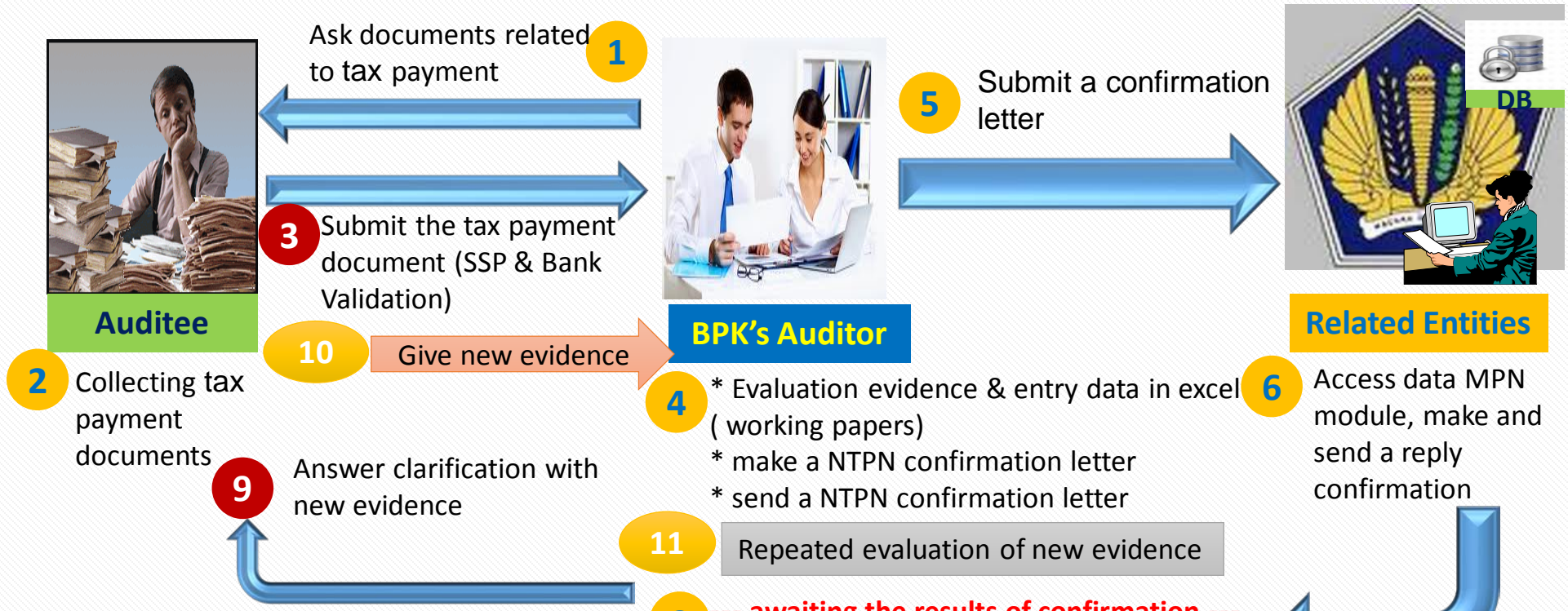


E-Audit Benefits

Time saving (efficiency)

Broader scope (effectivity)

Impact to entity's accountability



No	Time	remarks
1-3	± 2 days	Incomplete documents
4	± 2 days	Need more time for inputting (formatting)
5-7	± 20 days	Time consuming bureaucracy
8	± 1 ½ days	Difficult if confirmation is not standard or in hardcopy
9-11	± 2 days	Clarification/confirmation on draft findings
12	± ½ days	Findings (require entity's comment)
Total	± 28 days	

8 --- awaiting the results of confirmation ---
 * Received a NTPN confirmation letter
 * Match the results of confirmation
 * Clarification to auditee over a fictitious payment's indication
 --- The concept of Audit Findings ---

12
Previous Method of "Tax Payment"

Limited Sample



Auditee

6 Submit physic document (SSP & Validation)

Verify with physical evidence



BPK's Auditor

- 2** Reviu electronic data
- 3** Online confirmation with e-Audit
- 1** Download through e-audit portal



Related Entities

- 4** Clarification to auditee over indication fictitious & underpayment
- 7** Evaluate the evidence
- 8**

The concept of Audit findings



e-Audit Data & Information Center

Population Sample

e-Audit "Tax Payment"

Perfect

No	Time	Remarks
1-4	± 1 days	Download data, input validation and confirmation via portal, clarification
5-6	± 1 ½ days	Only evidence related to indications
7	± 1 days	Fewer evidence
8	± ½ days	Quite simple
Tot	± 4 days	Previous method need a period of ± 28 days , while with e-audit, only need ± 4 days , there is 86 % time saving with near-perfect data accuracy





Efficiency in Audit Process – Time efficiency

Audit of “Tax Payment”

Before e-Audit

No	Time	Remarks
1-3	± 2 days	Incomplete documents
4	± 2 days	Need more time for inputting (formatting)
5-7	± 20 days	Time consuming bureaucracy
8	± 1 ½ days	Difficult if confirmation is not standard or in hardcopy
9-11	± 2 days	Clarification/confirmation on draft findings
12	± ½ day	Findings (require entity’s comment)
Total	± 28 days	

Using e-Audit

No	Time	Remarks
1-4	± 1 day	Download data, input validation and confirmation via portal, clarifications
5-6	± 1 ½ days	Only suspected evidence required
7	± 1 day	Less evidence analyzed
8	± ½ day	Much simple reporting
Total	± 4 days	Previous process require ±28 days , with e-Audit it takes ±4 days . There is 86% time efficiency with near-perfect data accuracy

In the end, audit coverage using e-Audit increase from **20% (limited)** to **approximately 100%**



Efficiency in Audit Process – Cost efficiency

► Assumptions:

1. e-Audit data is complete and valid
2. Documents acquisition time is down from 2 days to one day and the whole team (4 persons) doing these activities
3. Time to obtain confirmation from related entities is down from 20 days to 2.5 days and two persons do these activities
4. The audit cost per person per day include:

NO	Cost Elements	Unit	Cost (Rp)
	Audit		
a.	Daily Allowance	OH	410.000,00
b.	Acomodation fee	OH	400.000,00
c.	Activites fees	OH	50.000,00
d.	Laundry fees	OH	30.000,00
		Total	890.000,00

5. The number of audit reports (LKPP, LKKL, financial reports) in one year (year 2014) is 629 audit activities



Efficiency in Audit Process – Cost efficiency

Estimation of efficiency per year by using e-audit portal:

1. Document acquisition :

1 day x 4 persons x Rp890.000,00 x 629 Team = Rp2.239.240.000,00

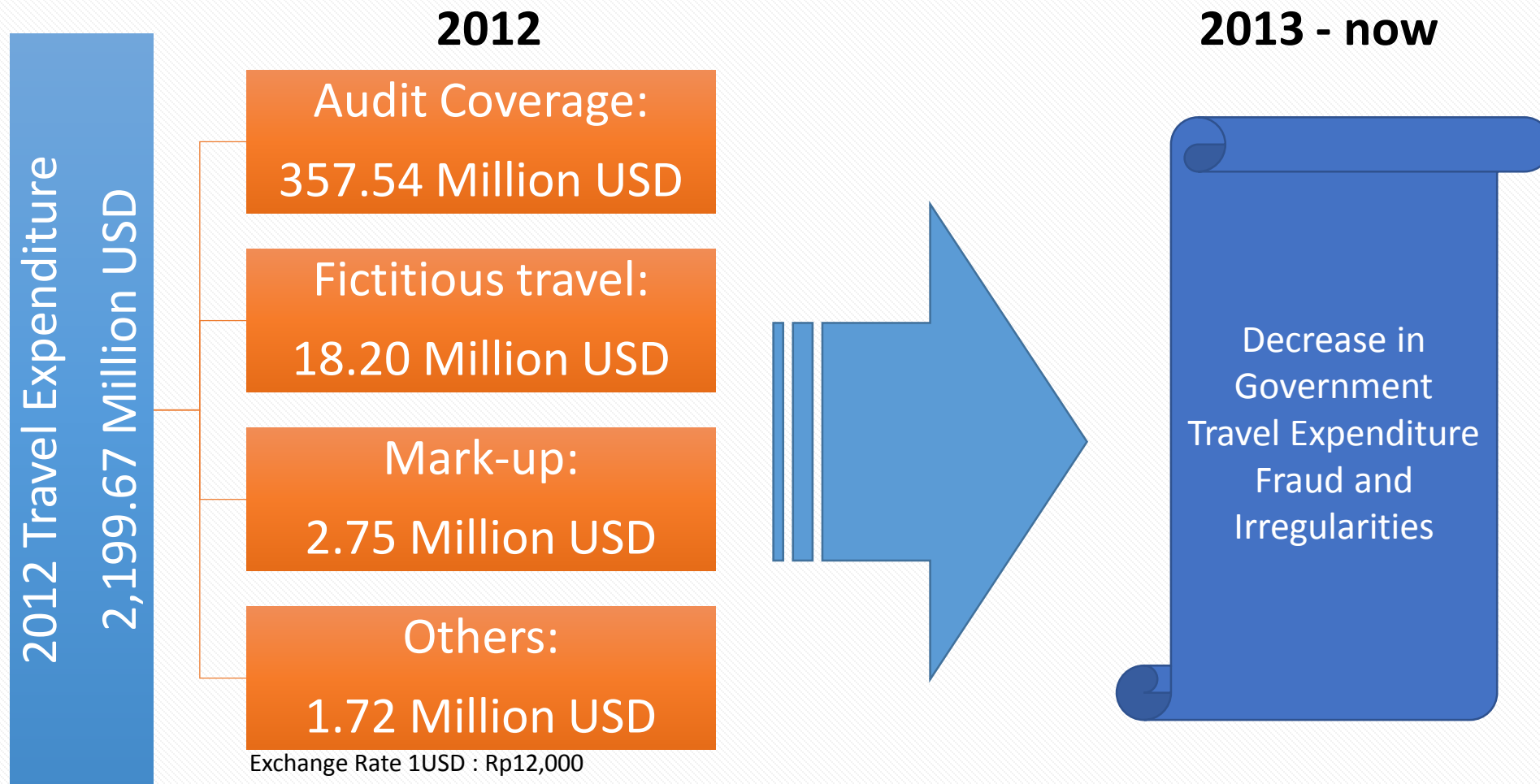
2. Confirmation from related entities :

17,5 days x 2 persons x Rp890.000,00 x 629 Team = Rp19.593.350.000,00

Total estimated efficiency per year : Rp 21.832.590.000,00

This efficiency can be used to extend the coverage of audit

E-Audit Impact: Sample Audit Findings from e-Audit Database – Garuda Flight Carrier





E-Audit Impact : Sample Audit Findings from NTPN (govt. revenue) and Govt. Employee Database



Fictitious Deposits (the accused is already sent to prison)



Fictitious Payroll (Ghost Employees)



What kind of Data we received?

Financial Statement Related

- General Ledgers (G/L)
- Entities' Bank Statement detail transactions

Operational related

- H/R data, internal audit reports, electric and fuel subsidies
- Flight passenger's record from our SOE (Garuda)

Types of Data

- Database
- File Systems: in pdf, excel, word, image, etc



What Data We Standardize

Local Government

- GL for SIMDA and SIPKD Application
- Other Applications
- 16 standardized tables

Central Govt Application

- Application and Data already Standardized from MoF

Local Banks

- Bank Statement detailed transactions
- 3 standardized tables



Lessons learned

Data Continuity

- MoU is not legally binding

Data Type

- Too many data to standardize

E-Audit Portal Limitation

- Requested features vs technology



Way forward

Improve Regulation

- Updating presidential decree no 1 of 1999

Empower Coordinating ministries

- Data standardization set by coordinating ministries (standard business reporting)

Increase Services

- Features in e-Audit Portal
- Data processing (CAAT)



Thank You
Terima Kasih

