

Due Process – ISSAIs and INTOSAI GOVs

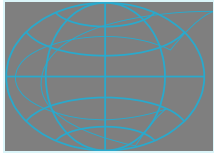
The following identifies the due process for developing, revising and withdrawing ISSAIs (International Standards of Supreme Audit Institutions) and INTOSAI GOVs (INTOSAI Guidance for Good Governance).

The due process describes the basic requirements to be followed by INTOSAI committees when developing, revising or withdrawing ISSAIs or INTOSAI GOVs. It applies only to documents that are to be included in the ISSAI framework and is to be followed for all such documents (cf. the ISSAI classification principles approved by INCOSAI in 2007 and posted on www.issai.org). The working procedures established individually by the committees and subcommittees should support the due process, as does the practical guidance on posting of ISSAIs and INTOSAI GOVs on www.issai.org.

The purpose of this paper is to facilitate the work with ISSAIs and INTOSAI GOVs; Having uniform, established work and approval processes in place serve to clarify the roles, duties and responsibilities of the steering committees/subcommittees and committee/subcommittee chairs. In the context of this document, the term “subcommittee” comprises also project groups, task-forces, working groups, etc.

The purpose of the due process is threefold:

- To ensure transparency in the work relating to the development and maintenance of ISSAIs and INTOSAI GOVs; Transparency is achieved mainly through subcommittee meetings, public exposure, consideration of comments received to exposure drafts of ISSAIs and INTOSAI GOVs and comments received to exposure drafts of withdrawal proposals, making all Terms of reference, working procedures and meeting material available to the public.
- To ensure accountability; The subcommittees are accountable to INTOSAI and its members through the relevant steering committees, and subcommittee chairs are committed to ensure that work progresses as planned.
- To ensure consistency and high quality; Consistent, high quality is achieved by ensuring that the subcommittees have appropriate membership, experts and support with the relevant experience and expertise. Furthermore, all guidelines developed by the subcommittees are subjected to the same consultative process (by relevant peers and experts, the INTOSAI membership, other stakeholders) and level of scrutiny leading to their approval.



Appointment of subcommittee members

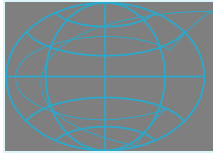
- The subcommittee chair is responsible for the appointment of members for the subcommittee and either the subcommittee chair or the steering committee chair is responsible for the appointment of members for a project in accordance with the approved project proposal. Appointments should reflect the requirements to develop high quality standards and guidelines, and the recommendations set out in the PSC Term of Reference, but they should also to an appropriate extent take into consideration the diversity of the INTOSAI membership. The diversity may also be achieved through the use of expert panels, special expert groups and communication with groups of SAIs that are not participating as members of the subcommittee or project.
- Broad participation ensures input from different audit environments and cultures which again contributes to increase the credibility and quality of the guidelines.

Meetings

- The subcommittees members meet as often as required to discuss the development of the ISSAIs or INTOSAI GOVs and related operational matters.
- Meeting dates are published on the respective subcommittee's website, in relevant reports issued by the subcommittee and in the INTOSAI Journal. Members of the INTOSAI community and other stakeholders are welcome to attend subcommittee meetings upon request to the subcommittee chair and the host of the meeting.
- Agendas and meeting papers are published on the subcommittee's website before each meeting and the related draft minutes after the meeting in order to keep the SAI community updated on progress made.
- Terms of reference, working procedures, etc. applying to the individual subcommittee should be made public on the respective subcommittee's website.
- When urgent matters require approval by a steering committee between meetings, the chair may decide to circulate an e-mail to the steering committee members for information and approval.

PSC Work plan

- The work of PSC subcommittees is based on three-year work plans with yearly milestones that are being lifted into the overall PSC work plan. The plan is updated regularly, and as a minimum once a year, and is approved by the PSC Steering Committee. The work plan includes all approved projects.
- All subcommittees engaged in the development or revising of ISSAIs or INTOSAI GOVs should inform the PSC Chair without hesitation of significant changes being made to their work plan, i.e. new subject of ISSAI/INTOSAI GOV, revised timeframe, abandonment of planned



ISSAI/INTOSAI GOV, decision to develop an ISSAI/INTOSAI that was not in the original plan, etc.

Responsibility for maintaining ISSAIs and INTOSAI GOVs

- Each subcommittee is responsible for revising the documents that are within its range of ISSAI or INTOSAI GOV numbers.
- If the subcommittee that developed the guidance originally no longer exists, the PSC Chair is responsible for ensuring that the documents are being reviewed in order to determine if there is a need for revision.
- The responsible subcommittee/chair monitors new developments, e.g. new guidance developed by other standard setters that may lead to a need for changes in the ISSAIs or INTOSAI GOVs.
- The responsible subcommittee/chair decides on an appropriate maintenance frequency, i.e. the relevant ISSAIs or INTOSAI GOVs should be reviewed at fixed intervals.
- Based on a maintenance review or other developments, the responsible subcommittee/chair decides whether to initiate

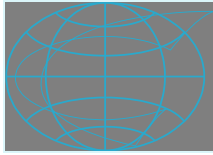
- A) the due process for developing ISSAIs and INTOSAI GOVs,
- B) the due process for revising ISSAIs and INTOSAI GOVs or
- C) the due process for withdrawal of ISSAIs and INTOSAI GOVs

Ad A - Due process for developing ISSAIs and INTOSAI GOVs

The project proposal

- A steering committee or subcommittee planning to develop new ISSAIs or INTOSAI GOVs that are not part of a previously approved project carries out an initial assessment.* The purpose of the initial assessment is to determine the categories of auditing or other tasks that will be covered by the document, to consider the differences among SAIs that must be accommodated and to ensure consistency with existing ISSAIs and INTOSAI GOVs (potential overlaps, use of terminology etc.). In the initial assessment, the appropriate steering committee or subcommittee determines to what extent 1) it will be possible to build on guidance from other standard-setting bodies (IFAC, IIA or other international, regional or national standard setters) and 2)

*This due process was decided on by the PSC Steering committee at its meeting in Brasilia on 17-18 June 2009. Development of ISSAIs and INTOSAI GOVs already included in the PSC's work plan as presented to INCOSAI 2007 and revised by the Steering Committee at its meeting in Beijing in October 2008, are considered approved. This approval includes also the work required to fulfill the commitment to keep an updated set of Practice Notes to all ISAs issued by the IAASB.



it will need to develop supplementary guidance in order to meet the needs and concerns of the INTOSAI community.

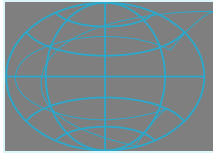
- Based on the initial assessment, the subcommittee works out a project proposal for approval by the relevant steering committee.
- Project proposals worked out by the Capacity Building Committee (CBC) or the Committee on Knowledge Sharing and Knowledge Services (KSC) should be forwarded in copy to the PSC Steering Committee, and the CBC and KSC Steering Committees should liaise with the PSC Steering Committee to ensure that the proposed ISSAI or INTOSAI GOV fits into the ISSAI framework and does not overlap with current documents.
- The proposal should include proposed ISSAI or INTOSAI GOV numbers for any envisaged new documents. The classification of documents and the ISSAI/INTOSAI GOV number is decided on by the PSC Chair on the basis of the ISSAI classification principles endorsed by INCOSAI 2007 and posted on www.issai.org.

Approval

- A project proposal is submitted to the relevant steering committee for approval (PSC, CBC or KSC).
- The steering committee approves:
 - that the project addresses the issues identified in the initial assessment and should be launched,
 - that the project proposal provides directions sufficient to define the scope of applicability of the proposed ISSAIs or INTOSAI GOVs and avoids overlaps and inconsistencies in the ISSAI framework,
 - the organisation and timeline of the project, and
 - the working title and numbering according to the ISSAI framework classification principles.

The exposure draft

- Exposure drafts of ISSAIs or INTOSAI GOVs are developed by the relevant PSC, CBC or KSC subcommittee in accordance with the approved project proposal.
- Each subcommittee is responsible for ensuring that appropriate quality processes are in place to ensure the quality of the ISSAIs and INTOSAI GOVs.



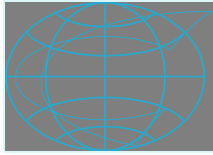
- Draft ISSAIs and INTOSAI GOVs are approved by the relevant steering committee (PSC, CBC or KSC) and are subsequently exposed for public comment.
- If the ISSAI or INTOSAI GOV under development is replacing an existing ISSAI or INTOSAI GOV, the exposure draft or accompanying material should specify which one/ones it is replacing.
- The PSC Chair ensures that all exposure drafts are classified in accordance with the ISSAI classification principles endorsed by INCOSAI 2007 and posted on www.issai.org. Matters concerning the interpretation of these principles shall be solved by the PSC Steering Committee.
- Subcommittees work out executive summaries of maximum 150 words including purpose, target group and scope of ISSAIs and INTOSAI GOVs for exposure on the INTOSAI website and the ISSAI website. The executive summaries should be submitted to the INTOSAI General Secretariat in as many of the official INTOSAI language as possible using the template developed by INTOSAI. Any outstanding translations will be performed by the General Secretariat. For ISSAIs that are based on ISAs, the descriptions of the ISAs and Practice Notes will serve as executive summaries.

Approval

- Exposure drafts are submitted to the relevant steering committee for approval (PSC, CBC or KSC).
- The steering committee approves
 - that the exposure draft fulfills the purpose of the project in line with the directions of the approved project proposal and is of high quality, and
 - that any overlaps and inconsistencies in the ISSAI framework in relation to the proposed text have been appropriately addressed.

Public exposure and approval of the endorsement version

- Exposure drafts are posted on www.issai.org, inviting comments in general and indicating specific areas on which comments are particularly sought. (See separate document for details on posting of ISSAIs and INTOSAI GOVs on the official ISSAI website.) On the basis of the membership list provided by the INTOSAI General Secretariat, the subcommittee notifies all INTOSAI members and other relevant stakeholders of the exposure periods. This notification may be supplemented by an announcement in the INTOSAI Journal. The comment period is normally 90 days. Comments are accepted in the five official INTOSAI languages.



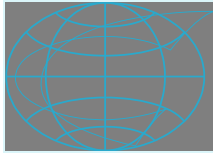
- Comments are collected by the relevant subcommittee and posted on www.issai.org when the exposure period has expired.
- Comments on an exposure draft are analyzed by the subcommittee to determine the effect on the draft before finalizing the endorsement version of the ISSAI or INTOSAI GOV. The subcommittee deliberates significant matters raised in the comments, as well as the technical accuracy, wording and consistency of the ISSAI or INTOSAI GOV.
- Following incorporation of relevant comments, the subcommittee assesses whether there have been substantial changes to the exposure draft that may warrant re-exposure.
- The endorsement version is approved by the subcommittee for translation into the five official INTOSAI languages.

Approval

- The endorsement version is submitted to the relevant steering committee for approval (PSC, CBC or KSC).
- The steering committee approves
 - that the comments provided in the exposure process are being appropriately reflected in the endorsement version of the document
 - that the endorsement version can be posted at www.issai.org and replace any existing ISSAI or INTOSAI GOV as specified in the exposure draft.
 - that the document can be presented to the INTOSAI Governing Board with the assurance that the due process has been followed and to INCOSAI for endorsement.

Ad B - Due process for revising ISSAIs and INTOSAI GOVs

- Depending on the scope and substance of the proposed changes, one of either processes should be adhered to:
 1. Revisions of substance, i.e. insertion/deletion of sections, changes in key terminology, etc., require adherence to the due process for developing ISSAIs and INTOSAI GOVs (above).
 2. Implementation of minor editorial and conforming changes should adhere to the due process for revising, as indicated below. Such changes include:
 - Conforming changes in ISSAIs or INTOSAI GOVs at lower levels of the ISSAI framework when an ISSAI or INTOSAI GOV at a higher level has been changed or revised.



- Conforming changes in ISSAIs or INTOSAI GOVs that include the full text of a standard developed by another standard-setting body when this standard has been changed
- Other minor changes to ensure consistency in the terms used in all language versions

Minor editorial and conforming changes

- The revision of ISSAIs and INTOSAI GOVs is the responsibility of the relevant subcommittee, i.e. the subcommittee that developed the guidance originally. If the subcommittee that originally developed the ISSAI or INTOSAI no longer exists, the revision may also be initiated by the PSC Chair.
- A “mark up” version highlighting the editorial changes is presented for approval by the relevant steering committee (PSC, CBC, KSC).
- Translation of the approved changes to ISSAIs and INTOSAI GOVs is the responsibility of the relevant subcommittee (PSC, CBC, KSC) or the PSC Chair. When the revised ISSAI or INTOSAI GOV is available in all 5 languages it is considered a “revised ISSAI” or “revised INTOSAI GOV” and will replace the existing ISSAI or INTOSAI GOV on www.issai.org.

Approval

The revised version is submitted to the relevant steering committee (PSC, CBC or KSC) for approval.

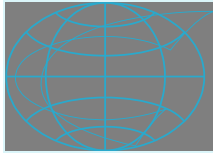
The steering committee approves:

- That the due process for revising ISSAIs and INTOSAI GOVs can be used, i.e. the proposed changes are considered to be of an editorial nature and public exposure is not required.
- That the revised ISSAI or INTOSAI GOV can be published on www.issai.org and replace the previously endorsed version.

Ad C - Due process for withdrawal of ISSAIs and INTOSAI GOVs

Exceptions

- Unless otherwise decided, ISSAIs and INTOSAI GOVs that have been replaced by an endorsement version with the same number are withdrawn without further decision.
- ISSAIs and INTOSAI GOVs that are including the full text of a standard developed by another standard-setting body are withdrawn immediately when the original standard-setting body decides to withdraw the relevant standard.



In all other cases the following due process should be followed:

- Withdrawal of ISSAIs and INTOSAI GOVs is the responsibility of the relevant subcommittee, i.e. the subcommittee that developed the guidance originally. The relevant subcommittee works out a withdrawal proposal.
- The PSC Chair works out a withdrawal proposal if the subcommittee that developed the guidance originally, no longer exists.
- Withdrawal proposals are exposed for public comment. The comment period is normally 90 days. The proposal is posted as an exposure draft on www.issai.org. On the basis of the membership list provided by the INTOSAI General Secretariat, the relevant subcommittee notifies all INTOSAI members and other relevant stakeholders of the exposure periods. This notification may be supplemented by an announcement in the INTOSAI Journal.
- Translation of the approved changes to ISSAIs and INTOSAI GOVs is the responsibility of the relevant subcommittee or project, or the PSC Chair.

Approval

Proposals to withdraw ISSAIs and INTOSAI GOVs are submitted to and approved by the PSC, CBC or KSC Steering Committee. The steering committee approves:

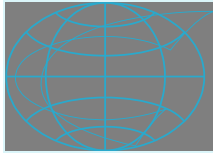
- That the proposal to withdraw an ISSAI or INTOSAI GOV can be submitted for public exposure.

Final proposal (following the comment period of 90 days) is approved by the relevant steering committee (PSC, CBC or KSC). The steering committee approves:

- That the ISSAI or INTOSAI GOV can be withdrawn from www.issai.org.
- That the proposal to withdraw the ISSAI or INTOSAI GOV can be presented to the INTOSAI Governing Board with the assurance that the due process has been adhered to, and subsequently it can be presented to INCOSAI for endorsement.

Oversight

- The PSC reports on an annual basis to the INTOSAI Governing Board. The PSC subcommittees report on an annual basis to the PSC Steering Committee in this regard. In addition, the PSC Chair is continuously being updated about developments within the subcommittees.



Responsibility of the INTOSAI Governing Board

- The INTOSAI Governing Board oversees the maintenance of the ISSAIs and INTOSAI GOVs and is assured by the relevant steering committee that ISSAIs and INTOSAI GOVs are being developed, revised or withdrawn in compliance with the due process.
- Each year, new endorsement versions of ISSAIs and INTOSAI GOVs, if any, are presented to the INTOSAI Governing Board by the PSC, CBC or KSC Steering Committee with the assurance that the relevant due process has been adhered to.
- Upon acceptance of this assurance, the Governing Board refers the ISSAI or INTOSAI GOV for endorsement by INCOSAI.

30 September 2009