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## Audit Profile: Controller General's Office of Bolivia

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The Contraloria General de la Republica (CGR) oversees the governmental financial control systems applied to all public sector entities and persons receiving any resources or benefits from the state in the Republic of Bolivia. Within the government, the CGR is the supreme audit institution (SAI).

### The Mission of the CGR

The CGR is regulated by the provisions of the Administration and Government Controls Act which states that it shall be "the governing body of the Governmental Control System, which is to be implemented under its direction and supervision. The CGR shall issue the basic regulations addressing internal and external controls, assess the effectiveness of internal control systems, effect and supervise external control, and exercise overall regulatory supervision of Public Sector accounting systems under the responsibility of the Ministry of Finance's State General Accountancy Office. It shall likewise promote the establishment of internal accounting and control systems and run training and specialization programs for public servants covering the handling of the systems provided for by this Act." This act places great importance on the functions of the SAI and its role in ensuring the proper operation of administrative and audit systems in the Bolivian public sector. It emphasizes three fundamental goals for the CGR:

- to strengthen the managerial capacity of the State;
- to strive for transparency in public administration; and
- to promote accountability of public servants, not only for the form and use of resources, but also with regard to the results or goals reached.

The CGR is, consequently, an agency which exerts external audit "a posteriori," and gives legitimacy to public administration, grants credibility, and promotes citizen participation.

### The Organization of the CGR

The Controller General is appointed by the President of the Republic from a list approved by the National Senate with a two-thirds majority vote. Top management within the SAI includes the Controller General with support of the Office of Information, the General Secretariat, and the advisory services of the Internal Management Office. Support units include a Consulting Committee, a General and a Technical Advisory Office, Administration and Finance, and the Training Office

and Academic Committee. Among the many operational units are groups such as the Planning and Systems Office, Public Works Audits, Environmental Audits, Special Audits Office, Subcontroller of Legal Services with Legal Analysis, Legal Evaluation and Regulatory Offices, Subcontroller of Internal Audits, Subcontroller of External Audits, and other audit, departmental, and supervisory offices.

### Responsibilities of the CGR

In order to fulfill its mission, the CGR has several specific responsibilities and authorities including:

- drafting and issuing the basic internal and subsequent governmental control regulations and standards;
- supervising the regulations and compliance with the standards of public sector accounting systems issued by the State General Accounting Office (which reports to the Ministry of Finance);
- promoting the implementation of internal accounting and auditing systems;
- exercising external "a posteriori" audit and regulating its implementation;
- having access at all times and without limitation or restriction to records, documents, and operations for the purpose of conducting audits;
- requiring, if necessary, the executive head of a public body to conduct analyses, audits and other types of examinations, and regulating the hiring of external professional auditing or specialized consulting services to support this work and examining the programs and work papers for audits and assessments conducted;
- assessing the reports issued by the Internal Auditing Units and by independent firms or professional auditors hired by public entities or by the CGR;
- rendering decisions, in cases provided for by law, including accountability for violation of the Internal Auditing Unit's independence or faulty professional conduct on the part of its members;
- recommending the replacement or dismissal of the chief executive or the management in agencies with problems in executive accountability;
- conducting reviews to determine if previous recommendations have been adopted or acted on;

- requiring the dismissal of the chief executive or legal adviser if administrative processes or legal actions have not been initiated within 20 days of the issuance of a decision by the CGR;
- conducting training for public servants in planning (operations, administrative organization, budget), implementation (human resource management, management of goods and services, public treasury and credit, and integrated accounting), and management control (internal and external governmental auditing).

All of these responsibilities and authorities reveal the importance of the work of the CGR in the design, development, validation, and constant updating of the Governmental Control System to accomplish the goals of strengthening the managerial capacity of public entities, striving for transparency of public management, and promoting accountability on the part of public servants.

For more information about the SAI in Bolivia, contact the Contraloria General de la Republica, Cajon Postal 432, La Paz, Bolivia; Facsimile: 591-2-39-21-87. ■