

# FORUM FOR INTOSAI PROFESSIONAL PRONOUNCEMENTS (FIPP)

## TERMS OF REFERENCE

### INTRODUCTION

In 2014, The INTOSAI Governing Board mandated the chairs of the Capacity Building Committee (CBC), the Knowledge-Sharing Committee (KSC) and the Professional Standards Committee (PSC) to establish a forum of technical experts to address standard-setting issues relating to the INTOSAI Framework of Professional Pronouncements (IFPP). At the XXII INCOSAI in 2016, the Forum for INTOSAI Professional Pronouncements (FIPP) was established as a permanent INTOSAI body.

The creation of the FIPP is intended to ensure a single entry into the IFPP and a more uniform approval process for the ISSAIs and any other pronouncements included in the Framework. FIPP will therefore have general responsibilities for the content and quality of the full set of professional standards as defined by the Due Process for the INTOSAI's Framework of Professional Pronouncements.

It is the intention that FIPP should strengthen INTOSAI as an international standard setter and drive the continued development of appropriate standards for public-sector auditing. Members of FIPP will be expected to engage actively in the standards-developing process and define the appropriate level of requirements for public-sector auditing. FIPP will draw on project groups and the subcommittees of the PSC, CBC and KSC to draft proposals for the individual ISSAIs and other documents for the Framework.

The initial version of the Terms of Reference was approved by INTOSAI's Governing Board in December 2016 at its 68th meeting.

### 1. PURPOSE

1.1 FIPP has been established to support professional development by ensuring that INTOSAI provides a clear and consistent set of professional pronouncements for public sector auditing. FIPP will achieve this through reviewing, monitoring and ensuring, among other things:

- that the ISSAIs and related pronouncements are developed towards a consistent set of professional standards that serve the needs of the members of INTOSAI;
- that the ISSAIs are based on the fundamental principles of public-sector auditing as defined by INTOSAI in ISSAI 100;
- that the ISSAIs contribute to ensuring the efficiency, accountability, effectiveness and transparency of public-sector auditing;
- that the professional standards also provide the basis for capacity development including schemes of education and certification, and facilitate knowledge sharing and verification (SAI peer reviews, SAI PMF, etc.).

### 2. COMPOSITION

**2.1 Membership** – FIPP comprises minimum 10 and maximum 16 members, including the Chair. The appointment of members to FIPP depends on the relevant SAIs' commitment to letting nominees work for INTOSAI for a pre-defined number of hours, as defined in a letter of commitment between the Goal Chairs and the relevant SAI. The supporting SAI is responsible for bearing all costs related to the nominee's participation in FIPP's activities, including the travel expenses for the participation in meetings.

**2.2** The chair of Goal 1 (PSC) participates in the meetings of FIPP as a permanent observer and liaison to the PSC Steering Committee and group of Goal Chairs.

**2.3** Members of FIPP may be accompanied at meetings by one assistant. Exceptionally, the assistant may attend a meeting without the presence of the respective member. A reasoned request in this regard should be formulated by the member to the FIPP Chair. In this situation, the assistant does not have the right to vote.

**2.4 Qualifications** – Members are appointed on the basis of their expertise in the following areas:

- a. Members should have extensive experience in at least one of the fundamental streams of audit (financial, performance and compliance) and be acquainted with the IFPP. It is also highly desirable to have experience in standard setting on national or international level.
- b. Experience in the following areas is also considered relevant for the selection of the members:
  - Other specialist streams of audit (IT audit, environmental audit, service performance, etc.)
  - Development of audit methodology
  - Management responsibilities for audits
  
  - International cooperation
  - Capacity development
  - Education and training in public-sector auditing
  - Development of competency framework/certification processes
  - Jurisdictional activities by SAIs
- c. Individual members also must be proficient in English, which is FIPP's working language.

Collectively, the membership should reflect the necessary skills, the different types of public-sector auditing and the diversity of the INTOSAI membership.

**2.5 Annual call for nominations** – Every year, the Goal Chairs shall issue a call for nominations for new members of FIPP. The annual call for nominations and the following appointment process will be timed to ensure that new members of FIPP can be approved by the Governing Board at their annual meeting.

The Goal Chairs will appoint members for vacant seats in FIPP, thus bringing the total number of members to maximum 16 by the start of a new year. In the annual call for nominations, the Goal Chairs may, in consultation with the FIPP Chair, decide to advertise for new members with specific competencies needed in the forum like, for instance, expertise in performance

audit, capacity development and ITaudit, or use other criteria deemed relevant for the adequate composition of the forum.

**2.6 Appointment process** - Candidates can be nominated by any of the following stakeholders: INTOSAI's Committees, Working Groups established under the Committees, the INTOSAI Regions (AFROSAI, ARABOSAI, ASOSAI, CAROSAI, EUROSAI, OLACEFS, PASAI), the IDI or individual SAI members of INTOSAI. The members are selected through a joint decision by the chairs of the PSC, CBC and KSC following an open call for nominations. The appointment of new members for FIPP shall be presented to the INTOSAI Governing Board for final approval.

**2.7 Duration of term** – Shall be for a period of three years with approximately one-third of the membership rotating each year. Membership can be extended by a further two additional periods of up to three years. However, a member of FIPP is free to leave the forum at any given time – both mid-term or at the end of a term (thus deciding not to seek reappointment). Notice of termination of membership must be given to the Chair of FIPP and the Goal Chairs of the PSC, CBC and KSC.

**2.8 Meetings** – In person meetings will be held a minimum of two times per year and at any other time, as FIPP's role and responsibilities require.

### 3. ORGANISATION

**3.1 Authority** – The authority of FIPP is defined in the Due Process for INTOSAI's Professional Pronouncements.

**3.2 Obligation** – Members of FIPP are under obligation to act on behalf of and in the interest of the full INTOSAI membership - within the framework of INTOSAI - to promote public-sector auditing of a high quality to the benefit of users of SAI audit reports and the general public.

**3.3 Chair** – The PSC, CBC and KSC Chairs are responsible for appointing the chair, who will primarily be selected among FIPP's members. Beyond the qualifications mentioned in item 2.4 above, the chair should also have superior management skills. The Goal Chairs will seek recommendations from the outgoing FIPP chair in this regard.

**3.4 Working procedures** - The members of FIPP decide on its working procedures. Members may appoint a vice-chair, secretary, etc. as they see fit and define their roles and responsibilities as appropriate.

**3.5 Reporting** – FIPPs reporting on work plans, progress made and other relevant issues will be agreed upon by the FIPP Chair and the Goal Chairs of the PSC, CBC and KSC. The reporting should ensure an appropriate level of alignment with the overall strategy for standards development, transparency and accountability.

### 4. RESPONSIBILITIES OF THE FORUM

4.1 In addition to the responsibilities under the Due Process for INTOSAI's Professional Pronouncements, FIPP will be responsible for addressing other cross-cutting issues including, but not restricted to the following:

- providing answers to questions raised by project groups and subcommittees that are drafting ISSAIs or other documents for the IFPP;

- defining common INTOSAI positions on standards-related issues, for instance, on technical matters that are considered by other standard-setting bodies.
- encouraging that the perspectives of auditors as well as users of audit reports and other external stakeholders are considered in the standard-setting process.
- liaising with all INTOSAI Working Groups and Subcommittees that develop content for the IFPP.