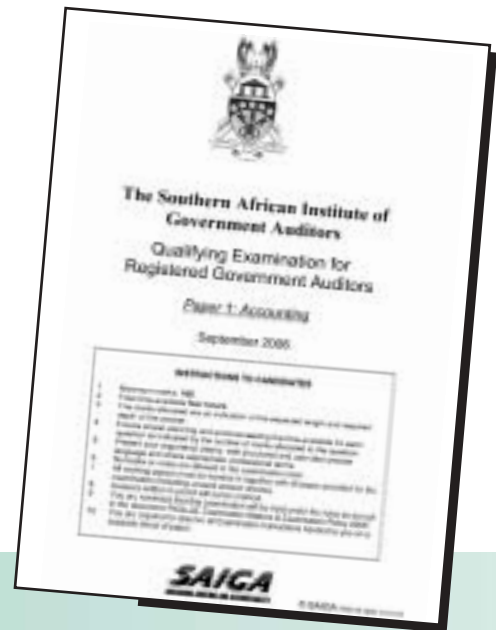


Building a brighter future for government auditing in South Africa

Dieter Gloeck

Executive President, Southern African Institute of Government Auditors



Although South Africa's public sector generally experiences skills shortages at many levels, the financial sector is particularly adversely affected.

Whilst the private sector has in operation a highly effective system to ensure a constant supply of financial skills, no such system has to date been implemented for the public sector.

To address the above shortcoming, the Southern African Institute of Government Auditors (SAIGA) has developed a unique public sector professional: the Registered Government Auditor (RGA). The syllabus of the RGA is public sector focused and incorporates concepts and approaches based on the PFMA, MFMA and the Treasury Regulations.

The RGA-model must be seen against the background of initiatives such as the Joint Initiative on Priority Skills Acquisition (JIPSA) and the broader objectives of the Accelerated and Shared Growth Initiative of South Africa (ASGISA). It also contributes towards the professionalisation of the Auditor-General and ensures that the Auditor-General maintains the independence that is required by our country's Constitution.

Wider recognition of the RGA by specific role-players and the integration of the RGA-concept in strategic approaches by specific public sector entities and universities will provide a continued long term supply of financially skilled professionals to the public sector.

This is exactly what South Africa needs.

In order to qualify as Registered Government Auditor (RGA), candidates have to:

- 1 Meet specific educational (subject and degree) requirements from tertiary institutions;
- 2 Serve a period of four years practical training in a government auditing environment and
- 3 Pass the Qualifying Examination for Registered Government Auditors (RGA-QE).

The RGA-QE focuses specifically on public sector topics, such as Generally Recognised Accounting Practices (GRAP), Generally Accepted Municipal Accounting Practices (GAMAP), the Public Finance Management Act (PFMA), the Municipal Finance Management Act (MFMA), the Public Audit Act (PAA) and other related public sector topics, such as the National Treasury's Guidelines on how to prepare annual financial statements. Generally Accepted Accounting Practices (GAAP) and International Standards on Auditing are, however, also examined. The government auditing syllabus is contained in SAIGA's COBOKS for Registered Government Auditors (COBOKS for RGAs), a document that was developed by SAIGA with the inputs of the Auditor-General and taking into account international and national best practices and standards.

In this regard, the RGA-QE distinguishes itself from other accounting and auditing related institutions. The RGA-QE now provides an assessment mechanism whereby the competencies of private sector auditors, who are chosen by the Auditor-General to assist with the audit of public sector entities, can be assessed. Such independent assessment is crucial, in view of the fact that the public sector topics listed above, do not form part

of the syllabus of private sector auditors.

The introduction of the Registered Government Auditor qualification has had a profound impact on the careers of government auditors, who now hold a unique qualification, designed to incorporate the topics that are applied by government auditors.

During 2005 and 2006 SAIGA and the Auditor-General developed and implemented a Recognition of Prior Learning Option (ROPLO), whereby prospective candidates who lack a few basic subjects, but possess many years of experience in a government auditing environment, could qualify to write the RGA-QE, after undergoing extensive training and pre-QE assessments. The concept of ROPLO is taken from the South African Qualifications Authority (SAQA) and basically acknowledges specific experience. SAIGA and the Auditor-General are proud to have successfully adopted and implemented these educational concepts of our post-apartheid society.

SAIGA approached a few of the top achievers to obtain first-hand observations with regard to the impact that the ROPLO and the RGA-QE in particular had on their personal life and their professional career.

SAIGA the vital link in South Africa's public accountability chain

Here are their stories...



Fact sheet:

Ms Corné Myburgh

*Passed with Honours
Top 15
Overall highest mark*

Steven Covey in his book "The 7 Habits of Highly Effective People" says that to be effective you have to "sharpen the saw". It is for this reason that I felt it necessary to enhance my skills in public auditing. I have been with the Auditor-General since 1994 and have worked through the ranks until I became a senior manager in 2003. I none the less realised that if I want to make a difference and want to stay relevant, I have to "sharpen the saw" in order to grow and develop within the public sector. This is why I grabbed the opportunity that SAIGA offered.

The 2006 RGA-QE was undoubtedly a milestone for SAIGA and all individuals who wrote the exam in September 2006. Nobody knew exactly what to expect. In retrospect, I am proud to say

that I have passed the 2006 QE. The two four-hour papers were of a very high standard and unless you have prepared properly you surely would have experienced difficulty in completing and passing these papers.

For me and all the other successful candidates, the qualification was a real confidence builder. It is so much easier to go into a meeting knowing that you are up-to-date with the latest developments in public auditing, which resulted in being treated with respect by both auditees and colleagues.

Another habit of highly effective people is to start with the end in mind. Long before I actually wrote the exams I saw myself as an RGA. With this vision and commitment in mind I prepared myself for the exam. I prepared myself well for every test and completed each assignment with full commitment. I believe that nothing, including studies, can be successful if you have not made a conscious commitment to give 110%.

The worst part of the exam was surely the long wait to receive the results. The questions and answers kept on running through my head and as luck would have it I had to be in Parliament on the day when the results were released. What a surprise when SMSs started streaming in, with people congratulating me on my achievement. Not only did I pass with distinction but I actually achieved the highest result of all the candidates. This, for me was the reward of a year's commitment, hard work, staying positive but most of all it was mercy from the Lord, because I placed my entire trust in Him.

I am 100 percent in support of the Auditor-General's strategic drive to have all managerial staff professionally qualified. Therefore, I took up the challenge of obtaining a professional recognised qualification not only as a matter of "walk the talk" but also as an opportunity to enhance my professional education and leadership abilities as the head of the Auditor-General Business Unit in KwaZulu-Natal.

Considering the responsibilities of my position I must admit that my available time to study was very limited and the task on hand not an easy one. Getting back into the text books took lots of encouragement and the degree of difficulty most definitely required concentration, endurance and lots and lots of coffee. Looking back, I am very grateful for the opportunity afforded me to complete the programme and achieve the RGA qualification. To this end, I must thank the Lord for giving me the strength, my family for supporting me in any way possible, the Auditor-General for recognising the RGA as a professional qualification, and the entire KwaZulu-Natal team who encouraged me to hang in and see it through.

On a personal level I have no doubts about the value added by the RGA programme. Its contents contributed extensively to improve on my knowledge and skills and enhance my abilities to excel amongst other professionally qualified colleagues. Opening the text book and getting to know the theory once

Fact sheet:

Mr Herman van Zyl

*Head of the Auditor-General Business Unit
in KwaZulu-Natal*



again made it clear that without theory there is no possibility of practise. I also realised that my practical knowledge was nowhere near enough to pass an exam. Sitting for the preparation exam - many years since the last time for me (I can not even remember when last) - confirmed this observation and I new I had a steep road with hard work ahead of me.

If I am allowed to send a message to others, I want to say: "Getting into the text books is a sure way of gaining knowledge and equipping you with those skills required for the job and most of all the effort is rewarding."

The Auditor-General (AG) has for the past few years embarked on a process of professionalising its activities and encouraging its staff to be members of recognised professional bodies. This process saw the recognition by the AG of RGA qualification as an alternative route to traditional CA qualification. At first I was very sceptical about the qualification but when the opportunity came to register as a Recognition of Prior Learning candidate I took it in both hands and have since never looked back.

Besides the financial rewards that the qualification has to offer, being a member of a professional body (SAIGA) means that I have to perform my duties with integrity and objectivity and maintain my professional knowledge and skill at the highest level. SAIGA is playing a very important role towards transformation of the profession and in alleviating the current shortage of auditing and accounting professionals experienced by the country in particular public sector.

I think I had an unfair advantage over the other candidates as I also wrote the CA QE Part 1 exam earlier in the year. So I already knew how to prepare for an exam of this magnitude and level. The Exam preparation course we attended and training material provided to us during the training made the whole exam preparation process easier.

Although I prepared myself well for the exam, on the day of the exam I was a bit nervous. I found the exam to be of the stan-

Fact sheet:

Mr Matome John Tladi

Passed with Honours



dards expected for exams of this nature. I think that the administration of the examination was excellent and of the standard required from a professional body.

My advice to RGA candidates who will be writing the exam this year is to remain focused and put a lot of efforts in your preparations. I could not sleep well the night before the publication of the results and in the morning I could hardly concentrate at work without thinking about the results. When the results were finally released, I was delighted to see that I have passed the exam.



Fact sheet:

Ms Twané Oberholzer

Passed with Honours

Auditor (RGA), contained in the Common Body of Knowledge and Skills (COBOKS) of SAIGA, is relevant to the public sector environment and gave me the assurance that I would not only obtain the necessary skills and a suitable qualification to perform my duties as a government auditor, but also continue with my professional development and at some point transfer my skills to aspiring RGAs.

Training for the RGA-QE: During 2006, I was required to attend an intensive training programme, which consisted of technical but also non-technical courses. The programme not only prepared me for the RGA-QE, but also in terms of developing other skills like leadership. I think this is crucial to any person obtaining a professional qualification, as you acquire skills that enable you to handle day-to-day situations in the workplace. I found that what I had learnt, enabled me to inspire my staff members to reach their full potential.

I was impressed, not only by the SAIGA-presented courses, but mostly with the quality of the course material and I knew that this was a professional institution that has appropriate knowledge of the public sector. The commitment shown by SAIGA to ensure the success of this programme, can only be commended, as this enabled me to prepare for the examination to the best of my ability. It was during the preparation course that I set myself a goal to finish under the top ten candidates.

The actual RGA-QE: Studying toward the exam was not easy, due to the wide range of legislation, standards and frameworks that was covered by the syllabus. Furthermore, there were no previous examination papers to refer to which made the study process so much more difficult. The examination itself was chal-

Why I decided to go the RGA route: Supreme Audit Institutions (SAI) should comply with the general standards of government auditing of INTOSAI, which include the responsibility to establish and regularly review, minimum educational requirements for the appointment of auditors and continuously develop and train SAI employees.

As part of this requirement and having worked at the Supreme Audit Institution of South Africa for eight years prior to writing the RGA-QE, the logical decision for me was to join an institute that specialises in public sector accountability, the Southern African Institute of Government Auditors (SAIGA).

The professional requirements for a Registered Government

lenging, in particular the multiple choice questions relating to legislation where you had to know the legislation in great detail. Overall in my opinion, the examination really tested a wide range of public sector related matters that is highly specialised.

RGA-QE results: When I had received my results, I was overwhelmed with joy as I had not only passed, but achieved honours. I was also proud when I had learnt that all the candidates from our Gauteng Business Unit had passed and that three of us were under the top fifteen candidates.

RGA camaraderie: The candidates worked very hard and really formed close relationships during this time, which was something special. There was a sense of camaraderie amongst the RGA candidates throughout the training programme. We spent many hours together finalising portfolio of evidence files and

sharing thoughts on possible examination questions. This brought us closer to one another and it was such a pleasure for me to see how many fellow RGA candidates were promoted to higher ranks within our SAI.

RGA future: I have been privileged enough to have a trainee auditor in my team. I want to encourage all the trainees and RGA candidates to take the opportunity of this scheme as you are the ones who will ensure that skills are enhanced in the public sector. You are at an institution where the standard of auditing is very high and continuously updated with the latest developments. Reach out to this opportunity and be diligent in your studies, you will reap the benefits.

Remember, you are the architect of your own future.

To make a difference in your life, you must be well equipped. This desire as well as other factors such as my age, my colleagues (who also wrote the examinations) and the chance to obtain a professional qualification in the audit environment influenced my decision to write the RGA examinations.

Writing the examinations definitely increased not only my audit knowledge but also my financial skills and abilities. My time management and analytical skills improved and it also enabled me to distinguish between important and not so crucial matters. By physically drawing up financial statements and journals, I gained a better understanding of the financial processes in the government sector.

Preparing for the examinations has once again emphasised the fact that you have to make use of all opportunities. One of the crucial parts of the preparation was attending the examination preparation workshops. Participating in a study group was a tremendous help, as it assisted me to focus on the more important matters. Practising and keeping to the study timetable were two other important aspects in my preparation.

The time allocated in the examinations, especially the financial examination (which was quite difficult), was not enough. The multiple-choice section was difficult and understanding the questions was crucial. I think that the IT section is a much-needed section, since all our clients use computer systems and controls are essential in the computer environment. The administrative arrangements by SAIGA before (examination preparation

Fact sheet:

Mr Loffie Burger

Audit manager:

54 years of age

Successful RGA-QE candidate

Now a Registered

Government Auditor



workshops), during (examinations) and after (examination results) were done in a professional way.

The increased knowledge I gained while studying towards the RGA qualification makes me more confident to audit financial statements and IT general controls. Looking at the examinations that were released on the SAIGA website, there has been a definite improvement in the image of RGA qualification, which is good for one's self-esteem.

If you want to be a government auditor (which is what I always wanted to be), or a government accountant for that matter, then the RGA qualification is the road to go as it is specifically designed for the government sector.

Visit www.saiga.co.za and find out what it means to "go the full training circle"



The SAIGA website has details of the:

- Public Finance Management Academy
- The Portfolio of short courses
- Details of how our Skills Transfer and Educational Programmes (STEPS™) approach works

The RGA is a unique qualification, because of its special focus on public sector auditing and accounting. Moreover, it is recognised as a professional qualification by the Auditor-General (AG), who is committed to the development of professional auditors and accountants. I am privileged to have been afforded the opportunity to qualify as a RGA through the AG. Qualifying as a RGA meant that I could support my years of practical experience and knowledge in public sector auditing and accounting with a credible qualification.

The RGA curriculum covers a vast volume of literature that has to be mastered for the qualifying examination (QE). This required consistent and diligent studying. The preparation courses presented by the Southern African Institute of Government Auditors were immensely valuable. They provided focus and the extra motivation I needed for success in the examination. I approached writing the QE like any other examination, but armed with good examination technique learned during the preparation courses. The quality and standard of the QE were sufficient to adequately test one's knowledge and practical experience. I expect that the bar may be raised further with every QE given the many developments in public sector accounting, especially.

While I did not stress much about the examination results, subconsciously, I was aware of the importance of passing. Obtain-

Fact sheet:

Mr Lesley Holland

Passed with Honours



ing the RGA qualification was a great blessing and it was an important milestone.

The RGA is a well-run programme. This, together with the kind of collaboration with the AG in respect of the pilot RGA trainee accountant scheme, bodes well for the future of the qualification. I would encourage prospective trainee accountants and others, especially those employed by the AG and government institutions to consider RGA seriously, as the qualification gives you an edge in public sector auditing and accounting.

Fact sheet:

Mr Dirk Strydom

Passed with Honours

I enrolled in the RGA recognition of prior learning scheme quite simply because I felt I had to, the Auditor-General's minimum qualifications framework was looming menacingly. Initially I was hardly a willing candidate, especially since I had

written the last exam for my diploma in November 1989 (and I wasn't a good student then!) As the preparation program progressed, however, I came in for a few surprises. With regard to the accounting preparation I realised two things very quickly. Firstly, that there was an awful lot I had forgotten over the years and secondly (and more disturbingly) there was quite a lot more about government accounting that I had never actually known. This caused a rather sudden attitude adjustment. (Of course pride also played a role, I couldn't let the youngsters make a total fool out of me).

The auditing preparation too resulted in some serious dents in my self confidence. After all, I'd been an auditor for more than 20 years, what more could they teach me? Well, I passed the May assessment to get entrance to the final exam, but only just! I had a lot of learning to do! Prior to the program I had made fun of the RGAs but, now that I am one, I feel quite differently about it.

I had to work hard to pass the exam, but that's not all, the RGA course content is directly applicable to what I do in the office every day and it's made a big difference to how I do my job. Today I look at the qualification with pride and a sense of achievement - and honestly... I'm quite glad I was placed in a position where I felt I had to start studying again, it was worth it!

SAIGA assisting South Africa in implementing the PFMA



Fact sheet:

Mr Jabulani Nkosi

*Successful
Candidate in the Top 15*

I have been auditing all my life. I needed a profession that will reflect the career I wanted to pursue for my life. I wanted to understand more about being an auditor in public sector and go an extra mile of having a profession that goes with it. To me the RGA meant that I was given an opportunity to prove myself that I deserve to be in this profession. It further meant that by passing it, it would change the perception of my colleagues when it came to technical issues especially in auditing.

"Study early" was the way to go to make sure that I finish my scope before the examination. I attended all preparation courses and ensured that I participated during them. I did all tasks by myself to gain more practice during the course of preparation for the examination. I had to work on my confidence to ensure that I am ready for the exam. During my study leave I allocated the first week for accounting then the next weeks for auditing and legislation. I then revised all the courses before the exam.

I had to make sure that I start with financial accounting because the scope for that aspect of exam was manageable. Basic auditing had to be easy because I have been an auditor most of my life. I knew that the examination technique would play a very important role. I had to polish up on it to ensure that I scored as many marks as I could within the time allocated. I find the

aspects of acts not easy because it was asked by means of multiply choice questions and the answers were very similar.

I was very impressed with the way SAIGA was organized, as we got all our correspondence, course packs and examination preparation packs timeously and every thing was well planned.

I think that the examination was not easy even though I managed to finish it within the allocated timeframe. The standard of examination was very high, which I think definitely lifted the perception of this QE compared to the sister professions. This makes me proud of passing this examination because I am sure that no one can just write it and pass it without proper preparation. I was equally challenged in this examination just like all other professional examinations that I have written previously.

This examination came at the right time, since I needed the association of this level to prove my knowledge in auditing and accounting. I am now very confident with the level of my knowledge in auditing and accounting since I managed to pass this examination.

It is very easy to audit work that is already prepared, but preparing the financial statements for the department opened up my eyes. I can now prepare the financials from the trial balance through to the statements, cash flow and notes which was never easy.

Being a Registered Government Auditor has changed the image perceived by every one in the office especially because I did not manage to pass my board examination under SAICA.

Once you have been failing other examinations you find yourself losing confidence, especially when you do not get feedback as to why you are not passing, e.g. in the SAICA examination results.

My message to others is: Study early for your examination. Attend all preparation classes in order to know exactly where to focus on the coming examination. Do all the tasks by yourself; do not discuss them with fellow students so that you can see where you fall short. Ask if you need help.

I heard about the RGA in 2002 when I joined the Auditor-General. It was explained to me that the RGA Qualifying Examination will assist me in appreciating how unique the RGA qualification is. It was an opportunity for me to obtain a qualification that would enable me to contribute more to the public sector environment in which I was working.

I attended the courses on examination preparations & technique which was an eye opener with regard to what I was in for. From that day onwards I never looked back and stayed focused. One phrase from the preparation course that stuck in my mind and helped me a lot was "Its not how much you want to pass but why you want to pass".

The examinations were very challenging, I must say. I used each and every minute that was available, in other words, I wrote until they said "stop". I lost some time during both sittings but I managed to stay calm to ensure that I do not interrupt my thought process.

Fact sheet:

Mr Phakamisa Stamper

*Successful
Candidate in the Top 15*



The administrative arrangements were good. The venue was not that great, single desks work best for me. The examinations were of high standard. Various aspects of the syllabus were examined, which is a good thing. I am now more confident in my work place than ever before.

I have gained a lot from the examinations. There were some aspects which I thought I knew, but as I prepared myself for the examinations, I realised that there was more to learn. This applies to both the PFMA and the preparation of annual financial statements in the public sector.

Other colleagues are now beginning to appreciate my contributions and turn to trust my professional judgement in a number of issues.

To those that are considering writing the RGA-QE, please do not underestimate the RGA qualification. If you fail to prepare, you prepare to fail. Remember: "It's not how much you want to pass but why you want to pass". Ask yourself the following: Why do you want to pass? How will you feel if you pass? What will passing the exam do for you?

The 10th of November 2006 was so far after exams, but suddenly it approached quickly. On the day of the examination

results, I was scared. I concentrated on the client I audited, I did not want to go to the office. Questions ran through my mind: What will my wife say if I failed? What will my team members say if I failed - me being their manager? Opportunities of becoming a senior manager at the Auditor-General, will they fade away?

Your impressions may motivate others to do the same - and you have to agree that we do need more professional government auditors! Yes, there is currently a shortage of auditors at this stage. Over 60 staff members have enrolled for the ROPLO2 Round and judging by the enquiries, many other candidates that qualify to write the RGA-QE directly are going to enroll for the September 2007 examination.

I would like to wish them all the best. As long as they keep the following in mind they will be able to conquer: Why do you want to pass? What will passing do for you? How will you feel to have passed?



Comments on the RGA-QE examination results

Prof Dieter Gloeck

*Executive President
Southern African Institute of
Government Auditors*

teria. Up to now, the only assessments (examinations) that were available to government auditors, focused almost exclusively on private sector topics. It does not surprise me that highly skilled and experienced government auditors failed these examinations, as they are not applying these topics on a daily basis when conducting government auditing.

Set up an examination of the highest standard, but focus on the topics that government auditors apply daily (the PFMA, MFMA, GRAP, GAMAP and the PAA) and you are not only assessing "fairly", but you will also record success.

The Auditor-General also has to be praised for its continued investment in the development of government auditing professionals. The Auditor-General is now reaping the benefits of the developments at SAIGA over the last decade. The existence of the RGA-qualification and related processes such as the RGA-QE, now allows the Auditor-General to recruit

students who wish to pursue a professional auditing and accounting career in the public sector. As these professionals are competent in applying the unique public sector knowledge and skills, it can be expected that they will work in the broader public sector throughout their professional career, thereby contributing towards alleviating the severe financial skills shortage in the public sector.

Solving the financial skills shortage requires strong partnerships and the Auditor-General and SAIGA have joined hands in developing and implementing actual solutions. The successful candidates on their part, will have to act as ambassadors to prove the success of this venture and to continue building a brighter future for government auditing in South Africa.

Auditing SA

From an educational and professional viewpoint, the recipe for excellent results lies in three key issues: "If you identify talent and manage it properly and if you assess fairly, you must get excellent results."

The RGA-QE has proven that the Recognition of Prior Learning Option (a concept not recognised a decade ago) provides excellent results. It is proof that in order to unlock the full potential available in our country, professional bodies have to be flexible and open-minded. This is particularly important in view of the dire skills shortage of financial managers, accountants and auditors in South Africa.

If one factor can be singled out, that was responsible for the excellent RGA-QE results, it is undoubtedly the "assess fairly" cri-

RGA

Registered Government Auditor



The highest qualification in government auditing

Managed by the Southern African Institute of Government Auditors (SAIGA)

