

INTOSAI



JOURNAL

INTERNATIONAL
of GOVERNMENT AUDITING



April 2008

April 2008

Vol. 35, No. 2



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INTERNATIONAL Journal of GOVERNMENT AUDITING

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The *International Journal of Government Auditing* is published quarterly (January, April, July, October) in Arabic, English, French, German, and Spanish on behalf of INTOSAI (International Organization of Supreme Audit Institutions). The *Journal*, which is the official organ of INTOSAI, is dedicated to the advancement of government auditing procedures and techniques. Opinions and beliefs expressed are those of editors or individual contributors and do not necessarily reflect the views or policies of the organization.

The editors invite submissions of articles, special reports, and news items, which should be sent to the editorial offices at:

U.S. Government Accountability Office
Room 7814, 441 G Street, NW
Washington, D.C. 20548
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Given the *Journal's* use as a teaching tool, articles most likely to be accepted are those that deal with pragmatic aspects of public sector auditing. These include case studies, ideas on new audit methodologies, or details on audit training programs. Articles that deal primarily with theory would not be appropriate.

The *Journal* is distributed to INTOSAI members and other interested parties at no cost. It is also available electronically at <http://www.intosaijournal.org> or <http://www.intosai.org> and by contacting the *Journal* at speli@gao.gov.

Articles in the *Journal* are indexed in the Accountants' Index published by the American Institute of Certified Public Accountants and included in Management Contents. Selected articles are included in abstracts published by Anbar Management Services, Wembley, England, and University Microfilms International, Ann Arbor, Michigan, U.S.A.

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<http://www.intosaijournal.org>



**The Honorable
David M. Walker**

*Former Comptroller General
of the United States*

It is with mixed emotions that I write this editorial after my resignation from the position of Comptroller General of the United States and head of the U.S. Government Accountability Office (GAO). First and foremost, from a U.S. perspective, I take comfort in knowing that during my tenure GAO was able to accomplish all but one of the major goals that I set out when I came on board in 1998. The final goal will be the focus of my efforts in my new position as the President and Chief Executive Officer of the Peter G. Peterson Foundation. As a result of a major transformation effort within GAO, I was also able to leave the organization in great shape—it is well positioned for the future and, with the appointment of Gene Dodaro as Acting Comptroller General, it is in good hands. Second, from an international perspective, I was pleased to be a participant in the major transformation that INTOSAI also underwent during the past 10 years. In fact, my involvement with INTOSAI was one of my most enjoyable, rewarding, and memorable experiences as Comptroller General.

My INTOSAI experience is the subject of this editorial. When I was first appointed Comptroller General of the United States, I was advised that my position made me an automatic member of a number of domestic and international accountability organizations, including INTOSAI. During my many years of private and public sector experience as a certified public accountant, I had never heard of INTOSAI. However, on my third day as Comptroller General I flew to Montevideo, Uruguay, to attend a portion of the 1998 INCOSAI and my first INTOSAI board meeting. I can vividly recall my first reception, where I casually mentioned that the use of the word “supreme” in the organization’s name seemed a little “over the top”— people didn’t initially see the humor

in my remark. In fact, INTOSAI was in 1998 a much more formal hierarchy and, in my view, a less visible and effective organization than it is today. After participating in 3 days of meetings in Montevideo, I said to myself, “This organization has real potential that has yet to be realized.” However, I was concerned with its governance structure and operating style, and as a result, I decided that I was either going to help reform and modernize INTOSAI or not spend much time on it. All of you know that I chose the first option, and I am very glad that I did.

Though our joint efforts over the past 9-plus years, INTOSAI has become a truly transformed organization. Today, INTOSAI has a strategic plan that is being embraced by the membership. I had the honor and pleasure of chairing the Strategic Planning Task Force that developed the plan through consultations, constructive engagements, consensus building, and communications efforts. As a result, INTOSAI’s first ever strategic plan was adopted unanimously by all member countries at the 2004 INCOSAI in Budapest. The strategic plan has also opened the door for the international donor community to seek to partner with INTOSAI to fight corruption, enhance transparency, improve performance, and ensure the accountability of governments all around the globe. In my view, INTOSAI should seek to expeditiously capitalize on this opportunity while maintaining its independence and making sure that any related efforts are consistent with its commitment to inclusiveness. I was particularly pleased when INTOSAI chose the two themes for the 2007 INCOSAI in Mexico City (fiscal sustainability and key national indicators) and how those in attendance at the conference seemed to embrace them. I have a strong personal interest in and commitment to these issues, which represent high value-added opportunities for INTOSAI members in the future.

Through the combined efforts of many individuals, INTOSAI is now well positioned to make its motto—”Mutual Experience Benefits All”—really come alive. I have always been a strong believer in sharing knowledge and experience with others, what I like to call “partnering for progress.” INTOSAI offers all SAIs the opportunity to do so on a broad range of performance and accountability issues in a professional and nonpolitical manner. In fact, INTOSAI can help SAIs not only reach their full potential, but also further global progress and facilitate the building of bridges between nations whose politicians do not get along with each other. In addition to having a solid strategic plan to build from, INTOSAI also has a committed and inspired Secretary General in Josef Moser to help it do so. I was truly impressed with Dr. Moser’s enthusiastic support for the strategic plan, and I have enjoyed partnering with him and my many other colleagues to help bring it to life. In many ways, I view my colleagues in INTOSAI as extended family. The family, however, is so large that I don’t have the space to list them all in this article. My brothers and sisters, I may be changing positions, but I remain interested in and committed to INTOSAI’s mission.

I take some comfort in knowing that I will be able to continue to have some involvement in the international accountability community in my new role as Chairman of the Independent Audit Advisory Committee of the United Nations. Thanks to all of you for your friendship and support. May God be with each and every one of you in the future. Please keep the faith and stay the course. If you do, INTOSAI’s best years will be ahead.

NEWS

IN

brief



Brazil

New Executive Secretariat for Organization of SAIs from Mercosul (or Mercosur) Countries

As of 2008, Brazil's Court of Audit (TCU) assumed the Executive Secretariat of the Organization of SAIs from the Mercosul (or, in Spanish, Mercosur) Countries for a period of 3 years. Mercosul is known as the "Common Market of the South." The TCU designated Minister Benjamin Zymler to be the Executive Secretary. The organization includes the SAIs of Mercosul member countries Brazil, Argentina, Uruguay, Paraguay, and Venezuela and Mercosul associate members Bolivia and Chile.

The Executive Secretary's responsibilities include coordinating mutual cooperation activities and exchanges of information, experiences, and technical assistance. Argentina hosted the Executive Secretariat from 2000 to 2007.

Brazilian SAI Launches "Environment-Friendly TCU" Program

In February 2008, Minister Walton Rodrigues Alencar, President of the TCU, launched the "Environment-Friendly TCU" program to implement a wide range of initiatives incorporating the concept of sustainability into the TCU's daily activities. Once these measures are adopted within the TCU, it will urge all government institutions to follow the same path of sustainability.

In introducing the program, the President noted that all employees must make a commitment to the program if it is to achieve its goals. The program welcomes employee suggestions on how to improve the level of sustainability at the TCU.

In addition to this domestic initiative, the TCU has contributed to sustainable development at the international level as a member of the environmental audit groups of both OLACEFS and INTOSAI.

For additional information, contact the TCU:

E-mail: arint@tcu.gov.br
Web site: <http://www.tcu.gov.br>

Estonia

Auditor General Appointed for Second Term

In February 2008, the Estonian Parliament (Riigikogu)—upon the proposal of the President of the Republic—appointed Mihkel Oviir to a second 5-year term as Auditor General of the National Audit Office of Estonia; his term began on April 1. At the XIX INCOSAI in Mexico in November 2007, Mr. Oviir became the Chairman of the INTOSAI Working Group of Environmental Auditing (WGEA) and will lead the implementation of the group's 2008-2010 work plan.

For additional information, contact the National Audit Office:

E-mail: info@riigikontroll.ee
Web site: www.riigikontroll.ee

Ghana

SAI Assists General Auditing Commission of Liberia

In November 2007, John Morlu, the Auditor-General of Liberia, asked his Ghanaian counterpart, Edward Dua Agyeman, to send a team of 10

Ghana Audit Service (GAS) officers to assist the staff of the General Auditing Commission of Liberia (GACL) in conducting joint audits of state organizations in Liberia.

The GACL, the SAI of Liberia, lost most of its experienced staff during the civil war and has recruited new staff who need on-the-job training. GAS has an established track record in international audit assignments. It has audited the accounts of the United Nations for 24 years and the African Union for almost 10 years. In collaboration with the Ghana Institute of Management and Public Administration, GAS exhibited excellence in training government auditors from Nigeria in November 2006.

In the spirit of regional cooperation, particularly among the SAIs in West Africa, GAS agreed to assist the GACL. GACL is funding the team's activities in Liberia, while the United Nations Mission in Liberia is funding international transportation

The 10-member GAS auditing team arrived in Monrovia at the end of February and will carry out its work over the next 4 months. In his pre-departure briefing, the Auditor-General of Ghana encouraged his team to uphold a high level of performance to maintain the international reputation of GAS and to serve as ambassadors of Ghana as well as his representatives. He indicated that this humble beginning will bring about further cooperation among the West African SAIs.

For additional information, contact GAS:

Fax: ++233 (21) 67 54 96, 66 24 93
E-mail: gogas@ighmail.com

India

New Comptroller and Auditor General

Vinod Rai became the Comptroller and Auditor General of India in January 2008. Mr. Rai has wide experience within the federal and state governments of India. He previously served as Secretary in the Indian Ministry of Finance, where he was responsible for managing the financial services sector, including banks and insurance companies. He has been a director on several boards, including the State Bank of India, ICICI Bank, IDBI Bank, Life Insurance Corporation of India, and Infrastructure Development and Finance Company of India. Mr. Rai was instrumental in setting up the India Infrastructure Finance Company and also served on its board. Mr. Rai has also been the Principal Secretary (Finance) in the State Government of Kerala and has held senior positions in the Ministries of Commerce and Defense.



Vinod Rai

Mr. Rai's responsibilities in the international arena include membership

on the U.N. Panel of External Auditors. Within INTOSAI, he serves on the Governing Board and is also a member of the Professional Standards Committee and the Subcommittee on Compliance Audit. He chairs INTOSAI's Working Group on IT Audit and Knowledge Sharing Committee and is a member of the Working Groups on Environmental Auditing and Public-Private Partnerships. Mr. Rai is also the Secretary General of the Asian Organization of Supreme Audit Institutions (ASOSAI).

Mr. Rai has masters degrees in economics from the University of Delhi and in public administration from Harvard University.

For additional information, contact the Office of the Comptroller and Auditor General:

E-mail: cag@cag.gov.in
Web site: www.cag.gov.in

Iraq

Training Program for 2007 Implemented

During 2007, the Board of Supreme Audit of Iraq was able to provide training to 230 staff members to build skills and capacity throughout the organization. This program was made possible through collaboration with the United Nations Development Program, SAIs in the Arab world, and other foreign SAIs. The training areas included evidence and accounting standards, auditing cases of fraud and corruption, IT auditing, and performance auditing.

For additional information, contact the Board of Supreme Audit:

E-mail: bsairaq2@yahoo.com
Web site: www.bsairaq.net

Japan

New President of Board of Audit Appointed

Mr. Kazuhiko Fushiya assumed office as President of the Board of Audit of Japan on February 15, 2008, succeeding Mr. Muneharu Otsuka, who retired earlier that month.



Kazuhiko Fushiya

Before assuming his current position, Mr. Fushiya had served as a Commissioner of the Board of Audit since January 2006. In that capacity, he participated in the Governing Board meeting of INTOSAI in 2006. Before he joined the Board of Audit, Mr. Fushiya was the Assistant Chief Cabinet Secretary of the Cabinet Secretariat. He also worked for the Ministry of Finance, where he held prominent positions, including that of Commissioner of the National Tax Agency.

New Commissioner of the Board of Audit Appointed

Mr. Hisashi Yamaura was appointed a Commissioner of the Board of Audit on February 12, 2008. Before his appointment, Mr. Yamaura had been the dean and professor of the Graduate School of Professional Accountancy of Meiji University. He had also been a professor of the Faculty of Law and Economics at Chiba University. From 2004 to 2007, he served as an observer of the International Auditing and Assurance Standards Board (IAASB) from the Japanese government.

For additional information, contact the Board of Audit of Japan:

E-mail: liaison@jbaudit.go.jp
Web site: www.jbaudit.go.jp/engl

Macedonia

New Head of SAI Named

Tanja Tanevska has been named the General State Auditor of the Republic of Macedonia. Prior to her appointment, she worked in the Ministry of Finance, where she was the head of the Monitoring and Evaluation Unit in the Central Financing and Contracting Department and the Deputy Head of the Public Internal Financial Control Department. She also served in the Ministry of Trade and the Ministry of Culture. Ms. Tanevska received a bachelors degree in economics from the University of Sts. Cyril and Methodius in Skopje in 1989.



Tanja Tanevska

For additional information, contact the State Audit Office:

E-mail: tanja.tanevska@dzt.gov.mk
Web site: www.dzt.gov.mk

Malaysia

Technical Cooperation Program Initiated with Information Technology Course

The first information technology (IT) audit course under the Malaysian Technology Cooperation (MTC) Program was held at the National Audit Academy November 19–30, 2007. The 26 participants were from the Bahamas, Bangladesh, Bhutan, Brunei, China, Cambodia, Fiji, Indonesia, Kazakhstan, the Lao Peoples Democratic Republic, Malaysia, the Maldives, Nepal, Saudi Arabia, Sri Lanka, Thailand, and Vietnam. Three guest speakers shared their experiences in IT auditing: John Thurley, an IT consultant for the International Technical Cooperation Team at the United Kingdom National

Audit Office; Ranjit Singh, Managing Director of Advisory Services at the Columbus Circle Group; and Gayah Gulam Haidar, Senior Manager from the Multimedia Development Corporation.

The course not only introduced the fundamental principles, concepts, and methods of reviewing IT controls but more importantly promoted the sharing of knowledge and experience and established professional networking among the participants. Besides attending lectures, participating in group discussions, and doing specific case studies, the participants were exposed to a software application of the Audit Command Language through a hands-on session. During the 2-week stay in Malaysia, the participants got to know more about Malaysia and its culture by visiting several places of interest and participating in a home-stay program. Feedback from the participants indicated that the program provided both valuable knowledge and experience.

Signing of MOU with Indonesian SAI Will Enhance Public Sector Governance

On November 4, 2007, the National Audit Department (NAD) of Malaysia and the Audit Board of the Republic of Indonesia (BPK) signed a memorandum of understanding (MOU) on public sector auditing. The signing ceremony took place in Mexico just before the XIX INCOSAI and was witnessed by Harris Alwi, Chargé d'Affairs of the Malaysian embassy in Mexico City and H.E. Andung, Ambassador of the Indonesian embassy in Mexico City. This MOU marked the first cooperation agreement made between two member countries of the Association of South East Asian Nations (ASEAN).

Under this initiative, the SAIs of Malaysia and Indonesia will work closely in the field of public sector auditing, training, and research. In his remarks, the Auditor-General of Malaysia, Tan Sri Ambrin Buang, expressed his hope that the MOU will promote the exchange and sharing of information, knowledge, and expertise between both countries

through consultation, seminars, conferences, training, and visits. Both SAIs agreed that the cooperation program would deal with environmental and tax auditing.

Dr. Anwar Nasution, the BPK Chairman, stated that the MOU would not only solve the problem of auditing areas common to both countries but also lay the foundation for good cooperation, especially in view of the changing environment in the ASEAN Free Trade Area (AFTA). In addition, the MOU will promote good governance in the public sector in Asia.

For additional information, contact the NAD:

E-mail: jbaudit@audit.gov.my,
ag@audit.gov.my
Web site: www.audit.gov.my

People's Republic of China

Manual on Auditing the Budget Implementation of Governmental Departments Is Published

In November 2007, the National Audit Office of China (CNAO) edited and published the first manual on auditing the budget implementation of governmental departments in China. Mr. Liu Jiayi, then the CNAO Deputy Auditor General and now the Auditor General, wrote the preface for the manual.

The project to produce this manual was launched in 2005. Its purpose was to draw upon the CNAO's successful experiences in auditing central government departments' budget implementation and to promote the legalization and standardization of such audits and a scientific approach to them. This initiative was part of the CNAO's auditing work development



Participants in the IT audit course held at the National Audit Academy as part of the Malaysian Technology Cooperation Program.

plan for 2006–2010, which required the CNAO to amend and improve audit manuals and guidelines to improve audit quality control. It also responded to the newly amended audit law and international experiences by further regulating auditing activities and promoting improved audit quality.

The manual summarizes the experiences gained in auditing central and local governmental departments' budget implementation. It systematically organizes and summarizes audit objectives, content, and methods; it frequently identifies problems in audits of governmental departments' budget implementation; and it includes substantial case studies. The manual's 15 chapters deal with the following topics: the auditing environment; a summary of audits of governmental departments' budget implementation; organizing and preparing for audits; audits of budget preparation; audits of budget appropriations; audits of basic expenditures; audits of project expenditures; audits of non-tax income; audits of the management of state-owned assets; audits of procurement; audits of other departmental activities; audit reports and penalties; audits of final departmental accounts; special audit investigations; and economic accountability audits of leaders. The manual's two appendixes deal with assessing significance levels and audit risks and applying information technology to audits of departmental budget implementation.

Chinese auditors welcome this manual because it offers practical references for central and local audit institutions and provides good training material for newly recruited auditors.

For additional information, contact the CNAO:

Fax: +86-10-6833-0958
E-mail: cnao@audit.gov.cn
Web: www.audit.gov.cn

Saudi Arabia

SAI Holds Eighth Annual Senior Staff Meeting

Osama Jafar Faquih, President of the General Auditing Bureau (GAB), presided over the eighth annual meeting of senior GAB staff in February 2008. Participants in the meeting discussed a number of audit-related topics of concern and methods for improvement and developed resolutions and recommendations to enable the GAB to carry out its mandate more professionally and efficiently. Committees were established to follow up on the implementation of the resolutions and recommendations.

Participation in International Audit Activities

Mr. Faquih headed the GAB delegation to the XIX INCOSAI in Mexico City in November 2007. That same month, Mr. Faquih presided over the sixth meeting of the heads of SAIs of Gulf Cooperation Council (GCC) countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates). During the meeting, held in Riyadh, participants discussed ways to further cooperation between their SAIs. In February, Mr. Faquih headed the GAB delegation to the ARABOSAI Governing Board meeting and participated in the Arab-European conference on Environmental Auditing; both events were held in Kuwait. The GAB was also represented at the February meeting of the ARABOSAI Training and Scientific Research Committee in Kuwait and the February meeting in Riyadh of the Committee for Staff Training and Development in GCC SAIs. GAB staff also participated in several training courses, including ASOSAI courses on public sector

auditing and IT audit and an IDI-sponsored program for ARABOSAI staff on determining training needs.

Delegates from the GAB also participated in various meetings of INTOSAI working groups, task forces, and subcommittees. These included the October 2007 meeting of the Working Group on Privatization in Morocco; two meetings of the ARABOSAI IT Strategic Planning Task Force in October and November 2007 in Egypt and Kuwait; the January 2008 meeting of reference panel experts for INTOSAI's Financial Audit Guidelines Subcommittee in Stockholm, Sweden; and the January 2008 meeting of the ASOSAI Research Project on Environmental Auditing Guidelines.

For additional information, contact the GAB:

E-mail: gab@gab.gov.sa
Web site: www.gab.gov.sa

South Africa

Preparations under Way for XX INCOSAI

During the XIX INCOSAI in Mexico last year, the Auditor-General of South Africa gave delegates a preview of the country, people, and SAI of South Africa, which will be hosting the XX INCOSAI in 2010. Since that time, the SAI of South Africa has continued with the planning and preparations for this event, which will take place at the Sandton International Convention Center in Johannesburg in November 2010.

As promised during the XIX INCOSAI, South Africa is committed to providing ongoing updates to delegates about the progress of the arrangements for 2010. To facilitate this feedback, an electronic newsletter has been developed and

its first issue was sent to SAIs during April. Linked to the newsletter is a Web page (www.agsa.co.za/incosai) that provides more information about South Africa and its SAI until the official 2010 INCOSAI Web site is developed.

In October 2008, the SAI of South Africa will be hosting the 11th General Assembly of the INTOSAI regional working group for the African continent (AFROSAI). In preparation for the 2010 INCOSAI, the SAI of South Africa will host the INTOSAI Governing Board meeting in Cape Town in November 2009.

For additional information, contact the SAI of South Africa:

E-mail: agsa@agsa.co.za

Web site: <http://www.agsa.co.za>

St. Lucia

Twinning Partnership with Canadian Audit Office

The SAI of St. Lucia has entered into a “twinning” partnership with the Office of the Auditor General of Nova Scotia in Canada. This institutional collaboration is designed to facilitate the sharing of Canadian expertise and guidance on an as-needed and ad hoc basis on mutually agreed upon activities, issues, and priorities identified by the SAI of St. Lucia.

The Canadian Comprehensive Auditing Foundation (CCAF) initiated this relationship. The CCAF has expanded its international programs to offer additional support to supreme audit institutions involved in the Canadian international fellowship program.

For additional information, contact the SAI of St. Lucia:

Fax: ++1 (758) 451 75 94

E-mail: audit@gosl.gov.lc

United Kingdom

New Comptroller and Auditor General

In February 2008, Tim Burr became the Comptroller and Auditor General (C&AG) of the United Kingdom (UK) National Audit Office. Previously, he had been Deputy Comptroller and Auditor General for 7 years. He succeeds Sir John Bourn, who retired at the end of January, after 20 years as C&AG.

As Comptroller and Auditor General of the United Kingdom, Mr. Burr certifies the accounts of all UK government departments and a wide range of other public sector bodies. He also reports to Parliament on the economy, efficiency, and effectiveness with which departments and other bodies use their resources.



Tim Burr

Mr. Burr joined the National Audit Office in 1994 as an Assistant Auditor General. He led a client portfolio comprising the Department of Environment, Transport and the Regions; the Home Office; the Lord

Chancellor's Department; the Ministry of Agriculture, Fisheries and Food; the Inland Revenue; Customs and Excise; and the Treasury.

Before joining the NAO, Mr. Burr held a succession of positions in the Treasury. In 1993 and 1994, he served as the Treasury Officer of Accounts, a position in which he was responsible for government relations with the NAO and the Public Accounts Committee.

Tim Burr was born in 1950 and educated at Dulwich College. He is an honorary member of the Chartered Institute of Public Finance and Accountancy.

For additional information, contact the NAO:

E-mail: enquiries@nao.gsi.gov.uk

Web site: www.nao.org.uk

United States

Acting Comptroller General Named

As announced on this *Journal's* Web site in February 2008, David M. Walker resigned his position as Comptroller General of the United States and head of the U.S. Government Accountability Office (GAO) effective March 12, 2008, to accept the position of President and Chief Executive Officer of the newly established Peter G. Peterson Foundation. The Peterson Foundation will be dedicated to seeking and supporting policy solutions to a range of sustainability and transformation challenges facing the United States. Mr. Walker had been Comptroller General of the United States since November 1998.

Upon his resignation, Mr. Walker named Gene L. Dodaro, GAO's Chief Operating Officer for the past 9 years, to be Acting Comptroller General.

Mr. Dodaro will serve in this position until the U.S. President nominates and the Senate confirms a new comptroller general for a single 15-year term. The U.S. President nominates the comptroller general from a slate of candidates the Congress proposes.

Mr. Dodaro stated that his highest priority during his tenure will be to provide stability and continue to enhance GAO's reputation for providing excellent service to the Congress and value for the American people. He also pledged to maintain GAO's commitment to INTOSAI.

Mr. Dodaro joined GAO in June 1973 and held executive positions in its General Government and Accounting and Financial Management Divisions. In 1993, he was named Assistant Comptroller General for Accounting and Information Management, the post he held until 1999, when he became GAO's second in command.



Gene L. Dodaro

Throughout his career, Mr. Dodaro has been involved with key government accountability and management issues, including leading GAO's first audit of the government's consolidated financial statements. He testified

frequently before Congress on major management reform initiatives and other matters. He has also played an important role in representing the agency in the accountability community and at conferences and meetings, both in United States and abroad.

For additional information, contact GAO:

E-mail: spel@gao.gov
 Web site: www.gao.gov

Theme Officers for the XIX INCOSAI

The January 2008 special issue of the *Journal* dedicated to the XIX INCOSAI did not list those SAIs that served as theme officers for the congress. They are listed below.

Theme	Chair	Vice-Chair	Moderators	Rapporteurs
Theme I: Management, accountability, and audit of public debt	Germany	Canada	United Kingdom Brazil	Venezuela China
Theme II: Performance assessment systems based on key indicators	United States	India	Peru South Africa	New Zealand Tunisia

Consultation, Compromise, Consensus: Ingredients of a Successful Strategic Planning Process

by Don Drach, U.S. Government Accountability Office

XVII INCOSAI, Seoul, October 2001. INTOSAI established a 10-nation task force to develop a strategic plan for the organization.

XVIII INCOSAI, Budapest, October 2004. INTOSAI's 187 member countries adopted the proposed INTOSAI strategic plan unanimously and without revision.

XIX INCOSAI, Mexico City, November 5, 2007. Significant accomplishments in implementing the strategic plan were reported to and approved by the congress.

How did INTOSAI—an international organization that represents national audit offices with widely varying mandates, traditions, and levels of development; includes nations from all corners of the globe; reflects the full diversity of political, economic, and social systems; and works in five official languages—accomplish this in the 6 years between its Seoul and Mexico City congresses? This article describes the process INTOSAI used to successfully develop, adopt, and implement the first strategic plan in its 50-plus year history.

Mandate and Guiding Principles

As it established the task force in October 2001, INTOSAI's Governing Board took note of the concepts of inclusiveness and universality—all members, as principal stakeholders, should be represented directly in the process of developing the plan. To that end, the board elected countries representing INTOSAI's seven regional working groups and three major enterprisewide bodies to serve on the task force: Antigua and Barbuda, Austria (representing the General Secretariat), Burkina Faso, Korea, Norway (representing the INTOSAI Development Initiative), Peru, Saudi Arabia, Tonga, the United Kingdom, and the United States of America (representing this *Journal* and also serving as task force chair).

As the task force began the iterative process of drafting the strategic plan, the board directed it to consult with and seek the views of the 18 members of the Governing Board; regional secretariats located in India, Panama, New Zealand, Spain, Togo, Trinidad and Tobago, and Tunisia; technical committee chairs; and indeed all 187 member countries. In this way, all member SAIs would help inform the plan, feel part of the process, and ultimately benefit from it. Task force chair David M. Walker, Comptroller General of the United States, reflected this mandate with what he termed “the big tent approach,” which correctly acknowledged INTOSAI as a democratic organization that operates through consultation and consensus and respects the equality of each member country regardless of geographic size or economic strength. This approach was an essential element as the plan evolved and was critical to the plan's adoption in Budapest.

At the outset, the task force agreed to meet face-to-face annually and to leverage technology as much as possible; to that end, it established a Listserv that allowed task force members to communicate easily via e-mail. The task force also identified opportunities to piggyback on other planned INTOSAI meetings—regional congresses, committee meetings, and training courses—as venues to solicit feedback as the plan was developed. It also capitalized on the bilateral visits between auditors general, who frequently discussed the evolving plan during their meetings. In addition, this *Journal* was engaged to help disseminate information about the plan to the broader community. To facilitate its work, the task force determined that English would be its working language, with the understanding that any documents sent to the wider membership for comment would be translated into Arabic, French, German, and Spanish.

Getting Started: Key Questions Frame the Effort

In developing the plan, INTOSAI sought to chart a course for its future by building on the successes of the past. Careful consideration was given to what worked well over the organization's 50-year history, what could be improved, and what changes would be needed to help members cope with the increasing demands and challenges facing national audit offices in the 21st century. As Sir John Bourn, Comptroller and Auditor General of the United Kingdom, phrased it, "The plan is evolutionary rather than revolutionary."

For its first meeting in April 2002, the task force reviewed member SAI's own strategic plans as examples. Then, to stimulate thinking on the subject, the task force chair posed the following questions, organized around the standard strategic planning structure of mission, vision, core values, goals, and objectives.

Mission/Vision

- How would you describe INTOSAI and its purpose?
- What type of contributions can INTOSAI make to its members and the accountability community?
- What are the needs that INTOSAI aspires to fill, for whom, and how?
- What are INTOSAI's major functions and operations?

Core Values

- What are the essential pillars that define and frame INTOSAI?
- What are the attributes or qualities that SAI's regard as vital?

Strategic Goals

- What are the fundamental results or outcomes INTOSAI hopes to achieve? From this, what are the strategic goals that best cover INTOSAI's major functions and operations?

- Are the goals focused primarily on outcomes (such as building expertise) or outputs (such as conducting seminars)?
- How shall we express the goals so they are in measurable form or a manner that will facilitate future assessment?

Operational Objectives

- How can INTOSAI's goals be achieved?
- What actions or activities need to be created, restructured, or eliminated to achieve INTOSAI's goals?
- What steps should INTOSAI take to align its organization, activities, core processes, and resources to support the achievement of its goals?

Keep It Real, Get It Right

Using these questions to frame the complex and sometimes competing issues that characterize any international organization, the task force began to draft the plan. At an initial 2-day meeting in Washington in spring 2002, the task force prepared draft mission and vision statements and identified three major goals: developing and promulgating professional standards, strengthening institutional capacity, and sharing knowledge. Importantly, the task force drew on various INTOSAI documents—such as *The Lima Declaration*, INTOSAI's auditing standards, and INTOSAI's *Code of Ethics*—as well as the recommendations and declarations issued by the triennial congresses over the years. These documents, which affirm such basic principles as independence and impartiality, provided a foundation for the plan. While the plan would be “evolutionary rather than revolutionary,” the task force also heeded Chairman Walker's guiding principle that the “purpose of the strategic plan is not to perfect the past but rather to create the future.”

Following the Washington meeting, individual task force members were assigned responsibilities for drafting the content of the three central goals. Before the fall 2002 Governing Board meeting, these members drafted specific objectives and activities to support each of the three goals. Their drafts were circulated to members for review and comment and were also the subject of informal discussions with other key stakeholders.

At the fall 2002 Governing Board meeting in Vienna, the task force Chairman presented the first draft of the plan, including the mission and vision statements, goals, and core values. Comments from the Governing Board proved valuable. For example, Portugal, based on experience with its own strategic plan, suggested adding a fourth goal that would focus on strengthening INTOSAI itself. Portugal's suggestion was warmly received by the board, and the task force added goal 4, becoming a model international organization, to the draft plan. During the following months, this new goal became a real challenge, dealing as it did with basic and controversial governance

issues that resulted in recommendations to raise annual dues, add an associate membership category, and redefine and modernize the relationship between the Secretary General and the board.

Communication Was Essential

Mindful that the strategic planning process would be as important as the final product itself, the task force built into its work plan a robust outreach and communication strategy to help ensure the participation and commitment of all stakeholders—both internally throughout INTOSAI and externally with potential partners, such as the World Bank. The task force also kept in mind the end user—the staff auditors in member SAIs working on the front line to help ensure accountability and transparency in their national governments.

When the straw proposal was ready, the task force used a variety of methods to solicit input. The draft was presented at various regional congresses, and ad hoc focus groups were held when possible; for example, the draft plan was discussed with participants representing more than 15 SAIs at the U.S. Government Accountability Office's annual international fellowship program. Most importantly, the proposal was circulated to all INTOSAI members. Responses received from more than 50 SAIs representing INTOSAI's seven regions were considered and incorporated as appropriate. This process increased the sense of ownership in the final plan. As one SAI official commented, "I saw my suggested change in the plan!"

In addition to the annual task force meetings, informal working-level meetings, hosted by the United Kingdom National Audit Office, were held to review comments and draft language for consideration by the full task force. Much credit goes to the supporting staff of the SAIs on the task force for this work. From 2002 to 2004, the task force annually reported to and solicited comments from the Governing Board on progress with the draft plan. As further evidence of the board's commitment to the strategic planning process, a special Governing Board meeting was convened in June 2004. This extraordinary board meeting was dedicated to a detailed and comprehensive final review of the plan before it was presented at the Budapest congress.

At the midpoint of the process, the marked-up draft of the strategic plan was a kaleidoscope of colors, strike-outs, and inserted phrases that vividly illustrated the extent of the compromises resulting from the consultative process. The task force Chair summed up the iterative nature of the process with "5 Ps": "When making complex and extensive changes, you go from patience to persistence to perseverance to pain before you prevail!"

Presenting the Plan for Adoption in Budapest: The Message and the Messengers

"Good, better, best; never let it rest. Until your good be better, and your better best." With this traditional children's nursery rhyme, task force member Arah Armstrong,

Auditor General of Antigua and Barbuda, set the tone for the formal presentation, deliberation, and vote on the plan by the full membership at the Budapest congress. Noting that INTOSAI has been an effective organization since its founding in Havana in 1953 and that it had become an even more effective organization over time, Ms. Armstrong stressed the fact that INTOSAI stood on the threshold of becoming the best it could be with the adoption of the strategic plan. Her observations were part of a comprehensive presentation of the plan before the general plenary assembly that included remarks in Arabic, English, French, and Spanish from members from Burkina Faso, Peru, and Saudi Arabia, and concluding remarks from the task force Chair.

The multilingual, multiregional aspect of the presentation was not lost on delegates and was further evidence of the inclusive, democratic approach used to develop the plan. Dr. Josef Moser—INTOSAI's new Secretary General and Auditor General of Austria, who had been appointed for a 12-year term a few months prior to the Budapest congress and who had embraced the plan as a needed and welcomed initiative—took the floor to enthusiastically endorse the plan's adoption; this sentiment was echoed by other countries, including some who had been skeptical of the plan at its inception. Then, following questions by two countries requesting clarification on certain points, the plan was put to a vote and unanimously adopted—unchanged and as presented—by the general assembly.

Moving Forward – Setting the Stage for Success

Anticipating the plan's adoption in Budapest, task force members had worked informally before the congress with a number of auditors general to gauge their interest in serving in leadership roles as the new plan took life. In the spirit of volunteerism and service that are the traditional hallmarks of INTOSAI, auditors general stepped forward and offered to help implement the plan, pending final approval of the Governing Board. For its part, the board moved quickly to implement the plan. Before leaving Budapest, the board named auditors general to head up each of the plan's four goals: Denmark as chair of goal 1, professional standards; Morocco as chair of goal 2, capacity building; India as chair of goal 3, knowledge sharing; and Saudi Arabia as chair of goal 4, model international organization. The board also named liaisons for each goal to ensure the board's ongoing engagement with the plan and to enhance collaboration across the goals. Dr. Moser confirmed his commitment to the plan as Secretary General and offered the services of the General Secretariat in its implementation.

Plan Implementation Results in Early Successes

At the Mexico congress, the chairmen for the four goals reported major accomplishments related to the implementation of the plan in their areas of responsibility. Examples included the following:

- Goal 1: The development of an up-to-date professional standards framework for INTOSAI members that includes 17 International Standards of Supreme Audit Institutions (ISSAI) that were adopted in Mexico. (See www.issai.org.)

- Goal 2: The issuance of *Building Capacity in Supreme Audit Institutions: A Guide* and a draft set of guidelines on how to conduct peer reviews.
- Goal 3: The development of a global communication policy and plan and the launching of a Web-based global collaboration tool.
- Goal 4: Modernization of INTOSAI's governance structure and increased efficiency in its operations.

For a full report on all the accomplishments related to the four goals, see the January 2008 issue of this *Journal* (www.intosaijournal.org).

Looking toward the Future

Recognizing that strategic planning is a dynamic, ongoing process, the Governing Board directed goal 4's Finance and Administration Committee to establish a task force comprising the four goal chairs, the Secretary General, the INTOSAI Development Initiative, and the Director of Strategic Planning to update the plan for 2010-2015. The task force was established at the Mexico congress and is chaired by the SAI of the United States. It will adhere to the same principles of consultation and consensus that guided the development of the first plan but will use a more streamlined approach and build on the successes of the current plan. For example, the mission, vision, and goals will remain the same. The Director of Strategic Planning will work directly with the chairs of the four goals to update their goal areas. The full membership of INTOSAI will also be consulted as part of the process. The updated plan will have a new emphasis on developing metrics to measure the outputs and outcomes of the plan. It will also take into account and be consistent with such recent initiatives as the donor funding proposal currently being drafted under the leadership of the Finance and Administration Committee.

Although INTOSAI's strategic planning effort required considerable time and effort on the part of many individuals and SAIs, there is no question about the resulting benefits. Externally, the plan helps INTOSAI present itself to the outside world as a mature and results-oriented international organization and an influential player within the global accountability community. Internally, the plan helps member SAIs successfully face the challenges of the 21st century and strategically focus their energy and resources on commonly shared goals, objectives, and activities.

For additional information, contact the author at drachd@gao.gov. The INTOSAI strategic plan is available at <http://www.intosai.org/blueline/upload/13estratplan.pdf>.

SAINT: A Tool to Assess the Integrity of Public Sector Organizations

by Hans Benner and Ina de Haan, Netherlands Court of Audit

SAINT stands for Self-Assessment INTEgrity, a tool developed by the Netherlands Court of Audit in cooperation with the Ministry of the Interior and the Bureau of Integrity of the city of Amsterdam. By using the SAINT tool, public sector organizations can assess their vulnerability to integrity violations and resilience in response to those violations. SAINT also yields recommendations on how to improve integrity management. This article, based on the SAINT manual, outlines the concept of integrity, the basic principles of SAINT and its components, and its design and operation as implemented in a 1-day workshop.

SAIs are well placed to promote the integrity of the public sector by contributing to accountability and transparency. SAINT may help SAIs to assess integrity risks and the resilience of integrity management systems.

The Concept of Integrity

Integrity is not a simple concept to define. Many overlapping and distinct definitions are used. The term integrity is derived from the Latin *in-tangere*, meaning untouched. It refers to virtue, incorruptibility, and the state of being unimpaired. Integrity is closely related to the absence of fraud and corruption, but it also entails common decency. In this context, it is a positive and broad concept related to ethics and culture. The SAINT tool also uses a broad and positive definition of the term integrity.

Integrity means more than simply observing rules and laws. The law provides a lower limit and a minimum moral starting point. An integrity policy calls for a combination of repression and prevention. On the one hand, an organization must adopt measures to take if its staff act inappropriately (repression). On the other, it must do all it can to remove temptations that might induce civil servants to act inappropriately (prevention). Priority should be given to prevention. Not only is it more effective, but on balance the investment is many times smaller than the cost of repairing damage caused by inappropriate behavior.

Basic Principles of SAINT

- *Self-assessment:* SAINT is a self-assessment tool. The *organization itself* must take the initiative to test its integrity. Thus, the assessment draws on the knowledge and opinions of *the staff*. The organization reveals its own weaknesses and the staff make recommendations on how to strengthen resilience.
- *Targeted at prevention:* The self-assessment tool is targeted at prevention. It is not designed to detect integrity violations or to punish (repress) unacceptable conduct but to identify the main integrity weaknesses and risks and to strengthen the organization's resilience in the face of those weaknesses and risks.

- *Raising general integrity awareness:* The SAINT workshop significantly increases awareness of integrity. The participants' collective discussions about the importance of integrity are of great value.
- *Learning to think in terms of vulnerability and risk:* The SAINT workshop teaches the organization how to think in terms of vulnerability and risk. During the workshop, the participants identify the main vulnerabilities and risks and then make recommendations on how to minimize them.
- *Concrete management report/action plan:* The end product of the SAINT workshop is a concrete management report/action plan. Under the expert leadership of a trained moderator, the participants formulate recommendations for their own organization. The report explains to management where urgent measures must be taken to strengthen the organization's resilience in response to integrity violations.

Outline of the SAINT Workshop

SAINT is a self-diagnosis tool that is presented in a 1-day workshop. Table 1 outlines the steps in the process and the order in which they are taken. SAINT consists of four modules that are presented in morning and afternoon sessions.

Table 1: Steps in the SAINT Workshop Process

Session	Module	Process Step
Morning	Module 1	a. Analysis of processes
		b. Selection of most vulnerable processes
		c. Analysis of the integrity risks of the most vulnerable processes
		d. Selection of the main risks
Afternoon	Module 2	Assessment of the maturity of the integrity management system
	Module 3	a. Formulation of a general management report and action plan b. Preparation of a concrete management report and action plan
	Module 4	Evaluation of the workshop

Module 1a: Analysis of Processes. The first step is to analyze the primary and secondary *processes* relevant to the organization. By way of preparation, the organization must draw up a full list of its primary and secondary processes and send it to the moderator before the workshop. The workshop can then get off to a “hot start.”

Module 1b: Selection of the Most Vulnerable Processes. In this step, an estimate is made of the *vulnerability*—i.e., the potential exposure to integrity violations—of all the processes named in step 1a. The participants ultimately choose the two or three most vulnerable processes so that the related risks can be identified in the next step (1c).

Module 1c: Analysis of the Integrity Risks of the Most Vulnerable Processes.

In this step, participants analyze the *integrity risks*—i.e., the concrete risks of integrity violations—of the processes selected in step 1b as being the most vulnerable.

The characteristics of a vulnerable process are known from both research literature and practice. They are summarized in table 2.

Table 2: Characteristics of Vulnerable Processes

Elements for assessing vulnerability	Vulnerable areas /activities /actions	
<i>Relationship between the government and the public/businesses</i>	Collection	assessments, taxes, import duties, excise duties, fees, charges
	Contracting	tenders, orders, assignments, awards
	Payment	subsidies, benefits, allowances, grants, sponsoring
	Issuance	permits, passports, driving licenses, identity cards, authorizations, inspections
	Enforcement	supervision, control, inspection, prosecution, detection, justice, punishment
Management of public property	Information	national security, confidential information, documents, dossiers
	Money	cash/giro via budgets, premiums, expenses, bonuses, allowances, etc.
	Goods	purchase, management and consumption (stocks, computers)

Processes that have one or more of these characteristics are vulnerable to integrity violations. The left-hand column contains two characteristic elements for assessing vulnerability. Processes in which there is intensive contact with “clients” are more vulnerable to violations because there are more opportunities and temptations. The same is true of processes that involve valuable public assets.

In addition to the vulnerability caused by characteristics of a function or process, factors inherent in certain circumstances can increase vulnerability. Table 3 lists *examples* of factors that increase vulnerability.

Table 3: Factors That Increase Vulnerability

Management and staff
Management dominated by a single person or small group
Staff has powers to be obstructive
Staff loyalty extremely limited
Organizational culture
Not customary to hold each other responsible
Lack of opportunity or safety to discuss difficult questions
Nature of the work
Discretionary powers/solo action
Political pressure, time pressure, pressure from market parties or members of the public
Complexity
Complex financial/legal relationships
Young organization/short or quickly set-up project
Combination of public and private (commercial) functions

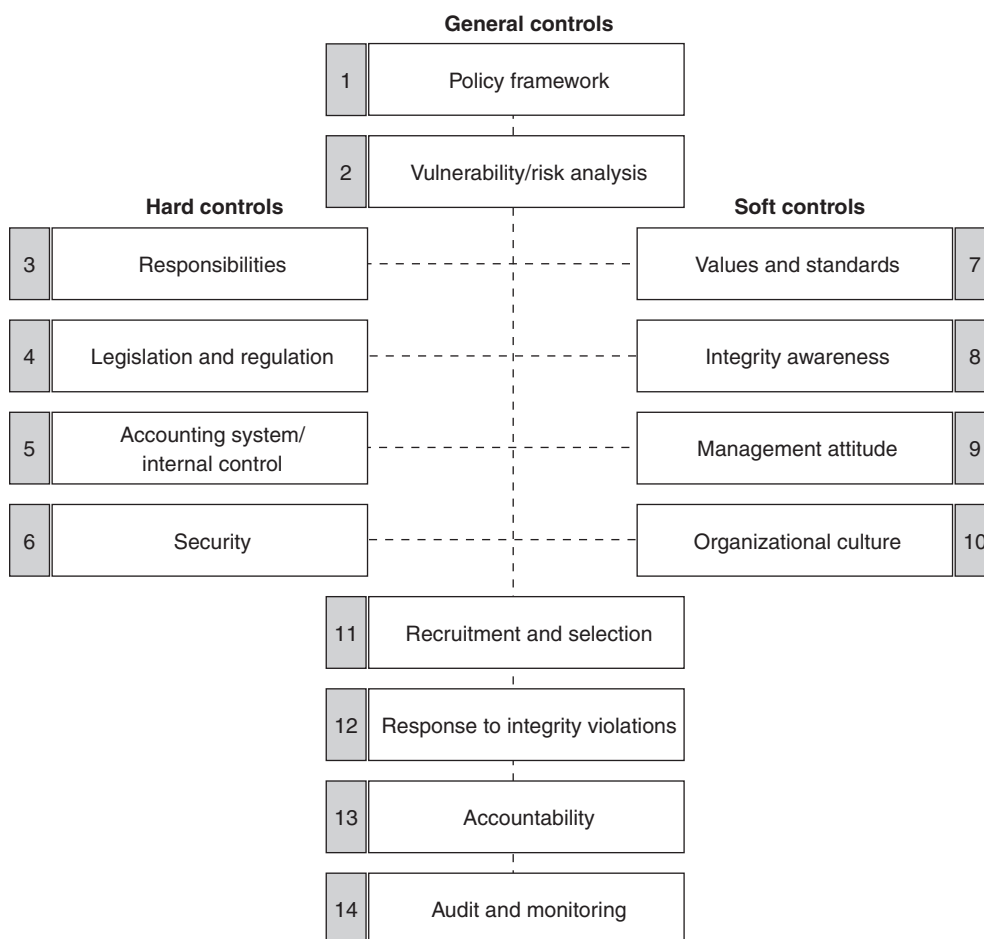
While the factors above are not integrity risks in themselves, they can increase vulnerability because they increase the probability of a violation occurring and the consequences (impact) of a violation.

Using the knowledge about vulnerabilities and risks, the participants analyze the main integrity risks for each vulnerable process. A list of the risks identified for each process is then drawn up.

Module 1d: Selection of the Main Risks. In this module, the main integrity risks are selected from the list drawn up in step 1c. Based on the aggregated individual scores of the participants, the top five greatest perceived risks for each process are listed and consensus is reached on the scores.

Module 2: Assessment of the Maturity of the Integrity Management System. In this module, the participants assess the maturity of the integrity measures that together form the organization's integrity management system. SAINT uses an integrity control framework based on research literature and international standards set by organizations such as the United Nations and the World Bank. The system is divided into 14 clusters, which are subdivided into three blocks (general, hard, and soft controls), as shown in figure 1.

Figure 1: Integrity Control Management System



The *hard* controls are, as the term suggests, concerned chiefly with regulations, procedures, and technical systems. The *soft* controls are designed to influence behavior, working atmosphere, and organizational culture. The clusters in the *general* controls category are more wide ranging or have a mix of hard and soft elements.

During the workshop the participants assess the maturity of all the measures by awarding them points. SAINT has a relatively simple classification model consisting of the four maturity levels and associated selection criteria shown in table 4.

Table 4: Maturity Levels and Associated Selection Criteria for Integrity Measures

Level	Criteria
1	I do not know of the measures' existence
2	I know of the measures' existence I think the measures are not implemented/observed
3	I know of the measures' existence I think the measures are implemented/observed I do not know if the measures work/are effective
4	I know of the measures' existence I think the measures are implemented/observed I think the measures work/are effective

In principle, the highest level is the required maturity level. In certain organizations, however, some measures will be less relevant or not applicable. This will become clear when the maturity level is scored and will be taken into account when the measures are prioritized.

Modules 3a and 3b: Management Report and Action Plan. This module reveals the link between the most vulnerable processes (1c) and the measures (2). The central question is which measures are the most appropriate to make the most vulnerable processes more robust. Subsequently, the participants are asked to suggest how the organization can improve and implement the most important measures. These suggestions form the building blocks for the management report and action plan.

Module 4: Evaluation of the workshop. At the end of the SAINT workshop, the participants are asked to answer a series of questions to evaluate the workshop itself.

SAINT in an International Context

The results from the SAINT workshops held in The Netherlands, including one by the Netherlands Court of Audit itself, are very promising. We believe sharing and explaining the concepts of SAINT may be beneficial to other INTOSAI members. However, we feel that pilot workshops may be desirable to further test the tool's applicability in different cultural and technical environments. We also believe that widespread use of SAINT among SAIs would make it possible to learn from others' experiences and would also facilitate further improvement of the instrument itself.

For additional information about SAINT, or if your SAI would be interested in pilot testing the tool, please contact the authors at h.benner@rekenkamer.nl or i.dehaan@rekenkamer.nl.



by Kirsten Astrup, INTOSAI Director of Strategic Planning

As many of you know, I took over the position of Director of Strategic Planning at the XIX INCOSAI in Mexico. I consider it an honor to have the opportunity to serve in this important role for the next 3 years. To be successful in my work, I need good cooperation from all of you. Therefore, one of the first things I did was to ask for a permanent column about the strategic plan in the *Journal* to establish an arena where I can keep the organization updated on the work of implementing the strategies to reach our goals. This column supersedes the “Focus on the Strategic Plan” feature, which was published in the *Journal* from July 2005 until January 2007. My idea is to have this column take a slightly different angle: it will not focus as much on the individual events paving the way for the plan but will provide more of a bird’s-eye view of our progress, preferably with input from those of you reading this column, but also with discussions of some important issues in my view.

But first of all, I would like to introduce myself to you. I come from the SAI of Norway, where I have worked since 1986. I have my law degree from the University of Oslo and also studied economics in my early days. I have one son, who happens to be a lawyer like his mom. My father was an auditor and a certified public accountant and had his own small private auditing firm. Thus, my first exposure to auditing was as a young schoolgirl helping my father during busy periods. One can say that I was born into auditing and accounting—legal topics and audit were not unusual subjects at the breakfast table.



Kirsten Astrup

I was fortunate to be in Seoul at the XVII INCOSAI, where an important step in INTOSAI's history was taken—the decision to form a task force to develop the first strategic plan. For those of us participating in the professional work, this has been something we have followed with great expectations.¹ I believe that the strategic plan has had a profound effect on INTOSAI. After 2 years of implementation, the organization has already taken a large step forward in terms of its development and modernization and will hopefully continue to do so in the future. For example, I would encourage you to get into the ISSAI (International Standards of Supreme Auditing Institutions) framework and see how well it guides us into our auditing standards and guidelines and how the brilliant systematic structure informs us about the hierarchical relationship between our professional documents. Do you believe, as I do, that this framework is a result of the implementation of the strategic plan?

I cannot help but be a little sad that as I am taking over as the Director of Strategic Planning, two pioneers in the organization and in launching the strategic plan are leaving INTOSAI. I am referring to Sir John Bourn, who retired after 20 years as Comptroller and Auditor General of the United Kingdom, and David M. Walker, Comptroller General of the United States, who is now taking on a new assignment for his country. I have immense respect for their contributions to INTOSAI throughout the years. They leave a gap that will not be easily filled, but life goes on as always, and we will have to survive without them.

What I would like to talk about in my column this time is a topic from the XIX INCOSAI in Mexico, namely independence. We have had many good debates about this subject throughout the years. A subcommittee under the Professional Standard Committee delivered a paper on independence that was adopted as an INTOSAI standard at the congress—*ISSAI 10: Mexico Declaration on SAI Independence*. There are eight paragraphs stating the need for independence in various ways. Today, most of us think of independence as an obvious fact, but the truth is that not very long ago, supreme audit institutions in some countries I have visited were part of the ministry of finance or under its governance, and this might still be the case in other countries. Budgetary independence is important, but the freedom to choose audit issues and report findings in an unobstructed way is also important. I encourage you to read this standard and present it in your regions and countries if this has not already been done.

In my next column, in the July issue, I will comment on the work of the task force developing the next strategic plan and the way forward as seen by its members.

Please feel free to contact me at astrup@rechnungshof.gv.at if you would like to provide feedback on issues related to the implementation of INTOSAI's strategic plan.

¹See the article “*Consultation, Compromise, Consensus: Ingredients of a Successful Strategic Planning Process*” on p.10 for additional information on the development and implementation of the INTOSAI strategic plan.

INSIDE INTOSAI

Finance and Administration Committee and Newly Established Task Force Meet in Washington, D.C.

On March 17, 2008, the INTOSAI Finance and Administration Committee and a new short-term task force met in Washington, D.C. This was the first meeting for the task force, which the INTOSAI Governing Board established at its 57th meeting in Mexico in November 2007. The task force is working under the committee's direction to

- develop a proposal for donor funding to strengthen member SAIs and support INTOSAI capacity building and
- update the strategic plan for 2010–2015.



Finance and Administration Committee and task force members at their meeting in Washington, D.C.

The Chairman of the Finance and Administration Committee, Osama Faquih of Saudi Arabia, invited auditors general from the following SAIs to join the task force: Denmark (Chair, Professional Standards Committee/goal 1); Morocco (Chair, Capacity Building Committee/goal 2); Norway (INTOSAI Development Initiative); India (Chair, Knowledge Sharing Committee/goal 3); the United States (Vice-chair, Finance and Administration Committee/goal 4); and Austria (INTOSAI Secretary General). INTOSAI's Director of Strategic Planning was also asked to join the task force, and Mr. Faquih asked the SAI of the United States to be the chair.

The first order of business for the task force was reviewing the draft discussion paper entitled "Partnering for Progress to Fight Corruption, Promote Transparency, Improve Performance and Ensure Accountability: INTOSAI, the World Bank and the Donor Community Working Together to Strengthen the Capacity of Supreme Audit Institutions." This paper had been drafted at a working level meeting in London in February and circulated to task force members before the Washington meeting. The task force noted that the draft paper will serve as a basis for a memorandum of understanding and will help advance the continuing dialogue between INTOSAI and the donor community.

In addition, the task force discussed updating INTOSAI's strategic plan for 2010–2015. Kirsten Astrup, INTOSAI's Director of Strategic Planning, reported on plans for updating the strategic plan, which is to be presented to the 2010 INTOSAI Congress in South Africa. The task force agreed that its methodology for updating the plan will adhere to the principles of consultation and consensus that were essential in developing and adopting INTOSAI's current strategic plan.

Following the task force meeting in the morning, the full Finance and Administration Committee met to discuss a range of INTOSAI governance issues, including associate membership, INTOSAI's financial position, and the results of the task force's initial meeting. The Secretary General reported that the World Bank has joined INTOSAI as an associate member and that two professional organizations are considering membership. He also reported a positive financial picture for INTOSAI, noting that annual assessments and voluntary contributions (from the SAIs of Saudi Arabia, Korea, and Kuwait) combined with prudent budgeting have resulted in an excess of income over expenditures. The committee also discussed the donor funding and strategic plan proposals, offering suggestions and endorsement for both.

For more information, contact: spel@gao.gov

Subcommittee on Financial Audit Guidelines

New Task Forces in 2008

Following the endorsement of the nine International Standards of Supreme Audit Institutions (ISSAI) completed to date, the work of FAS continues with intensity. Two new task forces will be set up during the first part of 2008:

- A practice note task force will deal with *International Standard on Auditing (ISA) 500: Audit Evidence* and *ISA 501: Audit Evidence-Additional Considerations for Specific Items*.
- A special expert team will deal with *ISA 200: Objective and General Principles Governing an Audit of Financial Statements*, *ISA 210: Terms of Audit Engagements*, *ISA 240: The Auditor's Responsibility Relating to Fraud in an Audit of Financial Statements*, and *ISA 250: Considerations of Laws and Regulations in an Audit of Financial Statements*.

The practice notes developed by these task forces are expected to be exposed for comment later this year.

New Nominations Not Requested for FAS Reference Panel

The FAS Reference Panel currently has a sufficient pool of resources to draw upon when appointing back-office experts and experts on practice note task forces or on International Auditing and Assurance Standards Board (IAASB) task forces. Therefore, the FAS will make use of the competences already represented on the panel and will

not issue further general calls to the INTOSAI community for new nominations before the next INCOSAI in 2010. However, FAS is still requesting input from all SAIs on the exposure drafts, especially from Courts of Account.

Reference Panel Meeting in Stockholm

A group of Reference Panel experts were invited to an introductory meeting in Stockholm in January to receive an introduction to FAS work processes and routines from the Project Secretariat. Experts from Azerbaijan, Bangladesh, Costa Rica, Estonia, Indonesia, Kazakhstan, Malaysia, Pakistan, the Philippines, Saudi Arabia, the Slovak Republic, South Africa, and Uganda participated in the meeting.



Reference Panel experts at the January 2008 FAS meeting in Stockholm.

Subcommittee Meetings in 2008

The most recent FAS meeting, held in London April 8–9, 2008, was hosted by the United Kingdom National Audit Office to discuss issues related to the Compliance Audit Guidelines Subcommittee chair and the secretariat. In addition, a group of experienced experts met in London to evaluate FAS projects and work processes.

In October 2008, the Korean SAI will host a meeting of the subcommittee.

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Web site: <http://psc.rigsrevisionen.dk/fas>

EUROSAI Working Group on Environmental Auditing Establishes Special Subgroup

In November 2006, following discussions and consultations, the Assembly of the EUROSAI Working Group on Environmental Auditing approved a resolution at its fourth meeting in Luxembourg to establish a “Special Subgroup on the Audit of Natural, Man-caused Disasters Consequences and Radioactive Wastes Elimination.” The subgroup currently is chaired by the Accounting Chamber of Ukraine, and its members are the SAIs of Ukraine, Albania, Azerbaijan, Poland, the Russian Federation, Slovakia, and Switzerland and the European Court of Auditors.

According to the subgroup’s terms of reference, European SAIs are encouraged to actively audit the issues **under the subgroup’s jurisdiction by conducting** cooperative audits, developing relevant recommendations and guidelines, facilitating continuous monitoring and exchange of modern methods and standards, and developing communication with other INTOSAI and EUROSAI working bodies on environmental auditing.

Interested SAIs decided to initiate the subgroup’s activities in connection with a major, ongoing international coordinated audit of the Chernobyl Shelter Fund, particularly in light of the large volume of international assistance at stake, the significant ongoing challenges that remain, and the risks and uncertainties that continue to surround the Chernobyl accident. Six members of the subgroup (the SAIs of Ukraine, Poland, the Russian Federation, Slovakia, and Switzerland and the European Court of Auditors), as well as the interested SAIs of Germany and the Netherlands, are participating in this Chernobyl audit.



Participants in the December 2007 meeting of the special EUROSAI subgroup in Kiev.

In 2007, the SAI of Ukraine hosted two subgroup meetings in Kiev, where eight SAIs participating in the audit and other invited parties shared their views and findings of the **national audits conducted under the international project**. During the **second** meeting on December 4–5, 2007, participants discussed the final audit results as well as the structure of the joint report and procedure for its signing and presentation at the VII EUROSAI Congress in Krakow in 2008. The Accounting Chamber of Ukraine,

as the audit coordinator, will develop the draft joint report, which is to be presented for approval at the next subgroup meeting in May 2008. It is also expected that prospective subgroup activities for 2009–2011, including audits, will be negotiated and agreed upon at this meeting.

The subgroup seeks the cooperation of all SAIs who have a keen interest in auditing issues associated with natural, nuclear safety, and radioactive contamination.

For additional information, contact subgroup secretariat:

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E-mail: ird@ac-rada.gov.ua
Web site: www.ac-rada.gov.ua

ARABOSAI/EUROSAI Meeting on Environmental Auditing

In February 2008, the State Audit Bureau of Kuwait hosted the joint meeting of representatives from ARABOSAI and EUROSAI to discuss the role and experiences of SAIs in environmental audit. Delegations from 28 countries attended the meeting, and 17 country papers were presented.



Participants in the ARABOSAI/EUROSAI meeting on environmental auditing, hosted by the SAI of Kuwait.

Recommendations resulting from the meeting included the following:

- Cooperation should be encouraged among SAIs, institutions responsible for environmental auditing, and environmental research centers when adopting topics on environmental auditing.
- Arab and European member SAIs should be invited to participate in joint audit processes for issues of international concern.

- SAI should take advantage of the outputs of the INTOSAI Working Group on Environmental Auditing.
- SAI should collaborate to implement joint environmental review programs.
- Professional experiences, environmental reports, audit guidelines, and environmental indicators should be exchanged between ARABOSAI and EUROSAI members.
- Peer reviews of environmental audits should be activated among SAIs.
- Environmental audit frameworks should include national strategies for sustainable development.
- SAIs may hire external consultants or experts to perform specific services that require specialized expertise related to the environment.

For additional information, contact the State Audit Bureau of Kuwait:

E-mail: training@sabq8.org

Web site: <http://www.audit.kuwait.net>

IDI UPDATE



IDI Update keeps you informed of developments in the work and programs of the INTOSAI Development Initiative. To find out more about IDI and to keep up to date between editions of the *Journal*, look at the IDI website: www.idi.no.

IDI/AFROSAI-E Capacity-building Needs Assessment Review Meeting and Strategic Planning Workshop

In early February 2008, IDI in cooperation with AFROSAI-E (the 21 English-speaking and 2 Portuguese-speaking African SAIs) conducted a capacity-building needs assessment (CBNA) review meeting and strategic planning workshop in Pretoria, South Africa. This was the third event in the IDI-AFROSAI-E Needs Assessment and Strategic Planning Program. Strategic planning teams from the SAIs of Ethiopia, Seychelles, Liberia, Malawi, and Zambia participated in these events. At the 3-day review meeting, the teams presented the CBNA reports, which they had written based on the assessments they had carried out in their respective SAIs. They received feedback from peers and facilitators and modified their reports accordingly. This was followed by a 5-day strategic planning workshop in which the teams were exposed to the IDI-AFROSAI-E strategic planning model. They also used their CBNA report to draft strategies for their SAIs. The teams are expected to develop strategic plans for their SAIs in the next 6 months.

IDI/ARABOSAI Needs Assessment Workshop 1

In May 2007, a joint IDI/ARABOSAI needs assessment program was approved by the ARABOSAI executive council in Yemen, and 17 SAIs confirmed their interest in participating in the program activities. Because of the large number of SAIs interested, the same workshop will be conducted twice. The first workshop was held in Morocco February 13-22, 2008, for 32 participants from eight different SAIs. A team from each participating SAI was trained in conducting a needs assessment using the global needs assessment framework and tools adapted to the ARABOSAI environment. Following the workshop, each needs assessment team is to assess its SAI's capacity-building needs using the tools and framework presented in the workshop and prepare a needs assessment report. The involvement of SAI representatives in assessing needs will facilitate ownership of and commitment to the results.

IDI/ASOSAI Quality Assurance Instructor Planning Meeting

Needs assessments conducted last year revealed that several SAIs in the ASOSAI region could benefit from strengthening their audit quality assurance systems. Based on the results of the needs assessment, 10 SAIs were targeted. A 2-week Quality Assurance Instructor Meeting was held in the Lao People's Democratic Republic March 2-18, 2008. A team of instructors, along with subject matter experts, met to design and develop course materials for a 2-week workshop on quality assurance in audit. The materials included a draft quality assurance handbook that will facilitate subsequent quality assurance reviews in the SAIs. The handbook will be based on ASOSAI's Audit Quality Management System (AQMS), guidelines, and other best practices and will contain practical tools to facilitate implementation of quality assurance procedures.

IDI/CAROSAI Meeting of the Regional Institutional Strengthening Committee and Master Class on Advocacy

In 2007, IDI assisted CAROSAI in developing a regional strategic plan. Following an IDI/CAROSAI focus group meeting in October 2007, the CAROSAI strategic planning committee finalized the plan with the assistance of the National Audit Office of the United Kingdom and IDI. In March 2008, the Regional Institutional Strengthening Committee reviewed the strategic plan and worked out an operational plan for 2008. A 2-day Master Class on Advocacy for auditors general and senior managers was also conducted in accordance with the implementation matrix of the CAROSAI strategic plan.

IDI and Liaison with the INTOSAI Community

IDI representatives have attended and reported at the following events in recent months: Task Force on a Global Donor Framework for INTOSAI (the United Kingdom), AFROSAI-E Assembly Meeting (Botswana), EUROSAI Training Committee Meeting (Moscow), and the INTOSAI Governing Board's Finance and Administration Committee Meeting (USA).

Contacting IDI

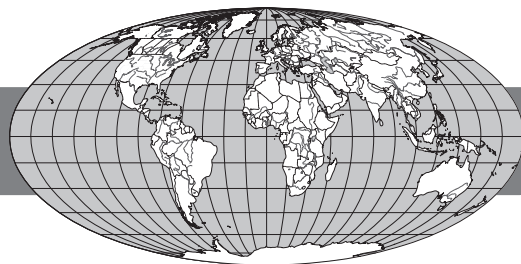
To discuss any of the issues raised in this edition of the IDI Update, please contact IDI:

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INTOSAI 2008 Events



<p>April</p> <p>8–9 Subcommittee on Financial Audit Guidelines meeting, London, United Kingdom</p> <p>9 IDI Board meeting, Oslo, Norway</p> <p>14–18 11th SPASAI Congress, Cook Islands</p> <p>21–22 INTOSAI PSC Subcommittee on Internal Control Standards Task Force meeting, Brussels, Belgium</p>	<p>May</p> <p>6–9 7th Meeting of the Steering Committee of the Working Group on Environmental Auditing, Tallinn, Estonia</p> <p>21–22 17th Working Group on IT Audit meeting, Tokyo, Japan</p> <p>28–30 Performance Audit Subcommittee meeting, Brasilia, Brazil</p>	<p>June</p> <p>2–5 VII EUROSAI Congress and XXXIII and XXXIV EUROSAI Governing Board meetings, Krakow, Poland</p>
<p>July</p> <p>7–9 20th Commonwealth Auditors General Conference, Bermuda</p>	<p>August</p>	<p>September</p>
<p>October</p> <p>21–23 PSC Steering Committee meeting, Beijing, China</p>	<p>November</p> <p>11 UN/INTOSAI Platform meeting, Vienna, Austria</p> <p>12 INTOSAI Communications Strategy Task Force meeting, Vienna, Austria</p> <p>13–14 58th INTOSAI Governing Board, Vienna, Austria</p>	<p>December</p>

Editor's Note: This calendar is published in support of INTOSAI's communications strategy and as a way of helping INTOSAI members plan and coordinate schedules. Included in this regular *Journal* feature will be INTOSAI-wide events and regionwide events such as congresses, general assemblies, and board meetings. Because of limited space, the many training courses and other professional meetings offered by the regions cannot be included. For additional information, contact the Secretary General of each regional working group.

INTOSAI

