DOI https://doi.org/10.30525/2661-5150/2026-2-4

AREAS FOR IMPROVING THE EVALUATION OF THE ACTIVITIES OF PUBLIC FINANCIAL CONTROL BODIES IN THE DEFENSE SECTOR[1]

Nataliya Zdyrko[1]

Abstract. The *purpose* of the article is to improve methodological approaches to evaluating the effectiveness of public financial control of defense procurement through the development of a system of indicators that takes into account the performance of control activities, the level of accountability, and the transparency of budgetary funds usage in the security and defense sector. Particular attention is paid to assessing the activities of the Accounting Chamber of Ukraine as the supreme state audit institution in the field of control over defense expenditures under martial law and the significant growth in the scale of public finances. *Methodology*. The methodological basis of the study is the integrated application of theoretical, analytical, statistical, and comparative research methods. Theoretical analysis was used to examine scientific approaches to assessing the effectiveness of public financial control, to generalize international and domestic approaches to performance auditing, and to substantiate the role of the principles of accountability and transparency in the field of defense procurement. A systems approach was applied to consider public financial control of defense procurement as an integrated multi-level system combining control, analytical, informational, and preventive functions. Statistical and analytical methods were used to evaluate the generalized performance indicators of the Accounting Chamber of Ukraine during 2016–2025, as well as to calculate the coefficients of productivity, effectiveness, and "conditional" efficiency of state auditors' activities. Comparative analysis methods were applied to assess the dynamics of public financial control indicators under the transformation of the defense procurement system and the growth of budget expenditures during the period of martial law. The methodological approach is based on the use of indicators of productivity, effectiveness, and overall efficiency of public audit institutions, with their further adaptation to the specific features of defense procurement control. *Research Results*. The findings of the study indicate a significant transformation of the public financial control system for defense procurement in the context of increasing public finances and the growing role of the security and defense sector. It has been established that during 2016–2025 there was a tendency toward a reduction in the number of audited entities and control measures, accompanied by a simultaneous increase in the volume of audited public funds and identified violations. It is substantiated that such a trend reflects a gradual transition from a quantitative model of control to a risk-oriented approach focused on conducting comprehensive audits of the most financially significant areas of public administration. It has been determined that traditional efficiency indicators based solely on the number of inspections or the amount of detected violations do not allow for a comprehensive assessment of the real impact of public financial control on ensuring the efficient use of defense resources. It has been established that the significant level of secrecy in the field of defense procurement limits the possibilities for external analysis of audit results and reduces the level of transparency of control activities. The expediency of improving the system for evaluating the effectiveness of public financial control through the inclusion of indicators related to the implementation of recommendations, preventive orientation, the level of risk mitigation, transparency, and accountability of control activities has been substantiated. *Practical Implications*. The practical significance of the obtained results lies in the possibility of applying the proposed approaches to improve the methodological support for evaluating the activities of public financial control bodies in the field of defense procurement. The proposed

[1]The study was conducted within the framework of Project 2025.03/0012 "State Control of Defense Procurement in Ensuring the Financial Security of Ukraine" under the Grant of the President of Ukraine for the Support of Scientific Research and Development of Young Doctors of Sciences (up to and including 40 years of age).

[1] Vinnytsia National Agrarian University, Ukraine
E-mail: Natashka26@i.ua
ORCID: https://orcid.org/0000-0001-5968-3502
ResearcherID: I-4647-2018

This is an Open Access article, distributed under the terms of the Creative Commons Attribution CC BY 4.0

system of indicators may be used by the Accounting Chamber of Ukraine, public financial control bodies, entities of the security and defense sector, as well as public authorities in the development of mechanisms for assessing the effectiveness of control activities. The obtained results may be applied in the development of risk-oriented approaches to the public audit of defense procurement, the improvement of accountability and transparency mechanisms in the use of budgetary funds, and the formation of an information and analytical environment for supporting managerial decision-making in the defense sector. The recommendations concerning the transition from the formal recording of violations to the assessment of the real impact of control activities on the efficiency of public financial resource utilization are of particular practical value. *Value / Originality.* The scientific novelty of the study lies in the improvement of methodological approaches to evaluating the effectiveness of public financial control of defense procurement through the integration of accountability, transparency, and risk-oriented criteria into the system for assessing the results of control activities. Unlike traditional approaches, which are mainly based on quantitative indicators of detected violations, it is proposed to evaluate the effectiveness of public financial control through a combination of indicators of productivity, effectiveness, analytical impact, and the implementation of recommendations issued by control bodies. Further development has been achieved in approaches to assessing the activities of the Accounting Chamber of Ukraine under martial law and significant restrictions on access to information in the field of defense procurement, which makes it possible to form a more balanced model of public financial control between the requirements of national security and the need to ensure transparency in the use of public financial resources.

Keywords: public financial control, defense procurement, Accounting Chamber of Ukraine, performance audit, accountability, transparency, public audit, financial security, risk-oriented control, security and defense sector.

JEL Classification: H56, H83, H57, M42, D73, F52

1. Introduction

Under martial law in Ukraine and amid the significant growth of defense expenditures, public financial control of defense procurement is becoming increasingly important as a tool for ensuring national defense capability, financial security, and accountability in the use of budgetary funds. The specific nature of defense procurement, associated with substantial financial resources, a high level of secrecy, and the need for rapid decision-making, creates increased risks of inefficient use of funds, corruption abuses, and economically unjustified managerial decisions.

An important role in the system of public financial control over public, including defense, procurement is played by the Accounting Chamber of Ukraine as the supreme state audit institution authorized to exercise external control over the receipt and use of State Budget funds of Ukraine. At the same time, traditional approaches to evaluating the effectiveness of control activities, which are mainly based on the number of inspections or the volume of detected violations, do not fully allow for assessing the real impact of public financial control on the efficiency of defense resource utilization, the level of transparency, and the effectiveness of managerial decisions.

Scientific aspects of evaluating the effectiveness of public financial control have been studied in the works of Basantsov I. (2004), Chumakova I. Yu. (2009), Hordieieva T. A., Petryshyna O. V. (2015), Khomutenko A., Pashura A. (2016), Panukhnyk O., Tsiukalo L., Ostapchuk T., Diachenko S. (2026), Parkhomenko O. P., Parkhomenko V. P. (2016), Pikhotskyi V. V., Rysin V. V., Liubenko A. M. (2019), Rybkina S. O., Chumak I. V. (2026), Shvydka T. I. (2024), Vysochan O. O., Lytvynenko N. O. (2019) and other scholars. However, the issues of improving the system for evaluating the effectiveness of public financial control of defense procurement, taking into account the principles of accountability, transparency, and a risk-oriented approach, remain insufficiently studied.

The purpose of the article is to improve methodological approaches to evaluating the effectiveness of public financial control of defense procurement by refining the system of performance indicators for public audit institutions, taking into account the principles of transparency, accountability, and the current conditions of the functioning of the security and defense sector.

2. Theoretical and Methodological Foundations for Evaluating the Effectiveness of Public Financial Control of Defense Procurement

Under martial law and amid the growth of defense expenditures, public financial control of defense procurement is becoming critically important as a tool for ensuring national defense capability, financial security, and public trust in the security and defense sector. The specific nature of defense procurement, associated with a high level of secrecy, significant budgetary resources,

rapid decision-making, and broad discretionary powers of contracting authorities, creates increased risks of inefficient use of funds, corruption abuses, artificial restriction of competition, and economically unjustified managerial decisions. Under such conditions, public financial control should perform not only the function of detecting violations after procurement procedures have been completed, but also ensure preventive monitoring, assessment of the efficiency of defense resource utilization, compliance with the principles of accountability and transparency, as well as the formation of an integrated information and analytical environment for strategic decision-making in the field of defense support. It is precisely an effective system of public financial control that can ensure a balance between the necessary confidentiality of defense procurement and the public need for accountability in the use of public resources, which is a key prerequisite for strengthening national security and state resilience.

An important role in the system of public financial control over public, including defense, procurement in Ukraine is played by the Accounting Chamber of Ukraine as the supreme state audit institution authorized to exercise external control over the receipt and use of State Budget funds of Ukraine. Within the scope of its powers, the Accounting Chamber conducts financial audits, performance audits, and analyses of the effectiveness of budgetary resource utilization in the field of defense procurement, assessing the legality, economy, productivity, and efficiency of public financial resource management. The activities of the Accounting Chamber become particularly important under martial law, when defense expenditures increase significantly and the risks of non-transparent use of budgetary funds intensify.

The Annex to the Decision of the Accounting Chamber dated January 27, 2026 No. 2-4, concerning the Areas of Activity of the Accounting Chamber and their assignment to Members of the Accounting Chamber, defines one of the areas as "Security and Defense" with the specification of its subareas (Fig. 1).

According to the Development Strategy of the Accounting Chamber of Ukraine for 2025-2029, a serious challenge is ensuring the proper implementation of the institution's new powers envisaged by amendments to legislation, particularly regarding the audit of international aid funds, local budgets, state-owned enterprises, and the government's consolidated financial

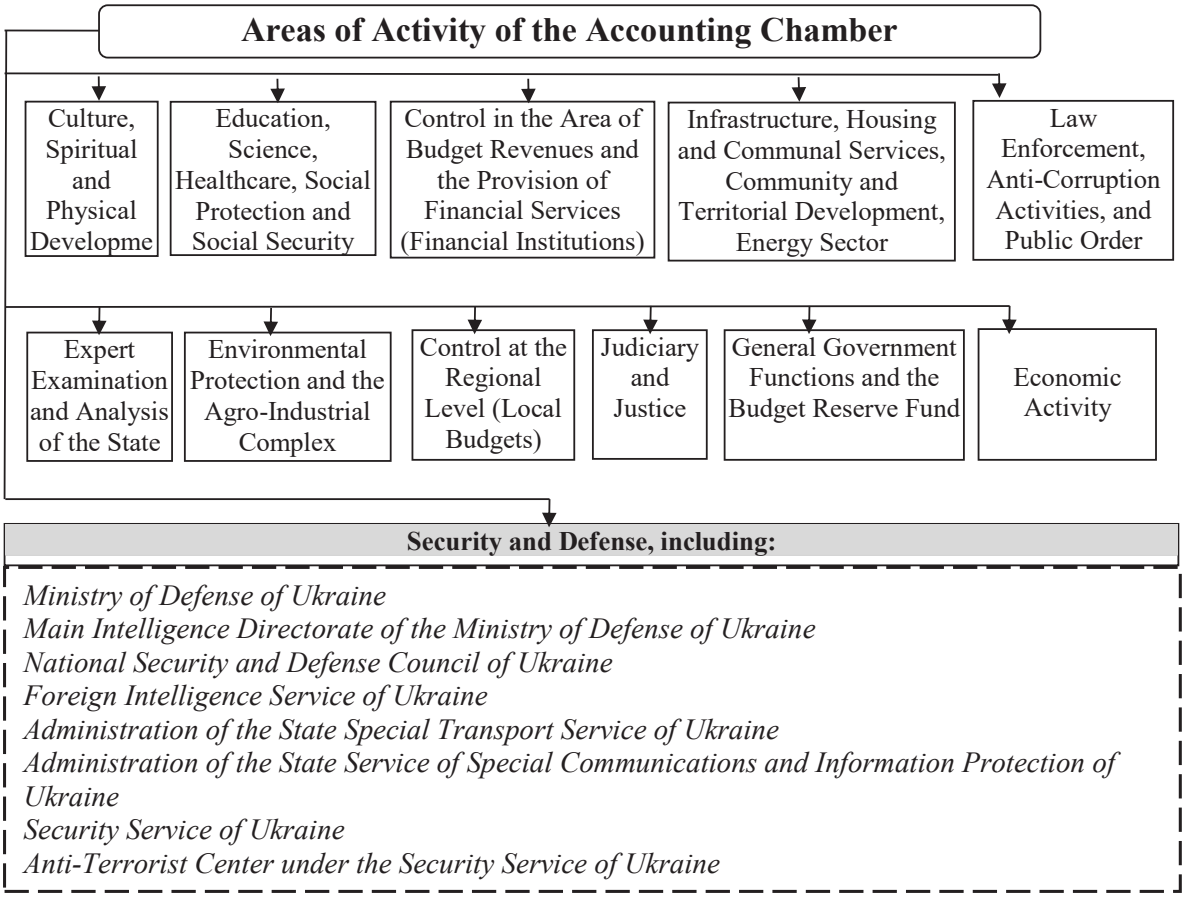

Figure 1. Security and Defense as One of the Areas of Activity of the Accounting Chamber of Ukraine

Source: based on the official website of the Accounting Chamber of Ukraine

statements. The issue of delineating functions between the State Audit Service of Ukraine and the Accounting Chamber requires resolution at the legislative level. Particular attention should be paid to audits in the fields of security and defense, infrastructure recovery, and the assessment of damage caused by the armed aggression of the Russian Federation. Therefore, one of the priority areas identified is ensuring audit coverage of international assistance, local budgets, state-owned enterprises, consolidated financial statements of chief spending units and the government, as well as the sectors of security and defense, recovery, and damage caused by the armed aggression of the Russian Federation.

3. Transparency and Accountability of Public Financial Control of Defense Procurement

One of the problems in the functioning of the defense procurement system in Ukraine is the significant level of information secrecy обусловиђ by the specific nature of the security and defense sector. At the same time, the practice of applying restricted access regimes to information often becomes excessive, which was noted in the State Anti-Corruption Program for 2023–2025, where problem 2.6.2 identifies that the procurement of defense-related goods, works, and services is carried out under conditions of excessive secrecy and a low level of competition. Excessive restriction of access to procurement information, including information related to procurement planning, procurement procedures, and contract implementation, significantly complicates public and institutional oversight, limits the possibilities for analyzing the efficiency of budgetary fund utilization, and creates preconditions for corruption risks. Under such conditions, balancing the protection of state secrets with the necessary transparency of procurement procedures becomes particularly important for the formation of an effective system of public control in the field of defense procurement.

In order to assess the level of openness of information regarding the results of public audits in the defense sector, it is advisable to analyze the audit reports published by the Accounting Chamber of Ukraine based on the results of audits in the relevant field (Table 1).

The analysis of publicly available data on audit results in the defense sector indicates a significant level of restricted access to information regarding the activities of control bodies. In particular, a considerable number of reports related to the use of budgetary funds and the implementation of defense procurement are classified with restrictive access labels such as "Secret," "Top Secret," or "For Official Use Only." Thus, in 2025, published audit results concerned the activities of the National Police of Ukraine, procurement under the standard support direction for the Armed Forces of Ukraine, the use of budgetary funds for military fortification structures, as well as certain aspects of the financial and economic activities of the Foreign Intelligence Service of Ukraine. At the same time, most of these documents were issued under restricted access regimes. A similar situation can also be observed in the reports for 2024, where the results of audits in the field of defense procurement, particularly regarding the procurement of unmanned systems and the activities of the Ministry of Defense of Ukraine in the field of procurement and modernization of weapons and military equipment, were also published with restricted access labels. Such practice significantly limits the

Table 1
Access Regimes to the Accounting Chamber's Audit Reports in the Field of Defense and Defense Procurement

Date of Publication	Document No.	Title	Classification
Reports for 2025			
02.12.2025	29-1	Report on the results of the financial audit of the National Aviation University	"Secret"
25.11.2025	28-1	Report on the results of the compliance audit on the implementation of defense procurement and logistics support for the Armed Forces of Ukraine	"For Official Use Only"
13.10.2025	25-5	Report on the results of the compliance audit regarding the use of budgetary funds for military engineering structures and fortification facilities	"Secret"
06.05.2025	11-1	Report on the results of the compliance audit on the topic "Certain Issues of Financial and Economic Activities of the Foreign Intelligence Service of Ukraine"	"Top Secret"
22.04.2025	9-2	Report on the results of the analysis of the implementation of recommendations (proposals) provided by the Accounting Chamber in the field of defense and security	"For Official Use Only"
Reports for 2024			
27.08.2024	39-3	Report on the results of the compliance audit on the topic "Implementation of Procurement of Unmanned Systems by the Administration of the State Service of Special Communications and Information Protection of Ukraine"	"For Official Use Only"
06.06.2024	27-1	Report on the results of the compliance audit on the topic "Activities of the Ministry of Defense of Ukraine in the Field of Procurement, Development, Production, Modernization, and Repair of Weapons and Military Equipment"	"Secret"

possibilities for external analysis of the results of control measures and reduces the level of transparency in the functioning of the public control system in the field of defense procurement.

Summarizing the above, it should be noted that the significant level of secrecy in the field of defense procurement, including the results of control measures, creates additional limitations for ensuring adequate transparency and accountability in the use of budgetary funds. Although restricting access to information in the defense sector is objectively necessary due to national security requirements, the excessive application of secrecy regimes may reduce the effectiveness of external control mechanisms, limit the possibilities for independent analysis of audit results, and complicate the formation of public trust in the defense resource management system. Under such conditions, the issue of developing a balanced model of control over defense procurement becomes particularly relevant, ensuring an appropriate level of protection for information constituting state secrets while at the same time avoiding excessive barriers to institutional and public oversight of the efficiency of public financial resource utilization in the defense sector.

4. Methodological Approach to Evaluating the Effectiveness of the Accounting Chamber and the Work of State Auditors

Traditional approaches to evaluating control activities, which are mainly based on the number of inspections conducted or the volume of detected violations, do not allow for a comprehensive assessment of the real impact of control on improving the efficiency of budgetary fund utilization, preventing violations, and ensuring transparency in managerial processes. In the field of defense procurement, particular importance is attached to the need to develop a system of indicators that would take into account not only the financial results of control measures, but also the level of accountability, the effectiveness of preventive mechanisms, the degree of elimination of systemic risks, the quality of managerial decisions, and the effectiveness of responses to identified deficiencies. Improving the evaluation of performance indicators of public control bodies will facilitate the transition from the formal recording of violations to the development of a modern risk-oriented control model aimed at ensuring the financial security of the state and increasing public trust in the defense resource management system.

According to I. Basantsov (Basantsov, 2004), the evaluation of the effectiveness of control bodies' activities should be based on indicators covering the main results of their activities, including: the volume of audited funds; the number of control measures conducted; the number of control measures that identified financial violations leading to losses of financial and material resources; the volume of misuse of State Budget funds identified during control measures; the number of submissions to law enforcement agencies prepared following control measures; and the amount of funds returned to the budget as a result of control activities.

V. Pikhotskyi defines the approach to the general evaluation of the effectiveness of public financial control and audit as the calculation of the control efficiency coefficient and the public audit efficiency coefficient (Pikhotskyi, Rysin, Liubenko, 2019). We consider acceptable the development of a system of indicators proposed by A. Khomutenko and A. Pashura (Khomutenko, Pashura, 2016), who suggested evaluating such indicators as: the coefficient of economic efficiency of the control body's activities, the coefficient of work intensity of one financial inspector, the coefficient of quality of control measures, the coefficient of control effectiveness, the coefficient of control implementation, and the coefficient of control efficiency.

Performance audit is characterized as a tool for evaluating and controlling the use of budgetary funds from the perspective of the goals and objectives set, as well as their compliance with the state development strategy. However, Vysochan O. believes that such an approach is somewhat limited, since it does not take into account all types of resources involved in the sphere of interest of performance audit (in addition to budgetary funds, these include state property and labor resources), and also omits the mechanism of their transformation into the final product (service), the optimization of which is an extremely important task of this type of audit. At the same time, orientation toward the strategic goals of the state is considered the main characteristic of strategic audit (Vysochan, Lytvynenko, 2019).

Parkhomenko O.P. defines performance audit as an assessment of the proper balance between cost and quality in achieving the set objective through economical, efficient, and effective managerial decision-making regarding the use of public funds (Parkhomenko, Parkhomenko, 2016).

In essence, an auditor conducting a performance audit of budgetary fund utilization should answer three consecutive questions:

– Has the planned objective of budgetary fund utilization been achieved? <effectiveness criterion>;

– Was the amount of funds used the minimum possible for achieving the set objective? <economy criterion>;

– Was the method of achieving the established objective sufficiently optimal given the allocated amount of budgetary funds? <efficiency criterion (in some sources – productivity criterion)>.

Chumakova I.Yu. concludes that there are three forms of performance audit implementation:

– simplified performance audit – answers the question: "Does the management system cope with the assigned tasks?";

– extended performance audit – answers the question: "What obstacles stand in the way of high-quality performance?";

– traditional performance audit – answers the question: "Do the work results correspond to the established criteria (objectives and goals, plans, principles, expected indicators, possible outcomes)?" (Chumakova, 2009).

T.A. Hordieieva and O.V. Petryshyna believe that the criterion for the effectiveness of procurement, works, and services financed from budgetary funds at the state and local levels is the timeliness, scope, and savings of funds during the performance of works (Hordieieva, Petryshyna, 2015).

We consider it appropriate to assess the current state of performance auditing in Ukraine carried out by the Accounting Chamber of Ukraine (Table 2).

The author's approach to determining the effectiveness of the activities of the Accounting Chamber as a whole and the work of an individual state auditor involves defining the following groups of indicators:

Productivity:

– labor productivity coefficient (K_{lp}) – determines the volume of identified violations detected by one state auditor (calculated as the ratio of the total volume of identified violations to the actual number of employees);

– labor intensity coefficient (K_{li}) – indicates the number of measures carried out by one state auditor (calculated as the ratio of the total number of control, analytical, and expert measures conducted to the actual number of employees);

Effectiveness:

– control effectiveness coefficient (K_{ce}) – indicates the share of identified violations in the total amount of audited funds (calculated as the ratio of the amount of identified violations to the total amount of audited funds);

– control generalization coefficient (K_{cg}) – indicates the share of prepared and approved reports in relation to all conducted control, analytical, and expert measures (calculated as the ratio of the number of reports to the total number of conducted measures);

– control implementation coefficient (K_{ci}) – indicates the share of relevant response documents (administrative sanctions, criminal proceedings) among all conducted control, analytical, and expert measures (calculated as the ratio of the number of documents to the total number of conducted measures);

Economy:

– savings coefficient (K_s) – indicates the share of budgetary savings achieved through the prevention and avoidance of violations (calculated as the ratio of the volume of prevented violations and potential losses of financial resources to the total expenditures for maintaining the apparatus of the control body);

– control efficiency coefficient (K_{ce}) – indicates the share of funds reimbursed to the budget from the identified violations (calculated as the ratio of reimbursed budgetary funds to the total amount of identified violations);

– control payback period (P_{cp}) – indicates the period (number of months) required to cover the expenditures

Table 2

Generalized Performance Indicators of the Accounting Chamber, 2016–2025

Indicator	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Deviation
1	2	3	4	5	6	7	8	9	10	11	12
1. Number of Audited Entities, units	644	635	598	602	285	490	355	399	304	235	-409
2. Number of Prepared and Approved Reports, units	96	95	91	77	48	63	39	59	54	47	-49
3. Volume of Identified Violations and Deficiencies, total, UAH billion	16,9	23,3	17,0	49,76	26,26	179,9	58,6	60,8	217,5	153,8	+136,9
4. Volume of Audited Public Funds, UAH billion	314	504	304,7	763,2	1185,0	592,4	351,3	771,1	3686,4	8043,8	+7729,8
5. Number of Response Documents Based on the Results of Control, Analytical and Expert Measures, units	498	633	567	498	462	538	422	633	574	71	-427
6. Approved Staff Number, persons	523	535	610	457	457	456	456	456	456	*	–
7. Actual Number of Employees, persons	413	428	456	391	378	392	401	406	332	535	+122
8. Volume of Budgetary Financing, UAH million	83,6	149,1	279,8	389,5	467,5	570,8	598,2	690,4	516,6	718,2	+634,6
9. Salaries and Payroll Charges, UAH million	68,02	119,07	244,8	327,4	389,2	477,3	496,8	590,7	*	*	–

"*" – data unavailable

Source: compiled by the author using the Reports of the Accounting Chamber of Ukraine

for maintaining the apparatus of the control body (calculated as the ratio of budgetary expenditures for maintaining the apparatus of the control body to the amount of reimbursed funds and prevented losses);

Despite the generalization of these indicators into the corresponding groups, we consider it appropriate to propose two generalized indicators reflecting the effectiveness of public control (audit):

Efficiency of the control body's activities (K_{ecba}) – shows how many reimbursed funds and prevented losses account for 1 UAH of budgetary funds allocated by the state for maintaining the entire apparatus of the control body (calculated as the ratio of the total amount of reimbursed funds and prevented losses to the total amount of budgetary financing);

Efficiency of the auditor's work (K_{eaw}) – shows how many reimbursed funds and prevented losses account for 1 UAH of expenditures related to the remuneration of a state controller (auditor) (calculated as the ratio of the amount of reimbursed funds and prevented losses identified by one employee to the average amount of labor remuneration expenditures).

Therefore, let us summarize the methodology for calculating these indicators in Table 3.

The calculation of the effectiveness of the Accounting Chamber of Ukraine is problematic, since its reports (unlike the reports of the State Audit Service of Ukraine) are structured in such a way that information regarding reimbursed funds is absent. Therefore, we calculate "conditional efficiency" as the ratio of identified violations to the expenditures incurred by the state for maintaining the Accounting Chamber.

The absence of data regarding reimbursed funds and prevented losses of financial resources in the reports of the Accounting Chamber makes it impossible to calculate indicators of savings generated as a result of control activities.

5. Analysis of the Performance Indicators of the Accounting Chamber of Ukraine during 2016–2025

In order to determine these performance indicators (economy, effectiveness, and productivity) of the

Table 3
Proposed Methodology for Evaluating the Effectiveness of Public Audit Bodies

No.	Indicator	Calculation Formula	Essence
1. Productivity Indicators			
1	Labor Productivity (K_{lp})	$\frac{\text{Volume of identified violations}}{\text{Actual number of employees}}$	determines the volume of identified violations detected by one state auditor
2	Labor Intensity (K_{li})	$\frac{\text{Number of control measures}}{\text{Actual number of employees}}$	indicates the number of measures carried out by one state auditor
2. Effectiveness Indicators			
3	Control Effectiveness Coefficient (K_{ce})	$\frac{\text{Volume of identified violations}}{\text{Volume of audited funds}}$	indicates the share of identified violations in the total amount of audited funds
4	Control Generalization Coefficient (K_{cg})	$\frac{\text{Number of reports}}{\text{Number of control measures}}$	indicates the share of prepared and approved reports among all conducted measures
5	Control Implementation Coefficient (K_{ci})	$\frac{\text{Number of response documents}}{\text{Number of control measures}}$	indicates the share of response documents among all conducted measures
3. Economy Indicators			
6	Savings Coefficient (K_s)	$\frac{\text{Volume of prevented losses}}{\text{Expenditures for maintaining the apparatus}}$	indicates the share of budgetary savings achieved through the prevention and avoidance of violations
7	Control Efficiency Coefficient (K_{ce})	$\frac{\text{Funds reimbursed to the budget}}{\text{Volume of identified violations}}$	indicates the share of funds reimbursed to the budget from identified violations
8	Control Payback Period (P_{cp})	$\frac{\text{Expenditures for maintaining the apparatus}}{\text{Reimbursed funds and prevented losses}}$	indicates the period (number of months) required to cover expenditures for maintaining the apparatus of the control body
3. General Efficiency Indicators			
9	Efficiency of the Control Body's Activities (K_{ecba})	$\frac{\text{Reimbursed funds and prevented losses}}{\text{Expenditures for maintaining the apparatus}}$	shows how many reimbursed funds and prevented losses account for 1 UAH of budgetary funds allocated by the state for maintaining the entire apparatus of the control body
10	Efficiency of the Auditor's Work (K_{eaw})	$\frac{\text{Reimbursed funds and prevented losses}}{\text{Labor remuneration expenditures}}$	shows how many reimbursed funds and prevented losses account for 1 UAH of expenditures related to the remuneration of a state auditor

Source: adapted and developed by the author

functioning of the Accounting Chamber as a control body, it is necessary to use the data summarized in Table 2. Therefore, we calculate the above-mentioned performance indicators (except for economy indicators) (Table 4).

The analysis of the performance indicators of the Accounting Chamber of Ukraine during 2016-2025 allows us to conclude that there has been a significant transformation in approaches to public external financial control under conditions of changing scales of public finances, reforms of the public administration system, and increasing budget expenditures related to state security and defense. The proposed system of indicators does not claim to comprehensively reflect all aspects of public audit efficiency; however, it makes it possible to assess certain trends in productivity, effectiveness, and the overall organizational efficiency of the Accounting Chamber and the work of state auditors.

Productivity indicators characterize the workload and performance of one state auditor. The conducted calculations indicate a general tendency toward an increase in labor productivity in value terms. While in 2018 one state auditor identified violations amounting on average to UAH 37.3 million, in 2021 this indicator increased to UAH 458.9 million, and in 2024 to UAH 655.1 million. Such dynamics indicate a substantial increase in the scale of financial resources covered by control measures, as well as the concentration of audit activities on the most risk-prone areas of budgetary fund utilization. In general, during 2016-2025, the labor productivity of state auditors increased by UAH 246.6 million. At the same time, the labor intensity indicator demonstrates a tendency toward gradual decline – from 1.6 measures per auditor in 2016 to 0.09 in 2025, or by 1.51 units. This may indicate a change in the nature of control activities, orientation toward more comprehensive audits, and an increase in the duration of control procedures. Thus, the simultaneous growth in labor productivity and reduction in the intensity of control measures should be considered not as a contradiction, but as evidence of the transition from a quantitative model of control to a more analytically and risk-oriented approach.

Effectiveness indicators characterize the relationship between the volume of identified violations, conducted measures, and prepared response documents. During the studied period, the control effectiveness coefficient ranged from 0.019 to 0.167, indicating changes in the share of identified violations within the total amount of audited funds. The highest value of this indicator was recorded in 2022 (0.167), which may be associated with the significant volume of violations identified during the period of sharp growth in budget expenditures and transformation of financial processes under martial law. At the same time, during 2016–2025, the control effectiveness coefficient decreased by 0.031, which may indicate that the volume of audited public funds grew faster than the amount of identified violations.

The control generalization coefficient reached a stable value of 1.0 during 2019-2025, while its overall increase during the studied period amounted to 0.90. This indicates that reports were prepared for virtually every conducted public external financial control measure. At the same time, the control implementation coefficient demonstrates a tendency toward significant growth – from 0.80 in 2016 to 10.63 in 2024, although in 2025 it decreased to 1.51. Overall, during 2016–2025, this indicator increased by 0.71. This indicates an expansion in the volume of response documents, recommendations, decisions, and informational materials prepared following control activities. Such a trend confirms the strengthening of the coordination, analytical, and advisory functions of the Accounting Chamber within the public financial control system.

General efficiency indicators reflect the relationship between the volume of identified violations and the state expenditures on maintaining the Accounting Chamber of Ukraine and supporting the work of state auditors. The calculated indicators of "conditional" efficiency demonstrate that in 2024, approximately

Table 4

Evaluation of the Performance Indicators of the Accounting Chamber of Ukraine and the Work of State Auditors

Indicator	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Deviation
1. Productivity Indicators											
1. Labor Productivity (K_{lp})	40,9	54,4	37,3	127,3	69,5	458,9	146,1	149,8	655,1	287,5	+246,6
2. Labor Intensity (K_{li})	1,6	1,5	1,3	0,20	0,13	0,16	0,10	0,15	0,16	0,09	-1,51
2. Effectiveness Indicators											
3. Control Effectiveness Coefficient (K_{ce})	0,05	0,05	0,06	0,065	0,022	0,069	0,167	0,079	0,059	0,019	-0,031
4. Control Generalization Coefficient (K_{cg})	0,10	0,10	0,20	1,00	1,00	1,00	1,00	1,00	1,00	1,00	+0,90
5. Control Implementation Coefficient (K_{ci})	0,80	1,00	0,90	6,47	9,63	8,54	10,82	10,73	10,63	1,51	+0,71
3. General Efficiency Indicators											
6. Efficiency of the Control Body's Activities (K_{ecba})	202,2	156,3	60,8	127,8	56,2	315,2	97,9	88,1	421,0	214,2	+12,0
7. Efficiency of the Auditor's Work (K_{eaw})	248,5	195,7	69,4	151,9	67,5	376,9	117,9	102,9	*	*	–

"*" – data unavailable

Source: calculated by the author

UAH 421 of identified violations and deficiencies accounted for every UAH 1 of budgetary funds allocated for maintaining the Accounting Chamber, whereas in 2018 this indicator amounted to only UAH 60.8. In general, during 2016-2025, the "conditional" efficiency of the Accounting Chamber's activities increased by UAH 12.

The negative deviation of the indicator of the "conditional" efficiency of the state auditor's work in 2023 compared to 2016 by UAH 145.6 (from UAH 248.5 to UAH 102.9) indicates a decrease in the volume of identified violations per UAH 1 of labor remuneration expenditures for state auditors. This may be associated both with the growth in expenditures on personnel support for control activities and with changes in approaches to public auditing toward more comprehensive and analytically oriented control measures.

The obtained results indicate an increase in the scale of financial resources covered by control activities and the growing role of the Accounting Chamber in the system of public financial management. At the same time, these indicators should be interpreted with caution, since they primarily characterize the scale of identified financial risks and violations rather than the actual level of reimbursed funds or eliminated deficiencies. The absence of complete information in publicly available reports regarding the amount of actually reimbursed funds and prevented losses of financial resources limits the possibility of conducting a comprehensive assessment of the economic efficiency of public audit. In this regard, the proposed system of indicators may be considered as a basic analytical framework for the further development of methodologies for evaluating the effectiveness of public financial control, taking into account the criteria of preventive orientation, implementation of recommendations, influence on managerial decision-making, risk orientation, transparency, and accountability.

6. Conclusions

Under conditions of full-scale war and the substantial growth of defense expenditures, public financial control of defense procurement is becoming critically important as a tool for ensuring the financial security of the state, improving the efficiency of budgetary resource utilization, and ensuring public trust in the security and defense sector. The specific nature of defense procurement, associated with a high level of secrecy, rapid managerial decision-making, and significant financial resources, necessitates the improvement of approaches to evaluating the performance of public financial control bodies.

The study established that traditional approaches to evaluating the effectiveness of public financial control, which are mainly based on the number of inspections conducted or the volume of detected violations, do not allow for a comprehensive assessment of the real impact of control activities on ensuring the efficient use of defense resources. The analysis of the activities of the Accounting Chamber of Ukraine during 2016–2025 indicates the transformation of the public audit system toward the transition from a quantitative model of control to a more risk-oriented and analytical approach. In particular, against the background of a reduction in the number of audited entities and control measures, there has been a substantial increase in the volume of audited public funds and identified violations and deficiencies. Thus, in 2025, the volume of audited public funds increased to UAH 8,043.8 billion compared to UAH 314 billion in 2016, while the volume of identified violations increased from UAH 16.9 billion to UAH 153.8 billion.

The calculated indicators of productivity, effectiveness, and "conditional" efficiency of the Accounting Chamber's activities made it possible to identify a trend toward increasing labor productivity of state auditors in value terms. At the same time, the decrease in the labor intensity indicator indicates the reorientation of control activities toward conducting more comprehensive audits and strengthening the analytical component of public financial control. It was also established that the significant level of secrecy in the field of defense procurement limits the possibilities for external analysis of the results of control activities and complicates the provision of an adequate level of transparency and accountability in the use of budgetary funds.

Based on the results of the study, the expediency of improving the system for evaluating the effectiveness of public financial control of defense procurement has been substantiated through the inclusion of indicators related to the implementation of recommendations, preventive orientation of control, the level of elimination of systemic risks, the effectiveness of managerial decisions, transparency, and accountability of control activities. The proposed approach makes it possible to evaluate the effectiveness of public financial control not only through the volume of identified violations, but also through its impact on ensuring legality, economy, effectiveness, and efficiency in the use of the state's defense resources.

References:

Accounting Chamber of Ukraine. (2016-2025). Reports for 2016–2025. https://www.rp.gov.ua/Reports/

Accounting Chamber of Ukraine. (2025). Development Strategy of the Accounting Chamber for 2025–2029. https://rp.gov.ua/upload-files/About/Strategy/Strategy_ACU_2025-2029_.pdf

Accounting Chamber of Ukraine. (2026). Annex to the Decision of the Accounting Chamber dated January 27, 2026 No. 2–4. https://rp.gov.ua/Areas/Areas_2026/?id=2995

Basantsov, I. (2004). Theoretical and Methodological Foundations for Evaluating the Effectiveness of Public Financial Control. *Bulletin of Sumy State University. Series: Economics*, 6 (65): 149–156. http://essuir.sumdu.edu.ua/handle/123456789/1503

Chumakova, I. Yu. (2009). Performance Audit: Foreign Experience and Ukrainian Realities. *Accounting and Auditing*, 1: 55–62.

Hordieieva, T. A., & Petryshyna, O. V. (2015). Implementation of Performance Audit of Budgetary Funds Utilization into the Practice of Public Financial Control. *Bulletin of Khmelnytskyi National University. Series: Economic Sciences*, 3 (3): 32–34.

Khomutenko, A., & Pashura, A. (2016). Criteria Framework for Evaluating the Effectiveness of Control and Inspection Activities of the State Audit Service of Ukraine. *Scientific Bulletin of Odesa National University*, 8: 150–163. http://nbuv.gov.ua/UJRN/Nv_2016_8_14

Panukhnyk, O., Tsiukalo, L., Ostapchuk, T., & Diachenko, S. (2026). Financial and Institutional Mechanism for Ensuring Defense Procurement under Conditions of Wartime Uncertainty. *Journal of Economic Reforms*, 1 (61): 95–106. https://doi.org/10.32620/cher.2026.1.11

Parkhomenko, O. P., & Parkhomenko, V. P. (2016). Problems and Prospects for the Development of Public Finance Audit in Ukraine. *Market Infrastructure*, 2: 334–339. http://nbuv.gov.ua/UJRN/ifrctr_2016_2_68

Pikhotskyi, V. V., Rysin, V. V., & Liubenko, A. M. (2019). Effectiveness of Financial Control and Public Audit in Ensuring the Financial and Economic Stability of the State. *Financial and Credit Activity: Problems of Theory and Practice*, 28 (1): 205–215. https://fkd.net.ua/index.php/fkd/article/view/2047/2066

Rybkina, S. O., & Chumak, I. V. (2026). Procurement System of the National Security and Defense Sector: Structural Analysis, Problems and Prospects for Improvement. *Bulletin of the Dnipro Academy of Continuing Education. Series: Public Administration and Management*, 10 (1): 72–93. https://doi.org/10.54891/2786-698X/2026-1-7

Shvydka, T. I. (2024). Features of State Regulation of Defense Procurement. *Scientific Bulletin of Uzhhorod National University. Series: Law*, 81 (1): 308–314. https://doi.org/10.24144/2307-3322.2024.81.1.49

Vysochan, O. O., & Lytvynenko, N. O. (2019). Performance Audit as a Means of Confirming the Effectiveness, Economy and Efficiency of Budgetary Funds Utilization in the Public Sector of Ukraine's Economy. *Scientific Bulletin of Uzhhorod National University. Series: International Economic Relations and the World Economy*, 25 (1): 44–48. http://nbuv.gov.ua/UJRN/Nvuumevcg_2019_25%281%29__11

Received on: 10th of April, 2026
Accepted on: 26th of May, 2026
Published on: 26th of June, 2026