

4th Meeting of the INTOSAI CBC Subcommittee 3 (Vienna, 8-9 September 2011)

- Draft Minutes -

- Annexes:** 1. List of participants
2. Action Plan 2011-2016

<i>Item</i>	<i>Discussion Results</i>
1. Agenda	Adopted.
2. Minutes of last meeting	Adopted.
3. Looking back – review of progress since last meeting	<p><u>1. Peer Review Guide and Checklist:</u></p> <ul style="list-style-type: none"> ▪ translation into five INTOSAI languages and production of print versions ▪ endorsement as ISSAI 5600 by the XX INCOSAI <p><u>2. Peer Review documentation:</u></p> <ul style="list-style-type: none"> ▪ Peer review documents were posted on the CBC website – after permission by involved SAIs. <p><u>3. Additional means to promote peer reviews:</u></p> <ul style="list-style-type: none"> ▪ development of CBC flyer for distribution at XX INCOSAI ▪ presentation by Sub-Committee (SC) chair at III EUROSAI-ARABOSAI-Conference
4. Assess and document existing peer review arrangements and disseminate the results of peer reviews	<p><u>1. Current/new peer review projects:</u></p> <p>The peer review overview was presented and further updated, esp. regarding the following projects:</p> <ul style="list-style-type: none"> ▪ The peer review of the SAI of Norway has been completed in May 2011; ▪ the peer review of the SAI of Slovakia completed in May 2011; ▪ SAI of Estonia postponed its peer review which was planned for 2011; ▪ ECA plans to have organised a peer review in 2012; ▪ SAI of France plans to undergo two peer review projects in the areas organisational issues (by SAI of Portugal) and financial audit (by SAI of Finland).

<i>Item</i>	<i>Discussion Results</i>
	<p data-bbox="618 220 1379 252"><u>2. Further development of the peer review documentation:</u></p> <ul style="list-style-type: none"> <li data-bbox="640 264 2007 403">▪ The peer review overview should include some more information on the individual peer review projects, such as focus, timeframe, staff, man days, main recommendations, changes based on these recommendations (within SAI, in legal framework, in SAI environment), additional/optional information (e.g. translation effort, special instruments such as staff surveys, etc.). <li data-bbox="640 416 2007 517">▪ In order to gather this information, the German SAI will revise the draft questionnaire for the annual e-mail survey on current/new peer review projects and circulate it among SC members before sending it out to all INTOSAI members. <li data-bbox="640 529 1599 561">▪ The peer review overview should list the projects in chronological order. <p data-bbox="618 580 1227 612"><u>3. Structure of the peer review documentation:</u></p> <p data-bbox="640 625 2007 764">The chair proposed another structure for the peer review documentation on the CBC website in order to enhance user-friendliness. This new structure shall be implemented with support by the SAI Morocco as administrator of the website when the peer review documentation will be updated according to the results of the e-mail survey.</p> <hr/> <p data-bbox="618 799 824 831"><u>Actions to take:</u></p> <ul style="list-style-type: none"> <li data-bbox="674 844 1547 876">➤ revision of the draft questionnaire for the annual e-mail survey; <li data-bbox="674 888 1413 920">➤ revision of the structure of the peer review overview; <li data-bbox="674 933 1267 965">➤ update of the peer review documentation.
<p data-bbox="217 1002 577 1150">5. Foster an environment where peer reviews are seen as beneficial</p>	<p data-bbox="618 1002 1093 1034"><u>1. INTOSAI journal on peer reviews:</u></p> <p data-bbox="640 1046 2007 1150">The October 2011 issue of the INTOSAI journal will focus on the subject peer review. The SAIs of Slovak Republic, Poland and Germany sent articles to the GAO as editor of the journal. In addition, reference to the peer review guide and checklist as well as to the peer review documentation will be made.</p> <p data-bbox="618 1169 1503 1201"><u>2. Development of continuous process for presentation of the guide:</u></p> <ul style="list-style-type: none"> <li data-bbox="640 1214 1984 1246">▪ It can be observed that the peer review instrument is not used/well-known in some INTOSAI regions. <li data-bbox="640 1259 1917 1326">▪ On the proposal of the SAI of Morocco SC members discussed the possibilities for further raising awareness of the peer review guide and for distributing peer review experiences. <li data-bbox="640 1339 2007 1437">▪ As a first step, the SC will send a letter to the General Secretariats of all INTOSAI regions describing the benefits of peer reviews, presenting the guide and offering support in promoting peer reviews in the regions (e.g. in seminars). The letter shall be supplemented by statements of Heads of SAIs – ideally

<i>Item</i>	<i>Discussion Results</i>
	<p>from different INTOSAI regions – who have already undergone resp. participated in a peer review (“Peer Review Ambassadors”). Depending on the reactions of the INTOSAI regions further steps may be taken (e.g. standard presentation, development of case studies).</p> <ul style="list-style-type: none"> ▪ It is essential that the Heads of SAIs are convinced of the benefits of this instrument. Therefore, it should be kept in mind to use events on top management level for promoting the peer review guide (such as the presentation at the EUROSAI-ARABOSAI-Conference). <p><u>3. CBC website:</u></p> <ul style="list-style-type: none"> ▪ The column of SC 3 on the CBC website does not provide much information on the SC’s activities. ▪ Therefore, the following documents should be published on the CBC website: <ul style="list-style-type: none"> - agendas of the past meetings - minutes of the past meetings - action plan 2011-2016 - questionnaire for the annual e-mail survey on peer review projects (see item 4.2) - feedback questionnaire on peer review guide and checklist - letter of the SC to the General Secretariats of the INTOSAI regions (see item 5.2) - presentation on the peer review project of the SAI of the Slovak Republic <p><u>Actions to take:</u></p> <ul style="list-style-type: none"> ➤ draft letter to the General Secretariats of the regional groups; ➤ update of the column of SC 3 on the CBC website.
<p>6. Update the peer review guideline and provide further good practices</p>	<p><u>1. Peer review of the SAI of Slovak Republic and feedback on the use of the ISSAI 5600</u></p> <ul style="list-style-type: none"> ▪ SAI of Slovak Republic presented basic information on its peer review in 2010/2011 which was based on ISSAI 5600. The 18 recommendations of the peer review team are currently implemented in the Slovak SAI via action plans developed and monitored by five teams (planning, conduct, reporting, quality assessment and HR). <p>ISSAI 5600 was translated into Slovak and published in the intranet for all staff members. When translating the checklist it needed to be adapted to own procedures.</p> <p>Proposals for improvement:</p> <ul style="list-style-type: none"> - more detailed steps should be added (e.g. by an additional manual) on: how to select topics, planning

<i>Item</i>	<i>Discussion Results</i>
	<p>and project management, fieldwork, analysing evidence, drafting the report, clearance process, follow-up work;</p> <ul style="list-style-type: none"> - templates would be useful (e.g. for the report, action plan for implementing recommendations). <ul style="list-style-type: none"> ▪ SAI of Poland as reviewing SAI in the peer review of the SAI of Slovak Republic focused on feedback on the use of the peer review checklist. <p>The reviewing team chose 111 questions + subquestions from the checklist.</p> <p>Several users' problems emerged, e.g. partly overlapping, partly incompleteness, purpose of several questions not clear, addressees of questions not clear, lack of examples.</p> <p>Proposals for improvement:</p> <ul style="list-style-type: none"> - questions' headings; - numbers and letters better than bullet points; - closer definitions of some terms; - add explanations to some questions (what if 'yes', what if 'no'? Purpose of question?); - avoid overlapping, completing and regrouping of questions; - add examples; - add ISSAI links. <ul style="list-style-type: none"> ▪ SC concluded that revision of checklist is needed. <p><u>Actions to take:</u></p> <ul style="list-style-type: none"> ➤ collect some more feedback by sending the feedback questionnaire to SAIs that currently undergo a peer review (invitation to present feedback at next SC meeting?); ➤ first draft of revised checklist at next SC meeting, revision in accordance with ISSAI Due Process; ➤ peer review guide itself should be kept as it is for the time being, further detailed guidance may be taken into account at a later stage. <p><u>2. New guidelines on assessing internal/external evaluation of quality assurance and possibilities of widening quality assurance processes by other means than peer reviews</u></p> <ul style="list-style-type: none"> ▪ SAI of Morocco proposed to develop tools for self assessment or external assessment as a preliminary step for SAIs before being reviewed by a peer. ▪ Such tools were recognised as important instruments for quality assurance. However, it was stated that some existing instruments may deal with this issue (e.g. 'Common Assessment Framework', 'European

<i>Item</i>	<i>Discussion Results</i>
	<p>Foundation for Quality Management Model', ISSAI 40). In addition, it was stated that it is important to be sure that the development of a self-assessment or external assessment tool does not go beyond the mandate of SC 3 which focuses on peer reviews. Other INTOSAI bodies (Project Group on Audit Quality, CBC SC 1) also deal with quality assurance aspects so that there could be a risk of overlapping. Therefore, SC members did not take a final decision regarding the development of such tools, but saw the need of being aware of other assessment tools 'around' the peer review instrument.</p> <p>It was concluded that the proposal of the SAI of Morocco should be discussed at the CBC Steering Committee meeting on 22nd September, as representatives of the PSC and CBC SC 1 will be present. The SAI of Germany will circulate the Memo on the "Project on Quality Control" from the chair of the project group Audit Quality for information of SC members.</p>
<p>7. Information on the meeting of the Working Group Value and Benefits of SAIs</p>	<p><u>Developing a credible performance measurement tool for SAIs</u></p> <ul style="list-style-type: none"> ▪ The INCOSAI 2010 mandated the Working Group on the Value and Benefits of SAIs to develop further credible measurement tools in collaboration with the Capacity Building Committee and the INTOSAI Donor Steering Committee (see Johannesburg Accords, no. 34). ▪ IDI as Secretariat of the INTOSAI Donor Steering Committee presented the concept for developing this SAI Performance Measurement Framework (PMF). ▪ As there are already more than a dozen different tools developed by the INTOSAI and donor communities to assess the performance of SAIs (e.g. ISSAI framework, PEFA, Peer Review Checklist), a mapping exercise of all these tools is carried out as a first step. ▪ The aim is to develop a single, global measurement tool (for self assessment, peer assessment and external review) for submitting to the next INCOSAI in 2013. ▪ At the past meeting of the Working Group Value and Benefits of SAIs it became evident that the PMF project is linked to the activities of SC 3. Therefore, the Working Group seeks the participation of the SC chair and members in the Task Team/Reference Group for the development of the PMF. ▪ SC members saw the links between the PMF development and the activities of SC 3. They asked IDI to send a formal letter briefly explaining the project and inviting to participate so that SC members can check a possible contribution of their SAIs. <p><u>Actions to take:</u></p> <ul style="list-style-type: none"> ➤ IDI will send a formal letter inviting SC 3 members to participate in the reference group or task

<i>Item</i>	<i>Discussion Results</i>
	team for the development of the PMF.
8. Agreement on an action plan 2011-2016	<ul style="list-style-type: none"> ▪ SC members defined the tasks for the upcoming years – as identified during the meeting – in an action plan, together with responsible SC members and deadlines (see annex 2). ▪ The action plan is a living document; it may be adapted as needed in future meetings.
9. Report to next CBC Steering Committee meeting	<ul style="list-style-type: none"> ▪ The CBC Steering Committee meeting takes place on 22nd September 2011 in Marrakech, Morocco. The progress report has to be submitted by the chair by 16 September 2011. It will reflect the meeting discussion results and the tasks agreed on in the action plan. ▪ Given the short time available, the chair will circulate the progress report among the SC members for information after the CBC Steering Committee meeting.
10. Invitation of new members	<ul style="list-style-type: none"> ▪ SC members were in favour of the idea to invite further members to SC 3 in order to reach a broader representation of INTOSAI regions. ▪ Especially SAIs with peer review experience should be contacted (e.g. El Salvador, Peru, Ecuador, New Zealand, Australia, Canada). In addition, SIGMA and OECD should be invited as observers.
11. Date and venue of next meeting	<ul style="list-style-type: none"> ▪ The possible date would be beginning of September 2012 subject to the date of the CBC Steering Committee meeting. ▪ The ECA checks if it can host the meeting.
12. AOB	<p>The Handbook for INTOSAI Committees suggests that committees rotate the position of chair – possibly after a maximum of 6 to 9 years. As the SAI of Germany has held the function of the chair for six years now, it indicates that it would be willing to hand over this function. If a SC member is interested in taking over the chair of SC 3 he/she is invited to contact the SAI of Germany.</p>