

## **Principles for financial contributions to INTOSAI's professional standards**

### **1. Grants and donations**

Financial contributions to INTOSAI Professional Standards fall into two categories

- individual grants and donations designated for INTOSAI's professional standards, as defined in 1.1;

- INTOSAI means designated for INTOSAI's professional standards, as defined in 1.2.

These principles apply to all financial contributions to INTOSAI's professional standards.

#### 1.1

*'Individual grants and donations designated for INTOSAI's professional standards'* refers to grants or donations received from individuals or private or public institutions in accordance with Article 9, para 1 lit b of the INTOSAI Statutes, which

- fall under Rule II.A.1 the INTOSAI Financial Rules and are therefore not subject to the allocation and distribution pursuant to Chapter II.2 of the INTOSAI Financial Rules;

- are designated for a purpose related to INTOSAI's activities in the field of professional standards whether in general, for a specific standards developing project or another specific purpose.

#### 1.2

*'INTOSAI means that have been designated for professional standards'* refers to dues, grants, donations or other income, which

- are received by INTOSAI in accordance with Article 9, para 1 of the INTOSAI Statutes and is

- subject to the allocation and distribution pursuant to Chapter II.2 of the INTOSAI Financial Rules, but have been renounced by the body responsible for the designated purpose in order to provide financial means for INTOSAI's activities in the field of professional standards.

Chapter II.2 of the INTOSAI Financial Rules provides for the following distribution:

- 35% for General Secretariat operations (including 5% for the SAI in charge of the INTOSAI Collaboration Tool)
- 35% for training activities/symposia (including 5% for IDI)
- 25% for the International Journal on Government Auditing
- 5% for hosting the Congress.

### **2. Use of financial contributions to INTOSAI's professional standards**

#### 2.1

All financial contributions to INTOSAI's professional standards shall be used for purposes that will add incremental value to INTOSAI's standard setting beyond what can be achieved through in-kind contributions.

## 2.2

Financial contributions to INTOSAI's professional standards received without any specific purpose designated by the grantor or donor shall be used for activities serving the establishment of the ISSAIs as a widely recognised set of international standards for public-sector auditing in the following way:

- Financial contributions of a permanent or long-term nature shall be used for enduring standard-setting activities that can address the needs expressed through the Beijing Declaration to provide better guarantees that the Framework and Due Process of INTOSAI's professional standards are maintained and developed for the future.

- One-off contributions of limited amounts shall be used in connection with projects aiming to ensure high-quality professional standards on specific SAI/public-sector issues such as independent auditing and advancement of economy, efficiency and effectiveness and legality of government.

## **3. Decisions on the use of financial contributions to INTOSAI's professional standards**

### 3.1

The use of financial contributions designated for INTOSAI's professional standards, shall be determined by the Steering Committee of the Professional Standards Committee (PSC Steering Committee) on the basis of the general principles listed in section 2 and in accordance with the PSC Steering Committee's Terms of Reference as approved by the INTOSAI Governing Board.

### 3.2

If a grantor or donor has designated a contribution for a specific purpose relating to INTOSAI's professional standards, the PSC Chair shall consult with the grantor or donor and the subcommittees and/or project groups involved, before a decision is taken by the PSC Steering Committee.

### 3.3

The PSC Steering Committee's decisions on the use of contributions can be taken at its meetings through approval of the budget, cf. item 4, approval of project proposals in accordance with the Due Process for INTOSAI's professional standards, or as separate decisions between meetings. The PSC Steering Committee may establish further procedures to facilitate decision making.

## **4. Budget**

### 4.1

A budget prepared by the PSC Chair shall be presented to the PSC Steering Committee at each meeting including

- an accumulated record of all contributions made since the XXI INCOSAI in 2013;
- indication of whether contributions are covered by decisions taken by the PSC Steering Committee and whether the means have been used;

- all decisions taken on the use of current and future available means. The payments shall be made to the final beneficiaries on the basis of the wording of these decisions.

#### 4.2

The budget shall be posted on the PSC website following each PSC Steering Committee meeting and shall be forwarded to the Financial and Administration Committee for information.

### **5. Administration of financial contributions and payments**

#### 5.1

The *Procedure for the administration of financial voluntary contributions, which cannot be received directly by the designated recipient* applies to financial contributions to INTOSAI's professional standards.

This implies that the INTOSAI General Secretariat carries out payments to individuals or organisations in accordance with the PSC Steering Committee's decisions. Only payments of a minimum of 300 Euro can be made. The entitled individuals or organisations should send their invoice to the PSC Chair who will forward them to the General Secretariat in order to authorise the payment.

The PSC Steering Committee, September 2014  
(Approved at the 66<sup>th</sup> Meeting of the Governing Board of INTOSAI)