

Revised Project Proposal based on the Survey Results

This form is used to stand as a record of the proposal from the project team.

PART A: PROJECT IDENTITY

Description	Information
Project number and title as per SDP	2.3 - “Using ISSAIs in accordance with the SAI’s mandate and carrying out combined audits”
Working title(s) for the new pronouncement(s)	Guidance on carrying out combined audits in accordance with mandate of SAI
Project objectives and scope	<p>The objectives of this project are as follows:</p> <ul style="list-style-type: none"> i. to give guidance on how SAIs may practically combine existing audit types in one audit engagement, ii. to highlight the key issues a SAI needs to consider when deciding: <ul style="list-style-type: none"> ▪ which engagements will be conducted in order to respond to the requirements in their mandate and other legislative requirements, ▪ which ISSAIs are applicable <p>In order to support these decisions, the GUID will provide generic examples or options on the principle ways of combining different audit types in one engagement and covering different situations, such as:</p> <ul style="list-style-type: none"> ▪ If the same audit evidence supports different objectives/conclusions ▪ If the conclusion concerns criteria of more than one audit type ▪ If the reporting of audit results from more than one audit type is combined – combined engagements with several audits <p>The scope of the GUID:</p> <p>The GUID covers different combinations of all three audit types.</p> <p>The GUID may be used by SAIs under different SAI models. The subject matter, the type of audit, the type of assurance given, the type of engagement could either be set out in the mandate or selected by the SAI.</p>
Specific considerations	Recognising the fact that some SAIs function as court of auditors, most of them having jurisdictional functions, guidance will consider the specificities of these SAIs’ mandates too.

	The GUID will not address inconsistencies within the specific wording of the individual ISSAIs. In case the project group identifies inconsistencies, these will be reported to FIPP.						
Project duration	57 months (February 1, 2018 to October 31, 2022)						
Name of the lead WG	<p>This project is carried out jointly by three subcommittees under Professional Standards Committee (PSC):</p> <ol style="list-style-type: none"> 1. Compliance Audit Subcommittee (CAS) - nominated Mrs. Vani Sriram (email: sriramtv@cag.gov.in) from SAI India. 2. Financial Audit and Accounting Subcommittee (FAAS) - nominated Mr. Khalid Hamid (email: k.hamid@saiuae.gov.ae) from SAI United Arab Emirates. 3. Performance Audit Subcommittee (PAS) – nominated Mr. Lars Florin (email: lars.florin@riksrevisionen.se) from SAI Sweden. <p>The leader of the working group will be the Compliance Audit Subcommittee (CAS).</p>						
Key contacts	Name	Surname	Address	Email	Office Phone	Mobile Phone	Sponsoring SAI
Project Group lead	Mrs. Cristina	Breden	Romania	cristina.breden@rcc.ro	+40 21 3034600	+40 722 193 403 +40 740 695 969	SAI Romania
Contact person for the goal chair	Ms. Paula	Dutra	Brazil	dutraph@tcu.gov.br	+ 55 61 3527-7626	+ 55 61 98589-6919	SAI Brazil
FIPP liaison officers	Mr. Tashi	Tobgay	Bhutan	ttobgay@bhutanaudit.gov.bt	+975 2 328722	+975 17610311	Royal Audit Authority
	Mrs. Josephine	Mukomba	South Africa	josephine@afrosai-e.org.za	+27 (0)10 286 0104	+27(0)82 449 5836	AFROSAI-E
Other project team members – see C.7	<ol style="list-style-type: none"> 1. SAI Azerbaidjan - Mr. Jafar Hasanov: email: jhasanov@ach.gov.az Telephone: +994 12 598 33 97; Mrs. Narmina Isayeva: email: narmina_isayeva@hotmail.com 2. SAI Brazil - Mr. Carlos Augusto de Melo Ferraz: email : carlosmf@tcu.gov.br, Telephone: +55 (65) 99618-8899, Mobile: +55 (65) 3644-2772, 3. SAI China - Mr. Zhu Jiang: email: zhujiang97@sohu.com, Telephone: (+86) 10 50991311, Mobile: (+86) 13641085629, Mr. Wang Zonglei: email: wangzonglei@audit.gov.cn, telephone: 86 10 50993207 , Mobile: 86 15201438561 4. European Court of Auditors – Mr. Mariusz Pomieniski: email: mariusz.pomieniski@eca.europa.eu; Telephone: +352 4398-47671, Mobile: +352 4398-48671, Paul Sime: email: paul.sime@eca.europa.eu, Telephone: +352 621 285 805 5. SAI Hungary - Ms. Georgiana Gulyas: email: international@asz.hu, Telephone: +36 1 456 8398, +36 20 268 94 39 6. SAI India - Mrs. Vani Sriram: email: sriramtv@cag.gov.in 7. SAI Tunisia – Mrs. Amel Elloumi Baouab: email: amel.elloumibaouab@courdescomptes.nat.tn, Telephone: +21671890001, Mobile: +21658184326, Mrs. Hajer Ghrir: email: hajer.ghrir@courdescomptes.nat.tn, Mrs. Lobna Belhassen: email: lobna.belhassen@courdescomptes.nat.tn 8. IDI – Mr. Shofiqul Islam 						
Sub-working groups	<ol style="list-style-type: none"> 1. Financial Audit and Accounting Subcommittee, SAI China, European Court of Auditors and Project Group lead will work on the combination of Financial Audit + Compliance Audit. 2. Performance Audit Subcommittee, SAI Azerbaidjan, SAI Brazil, SAI Hungary, SAI India, SAI Tunisia and Project Group lead will work on the combination of Compliance Audit + Performance Audit. 						

3. Financial Audit and Accounting Subcommittee, Performance Audit Subcommittee, European Court of Auditors, SAI Brazil and Project Group lead will work on the combination of Financial Audit + Performance Audit.

PART B: PROJECT MILESTONES

Stage		Due process milestones			
1.	Project proposal	Start Date	End Date	Expected Time in Total	Comments
		February 1, 2018	February 28, 2018	1 month	
		N.B. Allow three months between end date of stage 1 and start date of stage 2 for FIPP approval of the project proposal			
	Needs assessment	Start Date	End Date	Expected Time in Total	Comments
		June 1, 2018	May 31, 2019 ¹	12months	
		FIPP will consider the outcome of the needs assessment and any resulting changes to the project that the project group puts forward)			
2.	Exposure draft	Start Date	End Date	Expected Time in Total	Comments
		January 1, 2020	December 31, 2020	12 months	
	Completion of sections of the guide by sub-groups	January 1, 2020	September 30, 2020	9 months	
	N.B. Allow three months between end date of stage 2 and start date of stage 3 for FIPP approval of the exposure draft				
	Exposure period	Start Date	End Date	Time in Total (not negotiable)	Comments
April 1, 2021		June 30, 2021	3 months (92 days)		
3.	Endorsement version	Start Date	End Date	Expected Time in Total	Comments
		January 1, 2022	March 31, 2022	3 months	
		N.B. Allow three months between end date of stage 3 and start date of stage 4 for FIPP approval of the endorsement version			
4.	Final pronouncement, including translation into all official INTOSAI languages*	Start Date	End Date	Expected Time in Total	Comments
		July 1, 2022	October 31, 2022	4 months	
		*“Unless other mechanisms have been established, the working group is responsible for translation of the approved endorsement version into the five official languages.” (Due Process, page 9). Time must be allowed to obtain the required translations of the endorsement version(s).			

¹ The REPORT on the outcome of the Survey carried out within 2.3 Project “Using ISSAIs in accordance with the SAI’s mandate and carrying out combined audits”, on the need for Guidance on carrying out combined audits in accordance with the mandate of SAI was approved with amendments by FIPP during its meeting in November 2018. The revised Project Proposal is submitted to FIPP for approval at its meeting in June 2019.

PART C: INITIAL ASSESSMENT AND PROJECT PROPOSAL

N°	Initial assessment - Matters to be covered (Due Process, pages 6 and 7) ²	
C.1.	<p>Explanation of the need for the project</p> <p>Explanation of the purpose of the project</p>	<p>According to ISSAI 100/7, the Fundamental Auditing Principles can be used to establish authoritative standards in three ways:</p> <ol style="list-style-type: none"> 1) as a basis on which SAIs can develop standards; 2) as a basis for the adoption of consistent national standards; 3) as a basis for adoption of the General Auditing Guidelines as standards. <p>But the principles in no way override national laws, regulations or mandates or prevent SAIs from carrying out investigations, reviews or other engagements which are not specifically covered by the existing ISSAIs. Therefore, the XX INCOSAI's declaration called upon its members and other interested parties: <i>"to implement the ISSAIs in accordance with their mandate and national legislation and regulations"</i>.</p> <p>The mandate defines the different types of audits and engagements an SAI may carry out and ISSAIs need to be implemented accordingly. Some SAIs might have to comply with other legislative requirements as well. This may involve combined audits (cf. ISSAI 100/23).</p> <p>ISSAI 100/16 states that <i>"An SAI may make strategic decisions in order to respond to the requirements in its mandate and other legislative requirements. Such decisions may include which auditing standards are applicable, which engagements will be conducted and how they will be prioritised"</i>.</p> <p>At the moment there is no practical guidance for combined audits.</p> <p>The guidance on the strategic decisions of an SAI needs to take on the basis of its mandate and other legislative requirements before it applies the ISSAIs (cf. ISSAI 100) will consider the issues of SAIs on deciding which auditing standards are applicable, which engagements will be conducted and how they will be prioritised in order to respond to the requirements in their mandate and other legislative requirements.</p>
C.2.	<p>Description of the categories of auditing or other engagements that will be covered by the new pronouncement(s)</p>	<p>Financial audit, Compliance audit, Performance audit, combination of audit types as well as including elements from more than one type in the same audit.</p>

² Please give detailed explanations in the right-hand column or provide references to annexed supporting material

C.3.	Description of different types of SAIs / audit engagements that must be accommodated in the new pronouncement	Even though, all public-sector audits have essentially the same basic elements - the auditor, the responsible party, intended users, the type and nature of audit is substantially influenced by the nature of the SAI's mandate and the nature of the organization and model of SAIs. The subject matter, the type of audit, the type of assurance given, the type of engagement could either be set out in the mandate or selected by the SAI. These will be given due consideration while developing this guideline.
C.4.	Challenges, if any foreseen, that would have to be managed by SAIs in implementing the new pronouncements	No challenges foreseen at this stage.
C.5.	Explanation of how consistency with ISSAI 100, other existing ISSAIs and other professional pronouncement(s) will be ensured	The project will include liaison with the SDP 1.2 "A more principles-based and future-proof ISSAI 200", 1.3 "Consolidate and improve INTOSAI practice notes to ISSAIs" and 2.1 "Provide guidance on financial auditing" project teams, as these may well produce elements relevant to this project.
C.6.	Explanation of the extent to which it will be possible and desirable to build on pronouncements from other internationally recognized, regional or national standard-setters and, if so, the extent to which supplementary pronouncements are needed to provide clarity on new pronouncement	Good practices developed by SAIs and included in their nationally developed Standards/Guidelines/Practices Notes, if any, and information relevant to the project collected by IDI will be given due consideration while developing the Guideline.
N°	Project proposal - Matters to be covered (Due Process, page 7)²	
C.7.	Explanation of organisation of the project describing how project group members will be drawn from relevant sub committees/ working groups/ other interested parties.	SAI Romania will be responsible for coordinating the arrangements for collecting the material from different SAIs, different INTOSAI committees and sub-committees, different INTOSAI Regional Groups, the IDI and the Forum of SAIs with Jurisdictional Functions. SAI Romania will also prepare a preliminary survey draft and a preliminary project draft. All the project team members, nominated by their SAIs which are Compliance Audit Sub Committee members, will be involved in the process of preparation of the guidance and will be called upon to submit materials and comments to the draft survey and draft project. All sub-groups working on the 3 types of audit combinations are coordinated by the Project Group lead.
C.8.	Explanation of the outcome of the project specifying how existing professional pronouncements may be affected.	The project aims to provide guidance to SAIs on deciding which auditing standards are applicable, which engagements will be conducted and how they will be prioritised in order to respond to the requirements in their mandate and other legislative requirements. It will bring greater clarity on implementation of existing pronouncements.
C.9.	Explain the quality processes that will be applied in the drafting process (see Due Process, page 7 and 8) along with the parties that the project group will consult and engage with.	The project team will adhere to the Due Process for INTOSAI's framework of professional pronouncements for development of projects. The quality process before developing the drafts includes a needs assessment to determine the outline and scope of the GUID to be developed. The quality process includes: A. A needs assessment and its results which are presented in Annex no. 1.

		<p>B. Exposure draft</p> <p>I. The content of (aspects covered by) the Guide, based on the Survey's results, are presented in Annex no. 2.</p> <p>II. The inclusion of different practices of combined audits in the Guidance will be ensured by participation in discussions at FIPP meetings by the project group as well as members of the Subcommittees of PSC representing the three audit types.</p> <p>III. The approved project proposal shall be published on www.issai.org.</p> <p>IV. The finalized exposure draft, as approved by FIPP, shall be published on www.issai.org for public comment.</p>
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PART D: AUTHORITIES

PERSON	NAME	SURNAME	DATE	SIGNATURE
Project leader	Mrs. Cristina	Breden	February 15, 2018	Cristina Breden Director Romanian Court of Accounts <i>Direction for audit of public procurement, methodology and training</i> 22 – 24 Lev Tolstoi Street, Bucharest, Sector 1, Romania Tel: 004 021 303 46 01 Mob: +40 722 193 403, +40 740 695 969 E-mail: cristina.breden@rcc.ro
Responsible Goal Chair	Minister Jose	Mucio Monteiro		Presidente do Tribunal de Contas da União Tribunal de Contas da União (President, SAI Brazil)