

ASPECTS REGARDING THE PRINCIPLES OF PERFORMANCE AUDIT

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Abstract

The performance audit represents an examination and, more particularly, an independent and objective evaluation of the extent to which a program or an activity of a public entity functions efficiently, while being productive. The international INTOSAI audit standards define the concept as being an “audit of productivity and efficiency with which the audited entity utilizes its resources to fulfill its responsibilities”. The nature of performance audit requests a careful selection concerning the methodology used to obtain and examine the audit evidence. For this reason, the auditors have to consider, at all times, the validity and coherency of the methods and techniques utilized. With time, performance audit has imposed itself as an indispensable analysis criterion in the process of decision making, maybe one that is even more important than legal control. When it comes to performance audit, an essential condition is the one referring to the allocation, administration and use of resources effectively, economy-wise. The performance audit does not necessarily involve the simultaneous analysis of productivity and efficiency. That is why we can state that auditing performance refers to auditing inputs economy-wise, auditing the efficiency of the program and auditing the effectiveness of the results. Lately, in practice, a fourth component has been added to the other three – respectively, auditing the impact that a program, project or activity has on the environment. This special type of audit assists the government in elaborating economic policies, contributing to the public responsibility, because the performance audit cannot verify the objectives themselves, but their impact.

Key words: audit, performance, principles, optimal result, international audit standards
