

The Role of Internal Public Audit in Managing Crisis Situations: Evidence From the Pandemic Period

Madalina Ioana Moncea¹, Andrei Ionut Valeriu², Iulian Gole³,
Gina Ana Ciolan⁴ and Ana Maria Ivancencu⁵

¹⁾³⁾⁵⁾ *Bucharest University of Economic Studies, Bucharest, Romania.*

⁴⁾ *Valahia University, Targoviste, Targoviste, Romania.*

E-mail: madalinamoncea17@stud.ase.ro; E-mail: ionut.v.andrei@gmail.com;

E-mail: goleiulian18@stud.ase.ro; E-mail: gina_ciolan@yahoo.com;

E-mail: ivancencuana21@stud.ase.ro

Please cite this paper as:

Moncea, M. I., Valeriu I. A., Gole I., Ciolan G. A., & Ivancencu A. M. (2026). *The Role of Internal Public Audit in Managing Crisis Situations: Evidence From the Pandemic Period*. In C. Vasiliu, D.-C. Dabija, A. Tziner, D. Pleșea, & V. Dinu (Eds.), *Proceedings of BASIQ International Conference on New Trends in Sustainable Business and Consumption, 12th Edition* (pp. 181-187). Editura ASE. DOI 10.24818/BASIQ/2026/12/020

Abstract

This study examines the role of internal public audit in supporting public institutions during crisis situations, with particular reference to the COVID-19 pandemic. The research focuses on how the pandemic affected the organization, functioning, and priorities of internal public audit structures in Romania. The study uses a documentary and descriptive research design, based on secondary data drawn from official reports, institutional documents, and data centralized by the Central Harmonization Unit for Public Internal Audit. The analysis examines changes in the number and type of audit missions, the functioning of internal audit structures, and the adaptation of audit activities during the state of emergency and the pandemic period. The findings indicate that the pandemic led to changes in the conduct of audit missions, including reduced on-site activity, greater reliance on document-based work, and increased use of teleworking. The results also show a decrease in assurance missions and a relative increase in advisory and ad-hoc activities, suggesting a shift in the role of internal audit from traditional control toward support, guidance, and risk management. At the same time, the data reveal an expansion in the number of public institutions with established internal audit functions, despite the operational difficulties generated by the crisis. The study contributes to the literature by highlighting the adaptive role of internal public audit in crisis contexts and by emphasizing its relevance for organizational resilience, institutional accountability, and continuity of public services. From a practical perspective, the findings suggest the need to strengthen internal audit capacity, improve digital audit procedures, and integrate internal audit more clearly into public-sector crisis preparedness frameworks.

Keywords: Internal public audit; crisis management; organizational resilience; COVID-19 pandemic; risk assessment

DOI: 10.24818/BASIQ/2026/12/020

Introduction

Although the COVID-19 pandemic generated major disruptions in the functioning of public institutions, the way in which internal public audit adapted to these crisis conditions remains insufficiently clarified, especially in relation to the Romanian public sector. The central research problem addressed in this article concerns the extent to which internal public audit structures were able to continue their activity, adapt their procedures, and support public institutions in managing risks, ensuring compliance, and maintaining operational continuity during the pandemic. Therefore, the main research question guiding the study is: How did the COVID-19 pandemic influence the organization and activity of internal public audit in Romania, and what role did internal audit play in supporting crisis management in public institutions?

The purpose of this article is to analyze the effects of the COVID-19 pandemic on internal public audit activity, with a focus on the changes that occurred in the number, type, and conduct of audit missions, as well as in the functioning of internal audit structures. In order to achieve this purpose, the study pursues the following objectives: first, to examine the main challenges faced by internal public audit during the pandemic;

second, to analyze the transformations in audit missions and working procedures during the state of emergency; third, to assess the evolution of internal public audit structures in Romania based on official data; and fourth, to highlight the implications of these changes for crisis management, institutional resilience, and public-sector accountability.

The article is structured as follows. The first section reviews the relevant scientific literature on internal public audit, crisis management, and the impact of the COVID-19 pandemic on audit activities. The second section presents the research methodology, emphasizing the documentary and descriptive nature of the study and the use of secondary data. The third section discusses the main results regarding the evolution of internal public audit during the pandemic, with reference to changes in audit missions, working practices, and institutional structures. The final section presents the conclusions, practical implications, limitations of the study, and directions for future research.

1. Review of the scientific literature

Internal public audit has gained increasing scholarly attention as a key governance and risk-management function within public sector organizations, especially under the disruptive conditions imposed by the COVID-19 pandemic. Historically, internal audit research in the public sector focused largely on governance, control, and operational effectiveness, identifying internal auditing as a mechanism for enhancing transparency and accountability within government organizations and local authorities (Burlacu & Neagu, 2007; Ioniță et al., 2009; Stanila et al., 2025). Systematic reviews indicate that internal audit research expanded over the past decade, emphasizing its role in governance and operational effectiveness across multiple levels of public administration, including local and central governments, yet still highlighting gaps in crisis-specific contexts (Pazarkis et al., 2021).

During the pandemic, internal public audit assumed a heightened role as public institutions faced unprecedented uncertainty, resource constraints, and ever-changing regulations (Burlacu et al., 2025). Case studies demonstrate that in the Romanian public sector, internal audit became a crucial element in institutional crisis responses by providing assurance and counseling to decision-makers, ensuring the best use of limited resources and supporting organizational adjustments to maintain service delivery (Farca & Dragoș, 2020).

Empirical research from public universities in the United States offers further evidence of internal auditors' strategic involvement in crisis management. In this study, chief audit executives leveraged their functions to provide institutional and emotional support to staff, secured technical and financial backing from leadership, and adjusted audit operations to address the pandemic's challenges.

The findings highlighted the need for agile internal audit practices, enhanced communication with management, and strengthened data analytics skills in crisis environments, demonstrating how internal audit contributes to organizational resilience beyond traditional compliance roles (Hancu-Budui et al., 2020).

Parallel research from the private sector—while not public audit-specific—supports the view that internal auditors play a broader role during crises by supporting risk assessment, communicating risk insights, and adjusting audit operations to emerging risks under pandemic conditions. In the context of remote work and other disruptions, internal auditors have been shown to provide unique assurance and consulting services that help organizations manage crisis-related risks and maintain operational continuity (Rădulescu et al., 2020).

Moreover, literature focused on managerial control systems and internal audit highlights how crises like COVID-19 expose existing weaknesses in control and planning, reinforcing the need for internal audit functions to integrate more adaptive risk management and strategic planning into their core practices to build institutional resilience and ensure efficient use of public funds during disruptions.

Beyond internal public audit specifically, research on supreme audit institutions and external oversight bodies also underscores how audit functions overall were tested by the pandemic, necessitating adaptations to remote working, rapid response, and pro-active engagement with emergency spending and governance challenges. These studies collectively illustrate the importance of audit functions—internal and external—as key pillars of crisis governance and risk management in both public and private sectors.

In summary, although internal public audit research in crisis contexts remains relatively limited in volume, existing empirical and case-based studies converge on several themes: (1) the expanded role of internal audit during crises as a provider of assurance, counseling, and strategic insights; (2) the need for adaptive audit methodologies and enhanced competencies, including communication and data analytics; and (3) the contribution of internal audit to organizational resilience and effective risk management under crisis conditions.

2. Research methodology

This study uses a documentary and descriptive research design, based exclusively on secondary data. The choice of this methodological approach is justified by the objective of the article, namely to analyze how internal public audit activity in Romania was affected by the COVID-19 pandemic and how audit structures adapted to the constraints generated by the crisis.

The research does not rely on primary data collected directly by the authors through questionnaires or interviews. Instead, the analysis is based on official documents, institutional reports, and data centralized by the Central Harmonization Unit for Public Internal Audit, as well as on relevant academic literature concerning internal public audit, public-sector governance, and crisis management during the pandemic. Therefore, the study should be understood as a secondary-data analysis, rather than a mixed-methods empirical investigation.

The main data sources used in the article include official information regarding the activity of internal public audit structures during the pandemic, especially data on the number and type of audit missions carried out, the way audit activities were conducted during the state of emergency, the functioning of internal audit structures, and the institutional arrangements through which the internal public audit function was established. These data are used to identify the main changes produced by the pandemic in the organization and functioning of internal public audit in Romania.

The analysis covers two complementary periods. First, the study examines the immediate effects of the COVID-19 crisis during the state of emergency in 2020, when public institutions were directly affected by restrictions, teleworking arrangements, reduced physical interaction, and urgent regulatory changes. Second, the article considers the subsequent evolution of internal public audit structures using the most recent available official data, in order to observe whether the pandemic period was followed by changes in the institutional organization, functioning, and types of audit missions performed. This distinction is necessary because the article does not analyze only the short-term emergency period, but also the broader evolution of internal public audit activity in the years following the crisis.

The methodological procedure consisted of three stages. In the first stage, relevant academic literature and official documents were reviewed in order to define the theoretical and institutional context of internal public audit during crisis situations. In the second stage, official statistical data were extracted and organized according to the main analytical dimensions of the study: the number of audit missions, the type of audit missions, the functioning of audit structures, and the forms through which the internal audit function was established in public institutions. In the third stage, the data were interpreted descriptively, with emphasis on identifying trends, changes, and institutional implications.

The analysis is mainly based on descriptive statistics, including percentages, absolute values, and comparative interpretation across available years and institutional categories. The results are not intended to establish causal relationships, but to provide an overview of the transformations experienced by internal public audit during and after the pandemic period. Consequently, no inferential statistical tests, regression models, or primary-data-based thematic analysis are applied.

This methodological approach allows the study to highlight the role of internal public audit in crisis management from an institutional and documentary perspective. However, several limitations must be acknowledged. First, the research depends on the availability, accuracy, and consistency of official secondary data. Second, the study focuses on the Romanian public sector, which limits the generalizability of the findings to other administrative systems. Third, because no primary data were collected from auditors or public managers, the analysis cannot capture in-depth individual perceptions regarding the practical difficulties encountered during audit missions. Future research could address these limitations by using interviews, surveys, or comparative cross-country analyses.

3. Results and discussion

In the case of Romania, multiple researches have focused on the external audit activity, more precisely on the transformations that have occurred in the functioning of the Court of Accounts, referring to digitization (Lazăr & Popescu, 2021), the actual conduct of the activity and missions (Culea & Constantin, 2021) or on the use of social media to communicate during the pandemic (Hancu-Budui et al., 2020). Given the limited resources of the public sector, especially those available at the local level (Moldovan, 2016), the high level of uncertainty that characterized this period, the multitude of new tasks assumed or new ways of performing certain tasks, as well as the changes and difficulties generated in the national public procurement system during the pandemic (Farca & Dragoș, 2020), the importance of the internal public audit activity for the correct assessment of the risks assumed at the organizational level and providing advice to decision-makers is becoming increasingly clear.

The research was based on data collected from a number of 109 respondents, of which 84.40% come from the central public administration, and 15.60% from the local public administration. The study included responses from various types of public organizations, namely 4 ministries out of the total of 25 in which the internal public audit function was operating at that time, 7 autonomous administrative authorities out of a total of 36, as well as 8 associative structures out of the 53 existing with an internal public audit function. The research also included 6 county councils out of the total of 38, 15 municipalities out of 101, one sector out of the 6 existing, 24 cities out of 152 and 35 communes out of the total of 224 administrative-territorial units in which the internal public audit was operational. 57.80% of respondents stated that there were no differences between the number of missions carried out during the state of emergency and the approved plan, 31.19% stated that fewer missions were carried out compared to the plan and only 0.92% stated that they carried out more audit missions than was proposed in the plan; 10.9% of respondents stated that they did not carry out audit missions during the state of emergency (Figure no. 1).

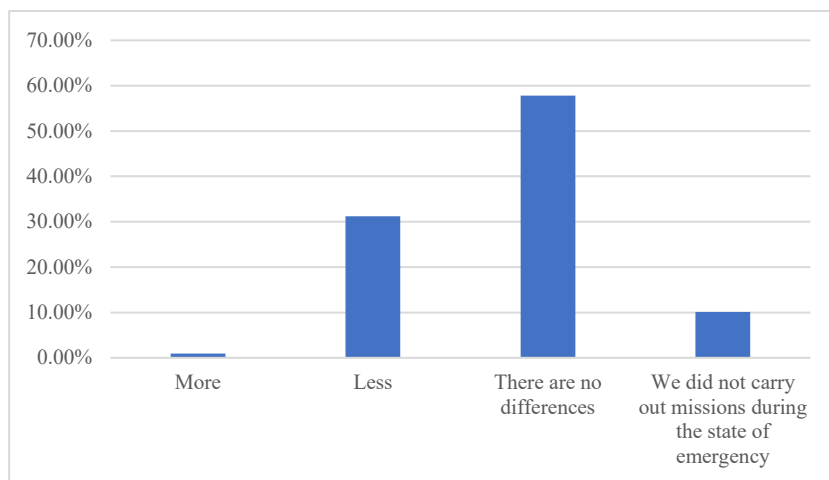


Figure no. 1. Missions carried out during the state of emergency compared to the approved plan, 2025

During the state of emergency, the way in which audit missions were carried out also changed, not only their frequency. Thus, only 14.68% of respondents stated that audit missions were carried out in the same way as before, 58.72% resorted to short visits to collect information and documents (most of the work being carried out on the basis of those documents) and 15.60% carried out audit missions only on the basis of documents, without carrying out on-site visits (Figure no. 2). Internal audit missions remained the main concern of the audit structure (according to the answers of 69.72% of respondents), while for 13.76% of respondents methodological work was predominant, followed by administrative work (9.17% of respondents) or other activities (for 7.34% of respondents). To help public entities better manage the difficulties generated by the state of emergency, audit structures carried out assurance missions (48.62% of respondents), informal advisory missions (37.61%), formal advisory missions (6.42%) or other types of activities (23.85%). The main problems that respondents faced during the state of emergency were the effective conduct of internal audit missions (39.45%), organizing teleworking/working from home (12.84%), adapting the internal audit plan to the new realities (11.93%) or other problems (9.17%).

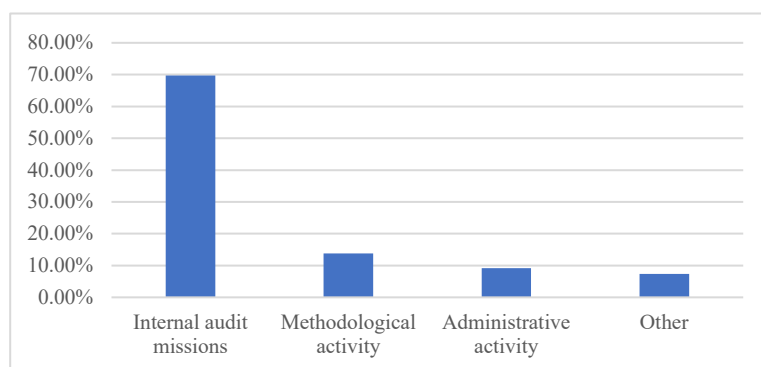


Figure no. 2. Activity of audit structures during the state of emergency, 2024

Data centralized by the Central Harmonization Unit for Public Internal Audit show several substantial changes related to the establishment of internal audit structures in the public sector: the number of public

institutions that are required to establish an internal public audit function increased from 11.495 in 2021 to 13.192 in 2024, and 11.608 institutions have actually established this function (compared to 9.841 in the previous year).

Regarding the actual form of establishment of public internal audit structures, the number of public institutions that established this function through their own structure decreased from 1.704 in the previous year to 1.683 in 2024, the number of those that established the function through the superior hierarchical body increased from 3.847 to 5.094, the number of public institutions that established the public internal audit function through a cooperation system increased from 4.290 to 4.831, while the number of public internal audit structures in a cooperation system remained constant at 56 (Table no. 1).

A considerable decrease is observed regarding public institutions that established the public internal audit function through service contracts; the specific services contracted in this regard have decreased almost 10 times in the last 2 years, from 114 institutions that had such contracts in 2022 to 11 institutions in 2024.

Table no. 1. Establishment of the internal public audit structure

	2021	2022	2023
Number of public institutions that are required to establish a public internal audit function	11686	11495	13192
Number of public institutions that have established a public internal audit function	9696	9841	11608
Number of public institutions that have established an internal audit function through their own structure	1712	1704	1683
Number of public institutions that have established an internal audit function through a superior hierarchical body	4244	3847	5094
Number of public institutions that have established an internal audit function through service contracts	114	60	11
Number of public institutions that have established an internal audit function through a cooperation system	3627	4290	4831

Source: Central Harmonization Unit for Public Internal Audit

The data presents a rather positive picture despite the complicated epidemiological context. Thus, the number of public institutions where public internal audit is functioning increased from 7.598 in 2022 to 9.539 in 2024, while the number of public institutions where public internal audit exists but does not function or does not exist at all has decreased in the last 2 years.

The effects of the pandemic on public internal audit activity are however visible when we refer to the number and type of audit missions carried out (Table no. 2).

The total number of missions carried out decreased from 13.177 in 2023 to 11.487 in 2024; regarding the type of missions carried out, the most affected seem to be assurance missions, the number of which decreased from 11.098 to 9.177. On the other hand, the number of advisory, evaluation or ad-hoc missions carried out during the pandemic increased.

Table no. 2. Number of audit missions carried out in public administration, 2021-2023

	2021	2022	2023
Total number of engagements performed	11187	13177	11487
Number of assurance engagements performed	8495	11098	9177
Number of advisory engagements performed	2595	1971	2191
Number of evaluation engagements	97	108	119
Number of ad hoc engagements performed	803	677	691

Source: Central Harmonization Unit for Public Internal Audit

Conclusions

This study analyzed the effects of the COVID-19 pandemic on internal public audit activity in Romania, using a documentary and descriptive research design based on secondary data, official reports, and information centralized by the Central Harmonization Unit for Public Internal Audit. The objective was not to measure causal relationships, but to identify the main institutional and operational changes that occurred in internal public audit during the pandemic and in the subsequent period.

The results show that the pandemic influenced both the number and the way in which internal public audit missions were carried out. During the state of emergency, a significant part of audit activity was affected by restrictions on physical interaction, the expansion of teleworking, and the need to adapt audit procedures to exceptional circumstances. The data indicate that some public institutions carried out fewer audit missions than initially planned, while others continued their activity through short visits, document-based procedures, or remote working arrangements. These findings suggest that internal public audit structures had to adjust their working methods in order to maintain institutional control and advisory functions under crisis conditions.

The analysis also shows changes in the type of audit missions performed. The number of assurance missions decreased, while advisory, evaluation, and ad-hoc missions became more relevant during the crisis period. This evolution indicates that internal public audit was not limited to its traditional verification role, but also supported public institutions through guidance, methodological assistance, and adaptation to new risks. Therefore, the pandemic highlighted the importance of internal public audit as a mechanism that can contribute to risk awareness, institutional accountability, and continuity of public-sector activity.

At the same time, the official data reveal an increase in the number of public institutions that established or maintained internal public audit functions in the years following the pandemic. This suggests that, despite the operational difficulties generated by the crisis, internal public audit remained an important component of public-sector governance. However, the findings should be interpreted cautiously, because the study is based on secondary data and descriptive indicators, without primary evidence collected directly from auditors, managers, or public officials.

The main contribution of the article is that it provides a structured overview of how internal public audit activity in Romania evolved during a period of major institutional disruption. From a practical perspective, the results underline the need to strengthen internal audit capacity, improve digital and remote audit procedures, and integrate internal public audit more clearly into crisis preparedness and risk management frameworks. Public institutions should ensure that internal audit structures are not treated only as compliance mechanisms, but also as advisory and preventive tools in periods of uncertainty.

The study has several limitations. First, it relies exclusively on secondary data, which limits the depth of interpretation regarding the practical experiences of internal auditors during the pandemic. Second, the analysis is focused on Romania, which reduces the possibility of generalizing the findings to other administrative systems. Third, the available data are mainly descriptive and do not allow the formulation of causal conclusions regarding the direct impact of internal audit on institutional resilience or crisis performance.

Future research could extend this analysis by using primary data collected through interviews or questionnaires addressed to internal auditors, audit managers, and decision-makers in public institutions. Comparative studies between Romania and other European countries could also provide a broader understanding of how internal public audit adapted to crisis situations. In addition, future research could examine the long-term effects of digitalization, remote audit practices, and advisory missions on the effectiveness of internal public audit in the public sector.

Generative Artificial Intelligence (GenAI) usage statement:

ChatGPT (version 5.0) was responsibly used for language improvement. After this process, the authors reviewed and edited the content as needed and take full responsibility for the content of the present article.

References

- Burlacu, S., Dobre, F., Mateescu, V.-M., & Andrei, I.-V. (2025). From bureaucracy to e-Government: Digital transformation of Public Administration in Romania for a sustainable future. *European Journal of Sustainable Development*, 14(3), 289. <https://doi.org/10.14207/ejsd.2025.v14n3p289>.
- Cordery, C. J., & Hay, D. C. (2022). Public sector audit in uncertain times. *Financial Accountability & Management*, 38(3), 426-446. <https://doi.org/10.1111/faam.12299>.

- Culea, M. S., & Constantin, D. (2021). Covid-19 crisis and the new challenges for Supreme Audit Institutions management. *Ovidius University Annals, Economic Sciences Series*, 21(1), 496–505.
- Diaconescu, M., Niculae, D. C., & Croitoru, I. (2020). *Auditul public intern din România în contextul pandemiei COVID-19*. Unitatea Centrală de Armonizare pentru Auditul Public Intern.
- Farca, L.-A., & Dragoș, D. C. (2020). Resilience in times of pandemic: Is the public procurement legal framework fit for purpose? *Transylvanian Review of Administrative Sciences*, (Special Issue 2020), 60–79. <https://doi.org/10.24193/tras.SI2020.4>.
- Gaf-Deac, I., Radulescu, C.-V., Burlacu, S., & Dima, C. (2024). Professional training in public administration in romania during the covid-19 pandemic. *Proceedings of the International Conference on Business Excellence*, 18(1), 819–828. <https://doi.org/10.2478/picbe-2024-0072>.
- Hancu-Budui, A., Zorio-Grima, A., & Blanco-Vega, J. (2020). Audit institutions in the european union: Public service promotion, environmental engagement and covid crisis communication through social media. *Sustainability*, 12(23), 9816. <https://doi.org/10.3390/su12239816>.
- Ionita, F., Ursacescu, M., & Burlacu, S. (2009). Public Services as Poles of Regional Competitiveness in Sustainable Development. *Revista de Management Comparat International/Review of International Comparative Management*, 10(3), 552–565.
- Lazăr (Pleșa), T. N., & Popescu, C. (2021). Digitization of external public audit in the context of the COVID-19 pandemic and the role of Supreme Audit Institutions in the Recovery and Resilience Facility. *Theoretical and Applied Economics*, 28(Special Issue), 28–36.
- Macarie, F. C., & Moldovan, O. (2017). Evoluția auditului public intern din România în perioada 2006–2015: Introducere în IA-CM (modelul de măsurare a capacității auditului public intern). *Revista Transilvană de Științe Administrative*, 19(41), 14–33.
- Macarie, F. C., & Moldovan, O. (2018). Evaluating Romanian internal public auditing using the IA-CM: Current state and potential developments. In C. M. Hințea, B. A. Moldovan, B. V. Radu, & R. M. Suciu (Eds.), *Transylvanian International Conference in Public Administration* (pp. 280–302). Cluj-Napoca: Accent.
- Moldovan, O. (2016). Local revenue mobilization in romania. *European Financial and Accounting Journal*, 11(3), 107–124. <https://doi.org/10.18267/j.efaj.166>
- Pazarkis, M., Koutoupis, A., Kyriakou, M., & Galanis, S. (2021). Corporate governance & internal audit at Greek municipal enterprises in the COVID-19 era. In S. Hundal, A. Kostyuk, & D. Govorun (Eds.), *Corporate governance: A search for emerging trends in the pandemic times* (pp. 119–125). Sumy: Virtus Interpress.
- Putra, I. M. Y. D., Rasmini, N. K., Gayatri, G., & Ratnadi, N. M. D. (2021). Organizational culture as moderating the influence of internal control and community participation on fraud prevention in village fund management during the COVID-19 pandemic. *Linguistics and Culture Review*, 6(S1), 351–362.
- Rădulescu, C. V., Burlacu, S., Bodislav, D. A., & Bran, F. (2020). Entrepreneurial education in the context of the imperative development of sustainable business. *European Journal of Sustainable Development*, 9(4), 93. <https://doi.org/10.14207/ejsd.2020.v9n4p93>.
- Ritonga, I. T., & Suyanto, S. (2022). Impacts of the Covid-19 pandemic on the audit of local government financial statements: Experience from Indonesia. *Public Money & Management*, 42(6), 452–459. <https://doi.org/10.1080/09540962.2021.1964770>.
- Stanciu, V., Valentina Rădulescu, C., Alexandru Bodislav, D., Burlacu, S., & Cristian Andrei Buzoianu, O. (2020). Board governance and sustainability disclosure – a romanian insight. *Management and Business Research Quarterly*, 14, 47–60. <https://doi.org/10.32038/mbrq.2020.14.04>
- Stanila, M. V., Profiroiu, C. M., Burlacu S. & Bokor, E. C. (2025). Corporate Governance in State-Owned Enterprises: A Bibliometric Analysis of Key Theories and the Current State of Debate. *Applied Research in Administrative Sciences*, 6(2), 24–37. <https://doi.org/10.24818/ARAS/2025/6/2.03>.