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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.

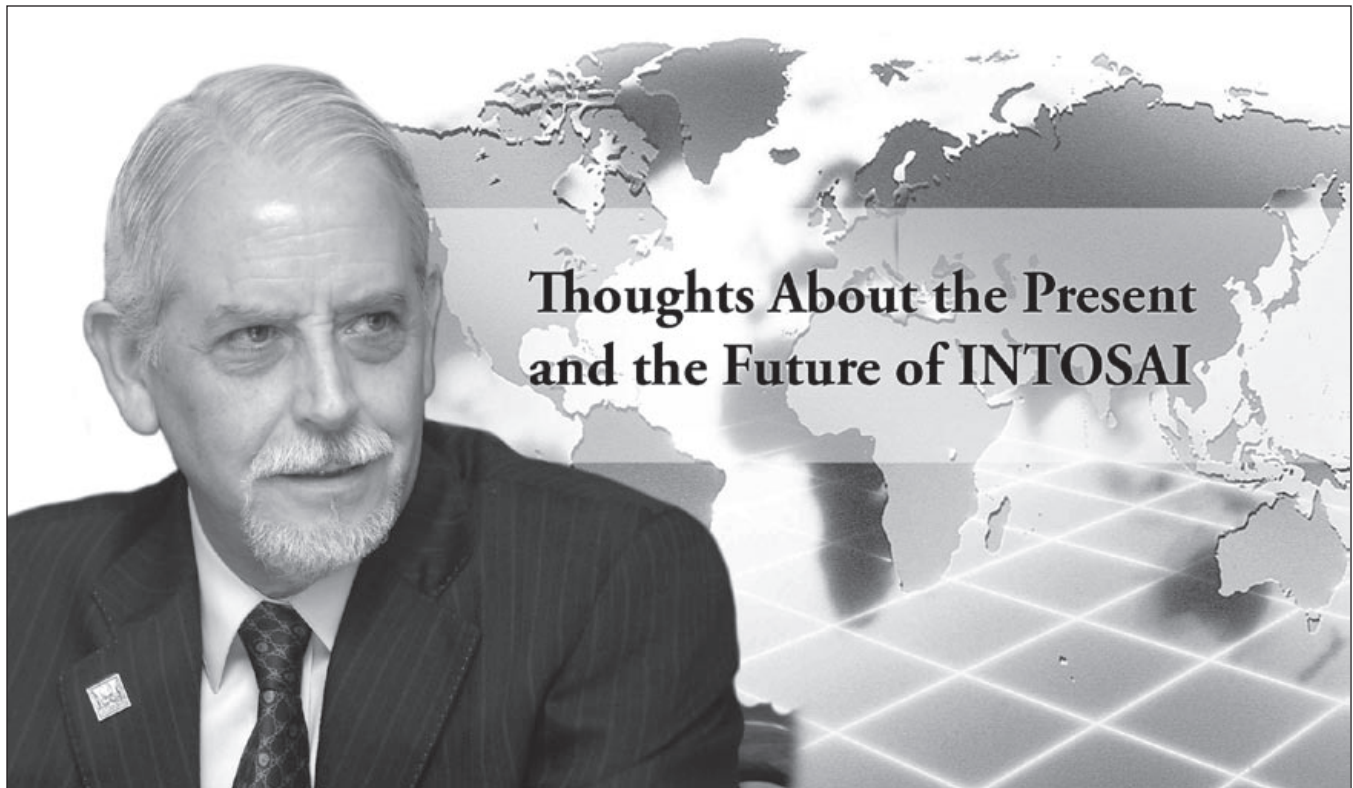
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Arturo González de Aragón

*Auditor General of Mexico
and Chairman of the
INTOSAI Governing Board*

I wish to thank this *Journal* for the opportunity to share some thoughts about the present and the future of our great organization and our common endeavors.

The evolution of the contemporary world presents unprecedented challenges to supreme audit institutions (SAI)—the dynamics that globalization introduces into international relations; phenomena that recognize no borders, such as climate change, oil prices, and the food crisis; the communications revolution and information technology; ongoing democratic processes; and the struggle for international markets. All of these issues demand that we change the paradigms of the past to face the immense challenges of the present and future.

There is an important lesson in all of this: if we want to influence events, instead of merely reacting to them, we must keep up with the pace of change. History waits for no one.

The future not only presents complex problems but also provides new tools to address them. In facing these situations, we must never be complacent; rather, we must find solutions that will last beyond our time and take into account the consequences of our acts. The future belongs to the new generations, to whom we bear a great responsibility. What we do today will profoundly affect the new world that we create.

In this chain of cause and effect, the auditing of public resources has a key role in establishing free, democratic, and prosperous nations. We must accomplish the mission that society has entrusted to us with enthusiasm and a sense of responsibility. To achieve this objective, we can count on the talent and will of both our own citizenry and peers from around the world, who seek to attain excellence through their efforts to improve the societies in which they live and serve.

INTOSAI is an organization of equals, in which each of our members has a vote, regardless of the degree of socioeconomic development of our country, the language we speak, or the mandate granted by the society in which we have the privilege of serving. This equality was evident for those who attended the 2007 INCOSAI in Mexico. Knowing that responsible and generous people from around the world were ready to share their experience and knowledge and learn from others was one of the greatest rewards of this event. Important actions have been taken to implement the guidelines set forth in the INTOSAI strategic plan for 2005–2010 and to make this worldwide effort successful. Regional groups, working groups, committees, subcommittees, and task forces have continued to work in their corresponding areas. It is indeed encouraging to take an active part in these efforts to bring the world's top specialists together for the issues we seek to address.

INTOSAI can achieve its goal of becoming a model international organization as long as SAIs intensify their international exchanges, become acquainted with best practices, and share new methodologies to facilitate efficient auditing of each society's resources. The synergy created by incorporating these efforts within the framework of our strategic plan has allowed us to attain real outcomes. As we proceed along this path, we count on the commitment and efforts of the entire INTOSAI community to continue to make progress.

Among INTOSAI members, solidarity and a willingness to assist SAIs that require support are the hallmarks of interaction. Today, professionalism, technical ability, and quality of service are the essential elements in achieving effective, efficient, and economical performance. Consequently, SAI exchange programs are relevant because they allow experience to become a shared resource. Through these contacts, the more developed SAIs are honoring their commitment to their peers. We must continue to promote the development of common products, advances in the design of new methodologies, the incorporation of information technologies, and the dissemination of best practices among our community to the greatest extent possible.

Special attention must be paid to the upcoming renewal of INTOSAI's strategic plan. The plan for 2011–2015 must take into account not only the undeniable successes achieved under the current plan but also recent developments in the world. It must effectively steer our organization toward the future so that we can keep up with the pace of change and be prepared for any challenges we may face.

The scope of supreme auditing goes well beyond figures and reports. Society has entrusted us with a great charge—to continuously monitor the use of public resources. This mission requires us to deepen our commitment to performing our task more efficiently and effectively. We are not alone in this mission. Rather, we are supported by INTOSAI—a great international community and organization that multiplies our efforts and enables us to address new challenges. INTOSAI's strength is gathered from the strength of its members. Let us continue together to advance our efforts to promote a real culture of accountability.

The SAI's role in promoting transparency and accountability is a universal principle that must prevail without exception. Society trusts us; therefore, we cannot disappoint it.

If you would like to share your point of view regarding INTOSAI or this editorial, I would be delighted to receive your comments at bfuentes@asf.gob.mx.

NEWS

IN

brief



Canada

New Commissioner of the Environment and Sustainable Development

In May 2008, Scott Vaughan was appointed to the post of Commissioner of the Environment and Sustainable Development in the Office of the Auditor General of Canada (OAG). The Commissioner is responsible for monitoring sustainable development strategies, overseeing the environmental petitions process on behalf of the Auditor General, and auditing the Canadian government's management of environmental and sustainable development activities.

Mr. Vaughan has worked in the field of environmental economics for more than 20 years. He came to the OAG from the Organization of American States, where he had served as Director of the Department of Sustainable Development since 2003. Previously, he was a visiting scholar with the Carnegie Endowment for International Peace in Washington, D.C; head of the Environment, Economy, and Trade program at the North American Commission for Environmental Cooperation in Montréal; and a

counselor on environmental issues at the World Trade Organization. He also held a variety of positions with the United Nations Environment Program.

Mr. Vaughan holds a master's degree in economics from the London School of Economics and Political Science. He is also a graduate of the University of Edinburgh, Dalhousie University, and Mount Allison University.

Mr. Vaughan replaced Ron Thompson, who retired from the OAG after 31 years of service. In addition to serving as Interim Commissioner of the Environment and Sustainable Development from January 2007 to May 2008, Mr. Thompson had been an Assistant Auditor General since 1985. In 1999, he assumed responsibility for international relations and guided the OAG's involvement with INTOSAI. Among other activities, he made a significant contribution to the Accounting Standards Committee and helped develop INTOSAI's strategic plan.

Mr. Thompson hosted foreign delegations on behalf of the OAG and was responsible for institutional SAI capacity-building projects that were funded by the Canadian International Development Agency. He was also a

strong supporter of the OAG's annual fellowship program for auditors from SAIs in developing nations.

For additional information, please contact the OAG:

E-mail: communications@oag-bvg-gc.ca

Web site: www.oag-bvg.gc.ca

Kuwait

Bilateral Cooperation Agreement with Kazakhstan

In May 2008, the State Audit Bureau of Kuwait hosted an official visit from the Chairman of the Accounts Committee for Control over Execution of the Republican Budget of Kazakhstan. During the visit, the Chairman and his accompanying delegation were briefed on the State of Kuwait's experience in the control field and its relationship with the legislative authority. The two SAIs discussed cooperation and signed a joint bilateral cooperation agreement.

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

E-mail: training@sabq8.org

Web site: www.audit.kuwait.net

New Zealand

Recent Auditor-General Reports Presented in Parliament

Three recent reports that the Office of the Controller and Auditor-General presented in Parliament may be of special interest to other SAIs. Each is available on the office's Web site.

A guide entitled *Public Sector Purchases, Grants, and Gifts: Managing Funding Arrangements with External Parties* sets out the basic principles for different types of funding arrangements and the choices public entities need to make when they plan for, and enter into, such arrangements with external parties. The report is available at www.oag.govt.nz/2008/funding-arrangements/.

The Auditor-General also updated and replaced the 2001 good practice guide on procurement entitled *Procurement Guidance for Public Entities*. This report is available at www.oag.govt.nz/2008/procurement-guide/.

A third report, *Managing Funding to Non-Government Organisations—From Principles to Practice*, describes how one public entity has applied the principles for funding nongovernmental organizations. It is available at www.oag.govt.nz/2008/ngos-practice/.

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

E-mail: enquiry@oag.govt.nz
Web site: www.oag.govt.nz and
www.auditnz.govt.nz

People's Republic of China

New Auditor General Appointed

In March 2008, Mr. Liu Jiayi was appointed Auditor General of the National Audit Office of China (CNAO) at the first plenary session of the 11th National People's Congress. Mr. Liu had been the Deputy Auditor General since September 1996. From 1980 through 1992, he held various positions in a provincial audit office in Sichuan and later served as Deputy Director General at the CNAO's Chengdu Resident Office. From 1992 to 1996, Mr. Liu was Deputy Director General and later Director General of the CNAO's Commerce and Trade Audit Department.



Liu Jiayi

Mr. Liu has overseen the drafting and development of many audit laws, regulations, techniques, and manuals in China. He has directed major research projects on bank credit management, performance audits of public expenditures, and data

collection and processing for IT audits. He has written several books, including *Macro Control and Public Finance Policy*, *Cost Auditing*, and *Basic Methods of Performance Auditing*. Many of his articles and papers have been published in leading Chinese journals and newspapers.

Mr. Liu has a Ph.D. in economics and is an honorary professor at several Chinese universities. He is currently a member of the United Nations Board of External Auditors, the Chairman of ASOSAI, and the Chairman of the ASOSAI Working Group on Environmental Audit.

For additional information, contact the NAO:

E-mail: cnao@audit.gov.cn
Web site: www.audit.gov.cn

United States

Clean Opinions on GAO's Performance and Financial Audit Peer Reviews

The U.S. Government Accountability Office's (GAO) system of quality assurance got two votes of approval in June 2008. An international team of government auditors reviewed GAO's performance audit work, and the accounting firm KPMG LLP reviewed GAO's financial audit work.

Generally accepted governmental auditing standards issued by the U.S. Comptroller General require organizations conducting audits of federal government programs to undergo an independent external assessment, or peer review, of their quality assurance every 3 years. This is the second time GAO's performance audit work has undergone a peer review; its financial audit and

accounting work has undergone a peer review five times since 1995.

Both reviews found that the systems of quality assurance in effect for the year ending December 31, 2007, were suitably designed and operating effectively to provide GAO with reasonable assurance that it conformed with applicable professional standards.

The Office of the Auditor General of Canada headed the international team that conducted the peer review of GAO performance audits completed in 2007. Over the course of 7 months, the team visited GAO several times, reviewing documented policies and procedures related to applicable professional standards and documentation for a representative sample of 2007 audits. The team also interviewed professional and administrative staff and relied on the work of GAO's own inspection team.

In its report, the team noted several best practices that other national audit offices may wish to consider. The team was particularly impressed that one of GAO's units used its accumulated knowledge about Department of Defense weapon systems to develop a model to inform decisions about moving from planning to designing and acquiring systems. The peer review team also commended GAO's use of structured approaches to collecting and synthesizing interview data. Several human capital practices were singled out, including the use of statements of independence; GAO's college-level recruiting program; and the adjunct faculty program, which trains and certifies GAO instructors for GAO's internal Learning Center.

The team offered a number of suggestions to continue to improve GAO's performance audit work. Specifically, the team suggested that GAO provide more explicit criteria in its reviews, mandate the use of a data reliability tool, improve the organization and accessibility of audit documentation, and clarify its policy for obtaining and disclosing third-party comments on its audits. GAO will develop an action plan to address the report's suggestions.

The peer review reports have been posted on the Internet at www.gao.gov/about/review.html.

For additional information, contact GAO:

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

Using Geographic Information Systems to Audit Efforts to Combat Money Laundering and Terrorism Financing

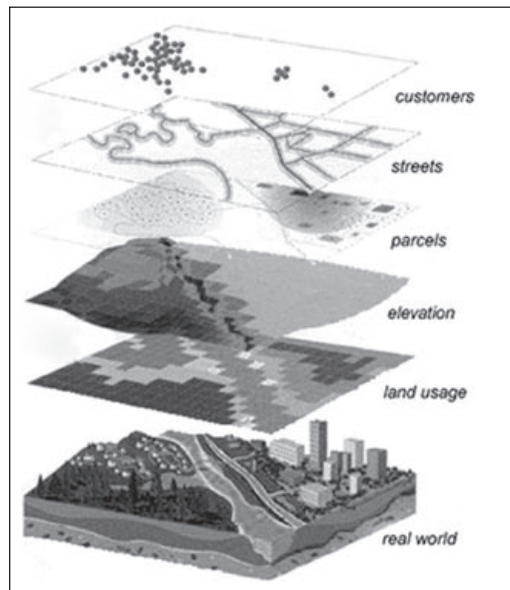
by Egbert Jongsma and Frederique de Graaf, Netherlands Court of Audit

In June 2008, the Netherlands Court of Audit (NCA) published a report on its audit of the Dutch government's efforts to combat money laundering and terrorist financing. During its audit, the NCA used a geographical information system (GIS) to analyze and present its findings. As reported in this *Journal* in October 2006, GISs have been used successfully for a variety of auditing purposes.¹ At the XIX INCOSAI in Mexico in November 2007, the INTOSAI Task Force on the Accountability for and Audit of Disaster-Related Aid affirmed the usefulness of geographic information in audits of disaster-related aid. In this article, we describe some features of a GIS, give an overview of how a GIS was used in the recent NCA audit, and introduce the NCA's new knowledge center on the use of GIS in auditing.

Geographical Information Systems and Auditing

Geographical or spatial information can be linked to specific locations (for example, zip codes or longitude and latitude coordinates). A GIS can be described as a computerized system that facilitates data entry, storage, analysis, and presentation especially for spatial (geo-referenced) data. In the example shown in figure 1, data layers on land usage, elevation, parcels, streets, and customers can be combined and analyzed in their geographical context to ask questions such as where do customers live (geographical setting) and how can they be reached? SAIs can ask and answer similar questions about targeted groups of government policies.

Figure 1: Example of Layers That Can Be Combined and Analyzed in a GIS



Source: University of Western Ontario, <http://ssnds.uwo.ca>

¹*Disaster-Related Aid: Using Geographic Information in Audits*, p. 18.

A GIS enables users to (1) produce high quality maps on any scale, (2) store and maintain a large quantity of geographically related information, (3) visualize and simplify complex data, and (4) create new data from existing data.

The most powerful feature of a GIS is its ability to allow users to perform complex analyses by linking data layers and overlaying different data sets to get a spatial perspective.

For more explanation regarding GISs, please see the Web site of the INTOSAI Task Force on the Accountability for and Audit of Disaster-Related Aid (www.intosai-tsunami.org). The task force believes strongly in the added value of GISs and remote sensing (RS) technology (such as satellite and aerial images, which provide data that can be used as a layer in a GIS) for auditing in general and specifically for auditing disaster-related aid. A GIS and remote sensing data can be of value for the subsequent stages of an audit:

- assessing relevant risks,
- designing the audit,
- conducting the audit,
- analyzing audit findings, and
- communicating audit results.

Assessing Relevant Risks

Audits start with performing risk analyses and assessments to indicate where the audit will provide the greatest added value. A GIS and remote sensing data (GIS/RS) can assist in analyzing and assessing risks. A GIS makes it possible to analyze various data attributes or layers in a geographical context, which would be more difficult or complicated using only spreadsheets. Such data attributes or layers could include the geographical spread of projects behind schedule, the use of certain contractors in various regions, the geographical spread of allocated funds, or demographic information.

Designing the Audit

With available information on risks, a GIS/RS can assist auditors in designing the audit by helping to decide on its focus and scope. For example, data from a GIS and remote sensing technology can establish the number and geographical spread of projects on or behind schedule. To determine whether houses are unfinished, it would be easier and quicker to display all field data and combine it with satellite imagery than to use a table with numbers. This insight, in turn, would make it easier for the auditor to decide whether to focus on (1) projects behind schedule so that risks related to contract management can be audited or (2) projects on schedule so that performance (such as the quality and occupancy rate of houses) can be audited.

Furthermore, a GIS/RS can also be used to plan field visits and routing and to establish an optimal mix of field visits and remote sensing data: to which locations should a team be sent and for which can we rely on remote sensing data?

Conducting the Audit

During the implementation phase of the audit, the audit team can use GPS devices and satellite-based maps to link audit field data with geographical data. This makes it possible to analyze the field data directly when the coordinates are uploaded to GPS software and combined with maps—field data are directly visibly mapped in a geographical context—not only at a later stage in the audit. For example, if an auditor wanted to determine whether houses or infrastructure were being constructed in the right places in Indonesia following the tsunami, this information would be directly visible when the data are uploaded.

Analyzing Audit Findings

As stated earlier, a GIS makes it possible to analyze different layers of related geographical information (such as audit findings combined with global positioning system (GPS) coordinates). For example, for an audit on settlements affected by the 2004 tsunami, these data may include the number of school buildings lost and rebuilt, the number of surviving children, and location-specific data (land elevations and proximity to rivers or roads). With the type of analysis a GIS makes possible, performance can be measured: have schools been built in areas where children need them?

Visualizing results with a GIS can also provide insight on geographical differences in the performance of public organizations. In the case of the tsunami, the performance of local governments could be benchmarked. In disaster situations, it may also be interesting to benchmark the performance of the government with nongovernmental organizations (NGO), since these are some of the few situations in which the government does not have a monopoly on implementing activities. (NGO performance is used only as a reference in this regard because most SAIs do not have a mandate to audit them.)

Communicating Audit Results

With a GIS/RS, audit findings and other data can be mapped and made visible, supporting the main conclusions and recommendations of an audit and also facilitating an accessible way to communicate audit results to final beneficiaries.

We will further detail the value of a GIS for the subsequent stages of our audit of Dutch efforts to combat money laundering and terrorism financing.

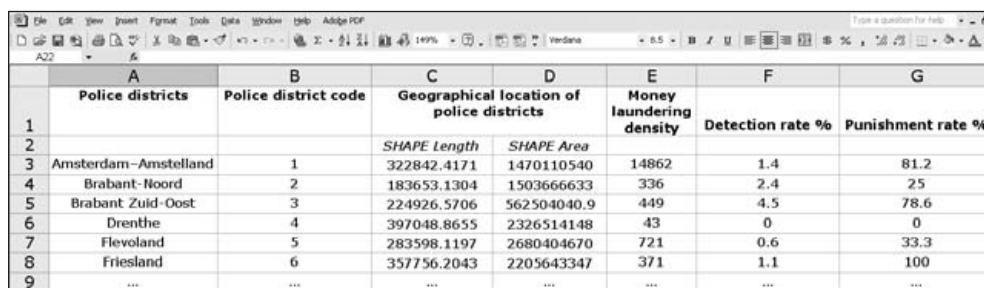
Audit of Dutch Efforts to Combat Money Laundering and Terrorism Financing

The NCA decided to use a GIS in an audit of government efforts to combat money laundering and terrorism financing. Money laundering is the process of turning money from illegal activities into legitimate wealth in such a way that its illegal origins cannot be traced. Terrorism financing often involves the use of legal funds to finance the illegal activities of terrorists. Both money laundering and terrorism financing represent a risk to the integrity of financial systems and to public confidence in the operation of financial markets.

In its audit, the NCA investigated the policy in place to combat money laundering and terrorism financing. It considered how the Minister of the Interior and Kingdom Relations, the Minister of Finance, and the Minister of Justice manage their enforcement chains. It also looked at how organizations prevent, detect, investigate, prosecute, and sanction money laundering and terrorism financing. It did not consider the enforcement of sanctions.

To gain insight into the performance of investigation services and the Public Prosecution Service, the NCA developed performance indicators for the probability that money laundering and terrorism financing would be detected (detection rate) and punished (punishment rate). To relate this performance to the volume of money laundering and terrorism financing, the NCA used the number of suspicious transactions per geographical unit. The geographical boundaries of the local police force were chosen as the geographical unit. In the Excel spreadsheet shown in figure 2, this is represented by the unique police district code linked to geographical boundaries (SHAPE-Length and SHAPE-Area). By doing this, the NCA was able to combine three different data sets: suspicious transactions, results of the investigation units of local police, and punishments carried out by the Public Prosecution Service and the criminal courts.

Figure 2: Unique Police District Codes Linked to Geographical Boundaries in the NCA Audit

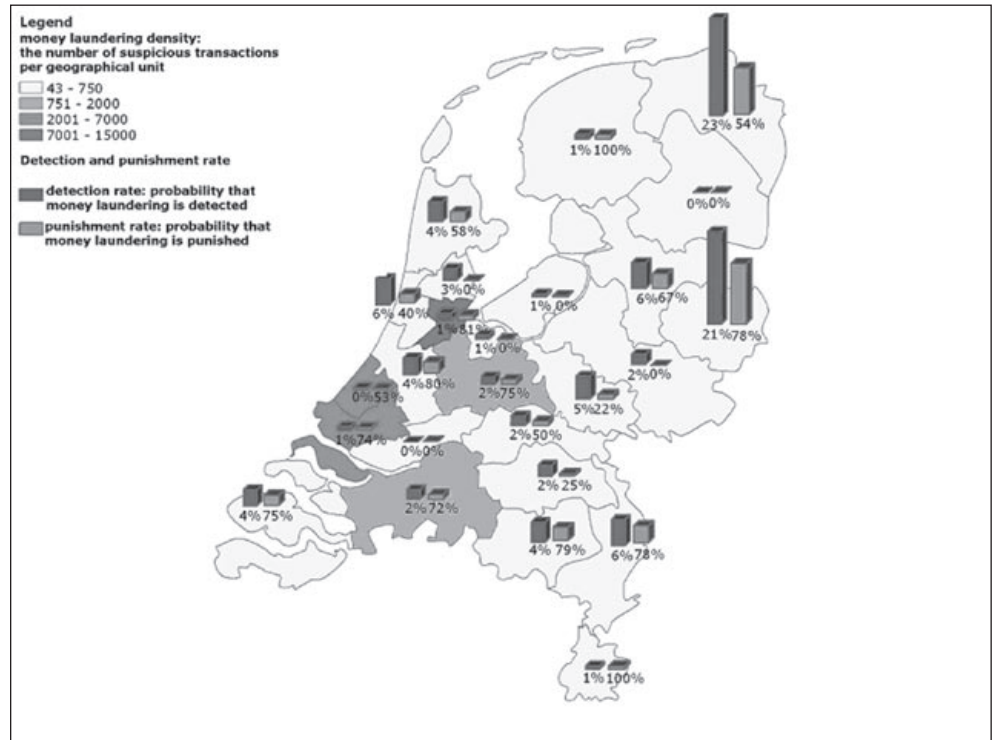


	A	B	C		D	E	F	G
	Police districts	Police district code	Geographical location of police districts			Money laundering density	Detection rate %	Punishment rate %
1								
2			SHAPE Length	SHAPE Area				
3	Amsterdam-Amstelland	1	322842.4171	1470110540		14862	1.4	81.2
4	Brabant-Noord	2	183653.1304	1503666633		336	2.4	25
5	Brabant Zuid-Oost	3	224926.5706	562504040.9		449	4.5	78.6
6	Drenthe	4	397048.8655	2326514148		43	0	0
7	Flevoland	5	283598.1197	2680404670		721	0.6	33.3
8	Friesland	6	357756.2043	2205643347		371	1.1	100
9

Source: NCA

The NCA was also able to visualize and analyze the performance geographically with GIS software, as shown in figure 3.

Figure 3: Detection and Punishment Rates of Money Laundering and Terrorism Financing by Geographical Unit



Source: NCA

The NCA used money laundering density—the number of suspicious transactions per geographical unit—as a base layer. The NCA visualized the results of the local police investigation units in the detection rate layer and those of the Public Prosecution Service and the criminal courts in the punishment rate layer.

In its audit report, the NCA noted that despite the many measures that the Ministers of the Interior, Finance, and Justice had taken to combat money laundering and terrorism financing, the results were disappointing. The audit found that money laundering and terrorism financing were still inadequately prevented, that the probability of money laundering and terrorism financing being detected and punished was low, and that the investigation services and the Public Prosecution Service made little use of their powers to seize the assets of criminals. Because of the ambitions

declared by the previous five governments and the priority placed on combating money laundering and terrorism financing in the past 10 years, these findings were unexpected.

By visualizing the money laundering density and the results of local police investigation units, the Public Prosecution Service, and the criminal courts, the NCA was able to give the Parliament, ministries, and executing agencies insight into geographical differences that were not available before its audit. This insight has already raised questions about the extent to which geographical differences are acceptable and why money laundering density varies so greatly by geographical unit. In their reaction to the NCA audit, the responsible ministers stated that they will use the outcomes of the audit to improve insight into the volume of money laundering and the results of combating money laundering and terrorist financing.

With these overviews of results (performance) and the volume of the problem that public entities tackle, it is possible to not only analyze and communicate the results of an audit but also facilitate the selection of samples for the audit field work. In this particular case, if data had been available at an earlier stage of the audit, we could have selected the investigation units of the police and the units of the Public Prosecution Service as samples based on their results.

Knowledge Center on the Use of GISs in Auditing

The NCA has decided to establish a knowledge center on the use of GISs in auditing. This center will focus on the national activities of the NCA and also be part of the NCA's portfolio as vice chair of the Working Group on Accountability for and Audit of Disaster-Related Aid, which is chaired by the European Court of Auditors. The center will focus on

- monitoring relevant developments on GISs and remote sensing,
- developing guidance on how to use geographical information in auditing,
- developing training materials for SAIs,
- assisting SAIs with audits in which a GIS is used, and
- establishing a network of external experts on GISs and remote sensing.

The following audit topics are potentially very interesting for using GISs:

- auditing disaster-related aid,
- environmental auditing, and
- auditing the fight against criminal activities, fraud, and corruption.

The NCA invites all SAIs to assist it in further developing the use of GISs in auditing by sharing audit results, ideas, and information. It also invites SAIs that want to start using GISs as an audit tool to contact the NCA.

For additional information, contact Egbert Jongsma (project manager of the GIS knowledge center) at e.jongsma@rekenkamer.nl.

Auditing Programs for Integrating People with Disabilities into the Workforce

by Staff from the United Kingdom National Audit Office

Within the European Union and the Organisation for Economic Co-operation and Development (OECD), approximately one in seven people is categorized as disabled, and in many countries the number claiming financial support due to disability is increasing. Most governments recognize the many benefits of integrating people with disabilities into the workforce and have programs to address this need. The level of government spending, the social importance of the programs, and the risks inherent in such programs (for example, the difficulty of establishing eligibility for support) make this an important area for scrutiny by SAIs.

A recent survey on programs that integrate people with disabilities into the workforce was completed by 26 European SAIs in preparation for a discussion on this topic at the VII EUROSAI Congress in Krakow, Poland, in June 2008 ([see the report on p.18](#)). The National Audit Office of the United Kingdom led the theme with support from the SAIs of Estonia, Iceland, Sweden, and Switzerland. This article summarizes the results of the survey as well as the conclusions and recommendations reached at the conference.

Promoting the Professional Integration of People with Disabilities

The OECD has classified programs to support working-age people with disabilities as integration based (helping people to find and keep jobs) or compensation based (providing financial assistance as an alternative to work).¹ According to the results of the survey completed by 26 European SAIs, job search assistance and training accounted for the highest number of participants in government programs, and training accounted for the highest government expenditures. The discussion paper reported that most governments have a strong commitment to integrating people with disabilities into the workforce, citing as the primary motivating factors the right to work of people with disabilities and the additional social benefits to individuals and the community. Other reasons given include constitutional mandates prohibiting discrimination against people with disabilities (Germany), demographic developments in labor law and the employment market (Austria), and the desire to provide an improved quality of life for people with disabilities (Malta). Improving the economy and reducing benefit expenditures were considered less important. As a reflection of their desire to provide support, many governments have adopted targets for integrating people with disabilities into the workforce. About 60 percent of the 26 SAIs that responded to the EUROSAI survey reported specific quantitative targets in their countries. All of the SAIs reported that the rate of employment among the people

¹OECD, *Transforming Disability into Ability: Policies to promote work and income security for disabled people*, 2003, page 126.

with disabilities is lower than the rate of employment in the population as a whole—for example, 30 percent lower in Switzerland, 40 percent lower in Ireland and the Netherlands, and 65 percent lower in Poland.

SAI Audits of Programs to Integrate People with Disabilities into the Workforce

Across the EUROSAI region, SAIs have undertaken a wide range of work to audit programs to support people with disabilities. There are some clear differences in the audit work of different SAIs. The situation in different countries appears to vary depending on the legal definitions of disability, the role of central and local governments in delivering support to unemployed people with disabilities, the objectives of the SAI and its audit mandate, and the priority attached to these programs.

Of the 26 SAIs that responded to the EUROSAI survey, 23 had done some audit work directly or indirectly linked to disability. Of these, 20 had done financial audits of the accounts of entities providing state support to people with disabilities, and 13 SAIs had done performance audits. The focus of these audits included the overall set of programs and schemes provided by government, the role of sheltered workshops, subsidies for employers, job assistance support, and the role of training in helping people with disabilities develop skills. The most important factor driving SAIs to carry out these audits is the amount of resources expended.

Audits have enabled SAIs to determine whether funds are being spent as intended. For example, in Poland, the SAI's audit of programs providing tax relief for employers of people with disabilities found that only a small part of the funds were spent on statutory objectives related to rehabilitation. Instead, the money had been spent on such things as electricity charges and investments. In Germany, the SAI reported that government and social insurance bodies had provided funding for facilities and projects designed to assist people with disabilities into work for which there was no demand or which operators of the facilities could have funded themselves.

Audits can highlight significant weaknesses in program performance. For example, in the United Kingdom, the SAI's work showed that Remploy factories, which provide sheltered employment, were struggling to be productive, with funding per head in some businesses being disproportionate to the average salary paid. In Norway, the SAI reported a steady decrease in the number of new recipients of disability pensions who had tried vocational rehabilitation before being granted their pensions (only 1 in 7 applicants in 2000) and recommended that the ministry be more ambitious in raising performance.

SAIs can highlight shortcomings in relevant legislation and the way it is implemented. In the Ukraine, the SAI's compliance audit work drew attention to the legal uncertainty and lack of a clear program for supporting people with disabilities into work. The fund providing social protection for persons with disabilities had not ensured the proper implementation of the budget program, which led to an inefficient use of funds. About one third of loans to other organizations over the last 10 years appeared to be high risk, jeopardizing returns to the government.

The work of SAIs has also shown the impact of administrative procedures on vulnerable people. In Germany, the SAI reported an excessive delay from the time a person with a disability applied for assistance until suitable integration measures were initiated. The Icelandic SAI identified a lack of fully qualified employees to care for people with disabilities and stated that the service provided did not always follow relevant laws and regulations. The SAIs of Sweden and the United Kingdom both identified insufficient quality in the individual action plans prepared for people with disabilities going through assistance programs, jeopardizing the value of the support provided.

Recommendations from the EUROSAI Congress

While auditing programs that promote the professional integration of persons with disabilities, SAIs have encountered a range of challenges, including poor quality or incomplete data, difficulties in auditing an area involving medical judgments about eligibility, organizational complexity in the way some programs are delivered, and difficulties in assessing the impact of interventions to help people find work.

Participants in the EUROSAI congress identified a number of recommendations to address the difficulties inherent in audits of programs. These include the following.

In planning their future audit work, SAIs should take account of the particular materiality, risk, and sensitivity inherent in programs to promote the professional integration of people with disabilities. Because of sensitivities associated with this area, both public interest and program risks are often quite high. There is some evidence that at the political level, governments may set overly ambitious targets that are higher than anything previously achieved and are unrealistic or unachievable. There are often increased risks to delivering such programs; for example, it is difficult to challenge legacy systems.

In some circumstances, normal expectations of performance (e.g., in sheltered employment) are tempered by a recognition of wider social benefits from helping people with disabilities. As a consequence, auditors have to use particular skill and judgment in assessing performance, particularly if their work could lead to conclusions that certain programs constitute poor value for money. In practice, SAI audits have confirmed that these difficulties and other factors increase the risk that programs will fail to deliver their intended benefits. Indeed, some audits have found programs to have significant weaknesses and very limited success.

When planning and carrying out their work, SAIs should consider obtaining the views of service users or their representatives. Service users or their representatives can provide SAIs with firsthand information on how effectively programs are working, the quality of the employment opportunity and experience (which is not always measured by providers), and proposed developments in policy and administration. These views can be obtained through surveys and by contacting groups representing people with disabilities. In taking such actions, however, auditors need to ensure that they retain their objectivity and independence and are able to evaluate particular services without becoming advocates for those services in the political arena.

Where SAIs' statutory remit permits, they should make full use of the opportunities for collaboration with other inspectors, but SAIs must ensure the accuracy and completeness of data provided by third parties. Auditors in some jurisdictions cannot audit work programs on their own and need to collaborate with other organizations to discharge their duties. In many jurisdictions, work programs are delivered by nongovernmental bodies, such as charities or other private sector entities. In these circumstances, the role of the SAI in the audit of programs can be more difficult. The auditor may need to gain a detailed understanding of a system that involves a high number of small organizations or a long delivery chain.

SAIs should encourage governments to adopt good administrative practices. Because of the high level of funding used for work programs for people with disabilities, SAIs have a responsibility to ensure that funds are spent as intended and not directed into other activities. Audits by SAIs have often found that administrative arrangements put in place by governments are not fully effective. SAIs should encourage governments to introduce clear legislation and regulations, design robust and transparent decision-making arrangements for assessing a person's eligibility for programs, and maintain clear and accurate records of support provided to individuals.

SAIs have a role in encouraging governments to improve the information they collect on program outcomes (such as the extent to which participants find and retain jobs) and ensuring that programs are designed in ways that allow for the evaluation of success. Many SAIs found data reliability to be a problem. In some cases, the number of participants in any given program could not be determined; in other cases, data were not available. Where multiple organizations are involved in delivering services, different datasets may need to be cross referenced or combined to gain an overall understanding of the programs. Such work can be time-consuming and difficult. In addition, the difficulties in tracking what happens to people after they have completed work programs are likely to make assessments of program effectiveness very difficult.

SAIs should consider whether they need specialist skills and support in assessing programs for people with disabilities. Eligibility for programs and support arrangements for people with disabilities often center on an assessment of disability, which is usually carried out by medically qualified staff. Auditors cannot question the medical judgments on which decisions are made about eligibility for disability support or admission to a work program. Nevertheless, auditors will need to have a good understanding of the relevant medical decisions and the classifications of people with disabilities and must find ways of assessing whether a strong decision-making process is in place. To do this, specialist assistance in carrying out the audit may be needed.

Because of the difficulty in making judgments about programs to support people with disabilities, SAIs should pay particular attention to obtaining sources of evidence that can further corroborate findings and conclusions. Where making an audit judgment is difficult—for example, where it is not feasible to determine how the medical profession is applying eligibility criteria—it is important to seek other evidence. For example, information showing trends of usage or participation can often be an indicator of a problem in applying eligibility criteria. Such evidence is often more objectively verifiable than other sources.

In scoping work in this broad and complex area, SAIs should look for indicators from a variety of sources to identify areas to focus on in their work. SAIs have found that certain indicators can help to reveal trends or problem areas within programs. For example, a high level of benefit appeals, repeat enrollments of individuals within training and skills programs, or the return of a high number of people to a reliance on benefits may indicate areas of risk or unintended or unforeseen consequences of program implementation. The audited entity may not necessarily have all of the information needed. Other entities, such as nongovernmental organizations, will often be a valuable source of relevant information on whether programs are providing sustained employment for people with disabilities.

Conclusions

SAIs have an important role to play in auditing how governments spend money to assist people with disabilities to gain and retain work. Overall, European SAIs are assisting governments to make the most of their resources by highlighting inefficiencies, the incorrect use of funds, and poor performance. SAIs share many common challenges in completing this work, including the complexity of the methods for delivering these programs, the difficulty in measuring program success, and the lack of available data. As a result, opportunities to learn from the experience of colleagues and the techniques they have used in developing their audit approaches are extremely beneficial. We hope that the dialogue begun at the recent EUROSAI congress will help to promote additional sharing about work in this important area.

For additional information, contact the U.K. National Audit Office at enquiries@nao.gov.uk.

EUROSAI Holds VII Triennial Congress in Poland

by Cindy Fagnoni, U.S. Government Accountability Office

The VII triennial congress of the European Organization of Supreme Audit Institutions (EUROSAI) was held in Krakow, Poland, June 2–6, 2008. Jacek Jezierski, the President of Poland's Supreme Chamber of Control (NIK), and his staff welcomed 195 delegates representing 48 SAIs. Observers from INTOSAI regional groups (AFROSAI, ARABOSAI, ASOSAI, and OLACEFS) and the INTOSAI Development Initiative also attended the conference, along with observers from several international organizations and this *Journal*.



Participants in the VII EUROSAI congress in Krakow.

The opening ceremony was held at Jagiellonian University, located in Krakow's Old Town. Dr. Dieter Engels, President of Germany's Federal Court of Audit and outgoing EUROSAI President, officially opened the congress with a warm welcome to the delegates. Dr. Engels highlighted the successful role EUROSAI has played in fostering international cooperation and strengthening SAIs across Europe. He noted that EUROSAI now includes 48 members, with the SAI of Israel joining since the last congress. He summarized 3 years of successful work by the EUROSAI working groups on information technology, environmental audit, and coordinated audit tax subsidies; the benchmarking costs/performance tax administration study group; and the EUROSAI Training Committee. He also noted EUROSAI's global outreach and cooperation with related organizations such as OLACEFS.

Dr. Engels then turned over the EUROSAI presidency to Mr. Jezierski, who praised Dr. Engels' leadership and pledged to build on EUROSAI's successes. He said he welcomed the challenge of serving as EUROSAI president and noted the important role of international cooperation in an increasingly integrated Europe and globally interdependent world. Mr. Jezierski introduced the three congress themes and thanked all the theme chairs for their hard work in preparing for the congress.



Dr. Engels of Germany (left) and Mr. Jezierski of Poland (right)—the outgoing and incoming EUROSAI presidents, respectively— at one of the plenary sessions during the congress.

Mr. Jezierski introduced the President of Poland, Lech Kaczynski, who welcomed the participants to Krakow and spoke of the important role that SAIs play in protecting the public and improving government management and performance. President Kaczynski was well qualified to discuss the role of the SAIs, having served as NIK President from 1992 through 1995. He noted how invaluable that experience has been in his current role. Following the President's remarks, representatives from Poland's postal service unveiled a special commemorative stamp with the congress logo that had been issued in honor of the congress and NIK's leadership of EUROSAI. Each participant received one of the commemorative stamps.

For the sake of the environment, the congress hosts had decided to make this event as paperless as possible. Official congress papers were made available via the Internet before the conference on a special congress Web site. During the congress, every participant was provided with a laptop preloaded with all relevant congress materials. At the end of the congress, participants received portable USB drives containing all the documents to take home with them.



Delegates made ample use of the laptops provided to them for this first paperless EUROSAI congress.

Theme Presentations, Conclusions, and Recommendations

The congress focused on three key themes: establishing an audit quality management system within an SAI, auditing social programs in the field of education, and auditing social programs for the professional integration of people with disabilities. For each theme, the chairs and assisting SAIs prepared a principal paper giving an overview of the theory and practice related to the topic and posing certain questions. EUROSAI members were invited to respond to or comment on the points raised by the papers in written country papers based on their national perspectives and experiences. The country papers provided an important and wide-ranging source of information and experience from which the theme chairs and assisting SAIs prepared discussion papers for each theme.

The first theme focuses on the challenge SAIs face in ensuring that their work meets the high quality standards that stakeholders expect. The second and third themes deal with key social policy areas where SAIs can and do make an impact and, based on a discussion of experiences and existing approaches, seek to highlight areas for SAIs to consider in their future national work.

During the congress, EUROSAI members discussed the analyses and key observations in the excellent discussion papers, as well as additional information, including presentations covering technical audit case studies from SAIs and alternative perspectives from external stakeholders. On this basis, the congress reached conclusions and developed recommendations related to each theme.

Theme 1: Establishing an Audit Quality Management System within an SAI

This theme was led by the SAI of Hungary with support from the SAIs of Denmark, Malta, Poland, and the Russian Federation and the European Court of Auditors. All participating EUROSAI members expressed their concern about audit quality issues and their desire to further strengthen audit quality management in their organizations. They recognized that leadership is an essential element in an effective quality management system and that effective communication at all levels is vital to directing the SAI's mission and goals, improving trust across the organization, and promoting professional knowledge.

Most SAIs have a strategic plan to ensure that they respond to changes in the audit environment and meet stakeholders' expectations. Most carry out a comprehensive risk assessment as part of the strategic planning process and periodically monitor and review their progress through annual audit plans and, in some SAIs, performance indicators.

SAIs also highlighted effective human resource management as key to ensuring audit quality. The majority of SAIs consider comprehensive human resource planning and monitoring as essential to ensuring that staff are not only used efficiently and effectively, but also more satisfied and better trained. SAIs indicated that they either have or are developing human resource policies and systems, including specific plans and procedures for staff recruitment and hiring, staff development, performance assessment, and promotions. They also emphasized the importance of the fair application of well-documented human resource policies and procedures and the transparent treatment of staff. At the audit team level, SAIs consider continuous supervision and monitoring by management as key quality control measures and have developed audit methodology documents to support auditors in carrying out high-quality audits.

SAIs recognized the importance of key external parties—such as parliaments, the audited organizations, the media, the public, and professional organizations—to independently gauge audit quality. SAIs have various measures in place to monitor the outcomes of their audit activities and obtain external feedback. For example, most SAIs track the degree to which audit recommendations are implemented. Most SAIs seek to continuously develop and improve audit quality management systems by carrying out internal or external post-audit quality reviews. Some SAIs also carry out self-assessments.

Based on these conclusions, the congress made the following recommendations:

- SAIs are encouraged to further promote leadership through the organization's mission and vision statements, value framework, code of conduct, and strategic and operational plans. SAIs may also wish to consider the development of performance indicators.

- SAI should consider establishing an objective to assess and continuously improve their audit quality management systems.
- SAI are encouraged to take further efforts to support their staff to achieve high quality standards.
- SAI should consider strengthening relations with key stakeholders, including the Parliament and its committees, audited organizations, the media, the general public, and professional organizations.
- SAI may wish to make use of reviews conducted by external experts, including peer reviews. SAI may also consider establishing an independent organizational unit dedicated to quality issues.

The congress also supported the development of a good practices guide for audit quality, which is to be drafted in 2009.



The congress featured wide-ranging discussions of its three themes.

Theme 2: Auditing Social Programs in Education

The theme was led by the SAI of Portugal, with support from the SAIs of Estonia, France, Poland, Sweden, and the Ukraine. Most of the 109 education audits carried out by EUROSAI SAIs from 2004 through 2006 focused on financial procedures and reviews of policy implementation, with a focus on higher education. SAI recommendations based on these audits were directed towards changing rules and regulations as well as disseminating good practices. SAIs plan to continue work on education issues, with 93 audits planned for 2007 through 2009.

The congress recommended that education audits take the relative size of public expenditures into consideration in selecting audit topics. Based on a survey of SAIs conducted for the congress, several topics emerged as important areas of focus:

- barriers to accessing high-quality kindergarten education, such as the location of providers, parents' ability to pay, and the quality of services;
- the quality and effectiveness of K–12 education in raising educational achievement and reducing the dropout rates of students aged 15–18;
- the quality of vocational education programs and the extent to which these programs meet labor market needs and higher education demands;
- education initiatives designed for specific subpopulations, especially people with disabilities, the unemployed, and the imprisoned; and
- the quality of university-level education, including management and financial aid.

The congress also recommended that SAIs consider audits at both the regional and national levels and suggested that joint or parallel audits involving several SAIs would be beneficial. The congress recommendations highlighted risk areas to consider when selecting audit topics, possible audit methods, and reporting and post-audit monitoring strategies. For example, the audit methods recommendations noted that SAIs should develop measurable and comparable performance indicators in evaluating effectiveness. The recommendations also noted that establishing a systematic post-audit monitoring process should lead to the implementation of a greater percentage of recommendations.

Theme 3: Auditing Social Programs for the Professional Integration of People with Disabilities

This theme was led by the SAI of the United Kingdom with support from the SAIs of Estonia, Iceland, Poland, Sweden, and Switzerland. The congress made a series of recommendations for this theme based on highly informative papers and presentations. The issues discussed and the recommendations are summarized in the article “Auditing Social Programs for the Professional Integration of the People with Disabilities” on pp. 13–17 of this issue of the *Journal*.

EUROSAI Working Groups

Representatives from the EUROSAI Training Committee (which is cochaired by France and Spain) reported on the committee's activities over the past 3 years and summarized its training strategy. The congress approved the reports and adopted a common training strategy for 2008 through 2011.

The congress also approved the reports and resolutions presented by the EUROSAI Working Group on Environmental Auditing (chaired by Poland), the IT Working

Group (chaired by the Netherlands), the Working Group on the Coordinated Audit of Tax Subsidies (chaired by Germany), and the Study Group on Benchmarking Cost and Performance of Tax Administration (chaired by the United Kingdom).

The congress adopted the Ukrainian SAI's proposal to set up an independent EUROSAI working group, the Subgroup on Audit of Natural, Man-Caused Disasters: Consequences and Radioactive Wastes Elimination. The proposal was presented by representatives from Spain and the Ukraine.

Other Business

The Congress adopted the dates for conferences with their counterpart organizations—the VI EUROSAI-OLACEFS conference will take place in Venezuela in 2009, and the EUROSAI-ARABOSAI conference will be held in France in 2009.

Representatives from the INTOSAI Development Initiative (IDI), chaired by Norway, discussed cooperative activities in the region. In the past year, IDI has made a strategic shift from classroom training to a broader focus on training for impact. The IDI strategy involves strengthening SAIs as institutions as well as enhancing the professional development of SAI staff.

The congress unanimously accepted the offer of Portugal's SAI to host the VIII EUROSAI congress in Lisbon in 2010. The delegates enjoyed a video presentation on that beautiful country and, during the closing ceremony, were treated to a recital by Polish pianist Joachim Mencil, who played pieces by Chopin as well as his own compositions.

For additional information, see the special congress Web site: www.eurosai2008.pl.

A graphic featuring a spotlight on the left casting light onto the text. The text reads "Spotlight on THE STRATEGIC PLAN" in a mix of cursive and bold serif fonts. A stylized globe is in the background.

Spotlight on THE STRATEGIC PLAN

by Kirsten Astrup, INTOSAI Director of Strategic Planning

The INTOSAI Governing Board has expressed its satisfaction with INTOSAI's current strategic plan and recommended that it be updated for 2011–2016 rather than developing a new strategic plan for that period. INTOSAI's mission, vision, and goals, as stated in the current plan, will remain the same. In November 2007, the Finance and Administration Committee established a task force chaired by the SAI of the United States to update the plan. The task force is relying on the chairs of INTOSAI's four goals to take the lead in updating the strategies (activities and programs) under their respective areas. The chairs are encouraged to contact their subcommittees for input and to work with other relevant bodies.

Before the updated plan is presented to the 2010 INCOSAI in South Africa, a first draft will be circulated to the INTOSAI membership early in 2009 for review and comment. This approach is consistent with both the streamlined process approved at the 2007 INCOSAI in Mexico and the need to include all SAIs in the process.

Through the combined efforts of many individuals, INTOSAI is now positioned to bring the strategic goals in its current plan to fruition. Most of the strategies under the three operational goals and one organizational goal are being addressed, and progress is being made.

But why does INTOSAI need a strategic plan? This subject has been discussed at length since the decision to develop a strategic plan was



Kirsten Astrup

made in 2001. While there are many ways to explain the need for a plan, I like to use the image of SAIs as mountain climbers. Each SAI wants to reach the top, but we have different paths to climb—some have to scale steep rocks, others have to face waterfalls, and still others may need to fight snowstorms. Furthermore, SAIs have climbed to different heights on the mountain, and those higher up can help those below by sharing information about the way ahead and how best to tackle obstacles and difficulties along the way. While it does not matter that some SAIs are climbing faster than others, we do not want anyone to be left behind. We try to harmonize our efforts and meet now and then to give advice and receive tips; we might even help to carry each others' burdens. Those who have a lot of provisions for the journey might share with others whose provisions are not so abundant. And, as often happens when climbing up a hill, those who think that they are about to arrive at the top discover that this is an illusion—there is always one more hill to climb.

It is here that the strategic plan comes into play. It maps out the needs of individuals and the landscape and describes best practises and procedures; in general, the strategic plan helps us to think ahead and find solutions through mutual efforts. Thus, we inch forward in a synchronized manner and prepare for the next steps, communicating all the way. In any organization, making plans to improve performance is a never-ending task, and there are always new challenges to tackle. It helps us greatly to consult with others facing similar situations.

Let us not forget that INTOSAI is a worldwide organization, which means that from the outset we are very different in many ways. Even though INTOSAI has only five official languages, we have much more variation in our languages and cultures. Many of us have to work in languages other than our mother tongue, and this certainly adds to the difficulties of working together. In fact, considering what it takes to arrive at consensus on such a broad scale, the extent of cooperation under the INTOSAI umbrella is quite amazing. Working together as we do in our professional groups—whether a committee, working group, or task force under one of the four goals—has proven to be a very sound way to achieve great results, harmonize our ways of thinking, and share knowledge.

Another subject I would like to mention is the Task Force on Donor Funding, which the Finance and Administration Committee established to lay the groundwork for better cooperation between INTOSAI and the donor community. This is an exciting and necessary project created to achieve many of the objectives under our four strategic goals. The task force's meeting in Bern in June, which included representatives of INTOSAI's four goals, was a first step in facilitating cooperation with the donors. (See the report on this meeting in "Inside INTOSAI" in this issue.) We are optimistic that this cooperation will provide us with the funding we need to develop further, share knowledge, improve performance, and help to ensure the accountability of governments all around the globe. As part of your commitment to INTOSAI's mission and vision, I encourage you to follow this work and look into opportunities for improvement that this cooperation can promote in your countries and regions.

In the October issue of this *Journal*, I will talk about cooperation with other standard-setting organizations, in particular the Institute of Internal Auditors (IIA). In July 2008, our Secretary General, Dr. Josef Moser, will meet with the IIA Executive Committee and give a presentation in San Francisco to the IIA Board of Directors.

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

I N S I D E
INTOSAI

Task Force on Donor Funding Meets with Donor Community

The Finance and Administration Committee’s Task Force on Donor Funding met with international and bilateral donors in Bern, Switzerland, on June 20, 2008, to discuss strategies for enhancing capacity-building in SAIs. INTOSAI was represented by the SAIs of Mexico (Chairman of the Governing Board); Saudi Arabia (Vice-chairman of the Governing Board and Chairman of the Finance and Administration Committee); the United States (Chairman of the Task Force on Donor Funding); task force members Denmark, Morocco, Norway, India, and the United Kingdom; and the INTOSAI Secretary General. The donor community was represented by the World Bank; the European Union; the Inter-American Development Bank; and the national aid agencies of Belgium, Canada, Ireland, the Netherlands, Norway, Switzerland, and the United Kingdom.



Caption: INTOSAI representatives at the Bern meeting included Arturo González de Aragón, Mexico; Osama Faquih, Saudi Arabia; and Gene Dodaro, the United States.

An INTOSAI discussion paper—“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”—served as the basis for the discussions. The auditors general of Mexico, Saudi Arabia, and the United States presented the INTOSAI position and discussion paper. The presentation underscored INTOSAI’s core values of independence and autonomy; its firm commitment to promote good

governance, enhance accountability and transparency, and fight corruption; and its long tradition of SAIs helping each other (expressed in its motto, “Mutual Experience Benefits All”).

The donors responded favorably to the INTOSAI presentation and welcomed the INTOSAI initiative. They noted that it is consistent with their policies and programs to fight corruption and improve governance, accountability, and transparency. As a next step, the donors agreed to prepare a written response to the INTOSAI paper in the form of a “road map to a multidonor trust fund.” The donor paper will articulate the specifics of the proposed INTOSAI/donor partnership, including trust fund governance, mechanics, and related issues. It will be drafted for INTOSAI’s review by August 2008 and will then provide the basis for a follow-up INTOSAI/donor meeting to be held in London in October 2008. With this timetable, a formal proposal will be available for the INTOSAI Governing Board’s deliberation at its November 2008 meeting in Vienna.

A donor working group consisting of the World Bank, the Canadian International Development Agency, and the United Kingdom’s Department for International Development will take the lead to draft the donor paper and will consult with the chairmen of INTOSAI’s Finance and Administration Committee and Task Force on Donor Funding.

For more information, contact the task force at drachbd@gao.gov.

Working Group on the Fight against Money Laundering and Corruption

In November 2007, INTOSAI converted the Task Force on the Fight against International Money Laundering to a permanent working group and broadened its scope to include anticorruption activities. In early March 2008, the working group held its first meeting in Lima, Peru—the home of its chairman, Dr. Genaro Matute—and developed a proposed plan to guide its work from 2008 to 2011. The plan has the following four objectives:

- Promote cooperation and support among member SAIs to help them prevent and detect money laundering and corruption, to facilitate information exchanges, and to develop typologies and guidelines for SAIs to use. Activities include creating a virtual forum to exchange points of view and ideas and to post questions and answers.
- Promote cooperation between INTOSAI and international organizations involved in the fight against corruption and money laundering. Activities include identifying and developing communication and cooperation channels with key international partners for the working group.

- Identify country regulations, policies, strategies, and programs that SAIs can use to detect and prevent corruption and money laundering. Activities include (1) administering a questionnaire about activities, programs, strategies, and policies of SAIs to combat money laundering and corruption and (2) collecting regulations and legal background in these areas from SAIs.
- Identify relevant training programs on money laundering and corruption. Activities include completing and posting on the working group's Web site a list of training programs and certifications in detecting and fighting money laundering and corruption.

The working group's next meeting is scheduled for late July 2008 in Cairo, Egypt.

For additional information, see the working group's Web site:

www.contraloria.gob.pe/task_force/index.htm.

IDI/AFROSAI-E Development of Model Audit Files

In 2007, IDI and AFROSAI-E (the regional working group for English-speaking African SAIs) developed a handbook on conducting regional and SAI quality assurance reviews for both regularity and performance audits. At the beginning of April 2008, a team comprising five regional regularity audit experts, an external expert, and IDI staff met in South Africa for a 1-week workshop to develop two model audit files in regularity auditing. These files were developed according to the latest audit standards and will be released to all SAIs in the region to help them improve the quality of their regularity audits.

IDI/ARABOSAI Needs Assessment Program

IDI and ARABOSAI are running a needs assessment program for 18 regional SAIs to assess their capacity-building needs, develop their needs assessment abilities, and identify future cooperation programs. Because there is strong interest in this program, the participating SAIs have been divided into two groups.

Teams from the first group of SAIs attended the 2-week Workshop on Needs Assessment in Morocco in February 2008, where they were trained in conducting needs assessments using the global needs assessment framework and toolkit developed by the IDI and adapted to the ARABOSAI environment. At the end of June and beginning of July 2008, the teams met for 1 week in Libya to review the needs assessments they had carried out following the February workshop. The second group of SAIs attended the Workshop on Needs Assessment in Tunisia in April 2008 and is currently working on needs assessments that they will present at their review meeting later this year.

Workshop to Develop Global Strategic Planning Handbook

A team of resource persons from IDI, AFROSAI-E, CAROSAI, OLACEFS, and ARABOSAI met in Oslo for a week in May 2008 to write a strategic planning handbook that provides guidance to both individual SAIs and INTOSAI regions. This handbook is based on the model that IDI has used and the experiences it has gained through the strategic planning programs delivered to 10 countries of AFROSAI-E and CAROSAI in recent years. IDI will review the materials developed and will distribute copies to INTOSAI regions.

IDI/AFROSAI-E Calibration Workshop

AFROSAI-E has used an Institutional Strengthening Framework to assess both the needs and the level of development of regional SAIs. After the needs assessment model and tools were pilot tested in the region, there was a felt need to revisit the framework and to modify the model and tools in light of lessons learned. To meet this need, a team consisting of five regional experts, two persons from the AFROSAI-E secretariat, representatives from institutional partners, and IDI staff met for a 7 days in Oslo in May 2008. The result of this meeting was a modified, outcome-oriented model that IDI and AFROSAI-E will use for all subsequent interventions in the region.

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/OLACEFS Needs Assessment Program

This year, IDI and OLACEFS will conduct a needs assessment program to identify capacity-building needs in OLACEFS and develop regional capacity to carry out needs assessments by training a pool of SAI staff on needs assessment methodology and techniques. At a 3-day meeting in Oslo in April 2008 to plan for the upcoming program, representatives from the secretariat of the Regional Training Committee (Peru) and IDI staff gathered to agree on the way forward. In June, a 2-week design meeting was held in Lima, Peru, to adapt IDI's tools and framework to the circumstances of OLACEFS and design a 2-week Workshop on Needs Assessment that will be delivered later this year to teams from selected SAIs.

IDI/ASOSAI Blended Learning Program to Train Trainers

In response to ASOSAI's urgent request for a new group of IDI-certified training specialists, IDI is piloting a blended e-learning and face-to-face training for the third delivery of this program in ASOSAI. All participants will go through a Web-based preparatory phase before attending the Course Design and Development Workshop later this year. To select participants from the targeted SAIs for this program, a Web-based selection process took place in June 2008.

IDI's Liaison with the INTOSAI Community

In its ongoing effort to collaborate with partners in the INTOSAI community, IDI representatives recently attended and reported at the following meetings: the SPASAI Congress (Cook Islands), the Caribbean Regional Public Financial Management Conference (St. Lucia), the Financial Stakeholders Meeting in AFROSAI (Tunisia), the Steering Committee Meeting of the INTOSAI Working Group on Environmental Auditing (Estonia), the meeting of the INTOSAI Working Group on IT Audit (Japan), the Performance Audit Subcommittee meeting (Brazil), the VII EUROSAI Congress (Poland), and the meeting of INTOSAI and other donor institutions on external funding of development activities (Switzerland).

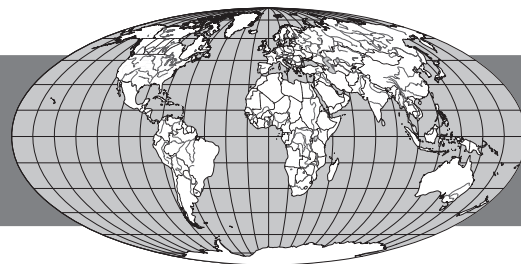
Contacting IDI

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

E-mail: idi@idi.no

Web site: www.idi.no

INTOSAI 2008-2009 Events



<p>July</p> <p>1-2 Meeting of the Working Group on Accountability for and Audit of Disaster-related Aid, Luxembourg</p> <p>7-9 20th Commonwealth Auditors-General Conference, Bermuda</p>	<p>August</p>	<p>September</p>
<p>October</p> <p>21-23 Professional Standards Committee Steering Committee meeting, Beijing, China</p> <p>29 Capacity Building Committee Steering Committee meeting, Rabat, Morocco</p> <p>TBD 11th AFROSAI General Assembly, South Africa</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 meeting, Vienna, Austria</p>	<p>December</p>
<p>2009</p>		
<p>January</p> <p>25-29 12th meeting of Working Group on Environmental Auditing, Doha, Qatar</p>	<p>February</p> <p>11-13 20th UN/INTOSAI Symposium, Vienna, Austria</p>	<p>March</p> <p>17-19 Meeting of the Working Group on Privatization, Economic Regulation, and Public-Private Partnerships, Moscow, Russian Federation</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.

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