



Draft recommended procedure regarding requests for including documents in the ISSAI Framework - for approval at the PSC Steering Committee meeting, May 5-7 2010 in Copenhagen

Background:

The PSC Secretariat is receiving an increasing number of requests from working groups and subcommittees under other Goals in the INTOSAI strategic plan who would like to have their documents and guidelines included in the ISSAI framework.

Attached you will find an e-mail from the subcommittee on peer review under Goal 2 in the INTOSAI strategic plan, requesting inclusion of its guideline and checklist in the ISSAI Framework

In light of this, the PSC Secretariat has elaborated a draft recommended procedure regarding requests for including documents in the ISSAI Framework

Recommended procedure

1. All requests are treated on a case-to-case basis, which means that each individual request will be analyzed and responded to separately.
2. The PSC Secretariat will forward a draft reply to the individual request by e-mail to the members of the PSC Steering Committee for approval.
3. Requests for inclusion are handled in accordance with the classification principles listed below. The classification principles were approved as part of the Framework document at the INCOSAI in 2007.
4. The PSC Steering Committee will carefully consider including guidelines in the Framework that have been developed by other INTOSAI subcommittees, working groups or projects and are supplementing or addressing other audit subjects than the guidelines currently included in the Framework. Handbooks, resolutions, checklists, etc. are not natural candidates for inclusion in the ISSAI Framework, but the PSC Steering Committee will assess and decide on each case separately.

The PSC Secretariat, April 2010

I. Classification principles for International Standards of Supreme Audit Institutions (ISSAI)

INTOSAI's Professional Standards Committee will decide on the appropriate classification of documents in accordance with the following principles:

1. The International Standards of Supreme Audit Institutions (ISSAI) consist of all documents endorsed by INCOSAI with the purpose of guiding the professional standards of SAIs. This includes recommendations on the legal, organisational and professional prerequisites as well as on the conduct of the auditing and any other tasks with which SAIs may be entrusted. Where appropriate ISSAI-documents may include examples or descriptions of good practices.

2. Each document is given a 1-4 digit ISSAI-number. The number of digits indicates the hierarchical level of the document, i.e.:

Level 1: Founding Principles - contains the founding principles of INTOSAI. The Lima Declaration.

Level 2: Prerequisites for the Functioning of Supreme Audit Institutions - state and explain the basic prerequisites for the proper functioning and professional conduct of SAIs.

Level 3: Fundamental Auditing Principles - contain the fundamental principles in carrying out auditing of public entities.

Level 4: Auditing Guidelines - translate the fundamental auditing principles into more specific, detailed and operational guidelines that can be used on a daily basis for auditing tasks.

3. Preambles or introductory remarks to the original proposals to INTOSAI are not considered part of the ISSAIs at level 2, 3 and 4, unless the text contained serves a purpose in guiding the professional standards of SAIs. The information contained in such preambles and introductory remarks will be published at www.issai.org as additional information in connection with the ISSAI-document.

4. Document numbers dividable by 1000 (or 100 or 10) are preferably given to documents of a general scope while the subsequent numbers x001-x999 (or xx01-xx99 or xxx1-xxx9) are used for documents on more specific subjects within the same general theme.

5. The numbers from 1000-9999 are reserved for level 4 (implementation guidelines) and segmented into clusters reserved for different subject areas. The subcommittees of PSC and working groups of Goal 3 are responsible for maintaining the classification within their subject area.

6. When convenient, a reference to specific items (or sections and subsections) within an ISSAI-document can be made by adding the number of the item to the ISSAI-number with a slash '/'. (E.g. ISSAI 3000/5.4 refers to item 5.4 in ISSAI 3000).

7. For documents that have their origin in an ISA (or ISQC) from IFAC/IAASB the last 3 digits of the ISSAI-number are identical with the ISA-number (or ISQC-number). The ISSAI-number designates the ISA with the modifications and supplementary guidance contained in the Practice Note. The items in the Practice Notes are numbered P1, P2, P3...etc. to avoid confusion with item numbers in the ISA.

8. When convenient, an ISSAI document may contain an annex containing further elaborations related to the statements of the main document. Items in the annex should be numbered A1, A2, A3... etc. to avoid confusion with item numbers in the main document.

It should be emphasized that all existing INTOSAI documents will be included in the framework.

II. INTOSAI Guidance for Good Governance (INTOSAI GOV):

9. INTOSAI Guidance for Good Governance comprises documents endorsed by INCOSAI and contains guidance on internal control, accounting standards and other matters within the administrative sphere of responsibility. This includes documents, guiding the SAIs in their professional assessment of measures taken by administrative authorities or guiding administrative authorities and encouraging good governance.

10. The numbers 9000-9999 are reserved for this category of documents, and the acronym INTOSAI GOV is used instead of ISSAI. With this amendment, the classification principles apply also to these documents.

III. Other documents:

11. Other documents - such as reports, glossaries, lists of organisations or collections of examples for purely inspirational purposes - are not numbered. They can be included in the framework only as an annex to the relevant ISSAI- or INTOSAI GOV-document.

IV. The existing document 'INTOSAI Code of Ethics and Auditing Standards':

12. The existing document 'INTOSAI Code of Ethics and Auditing Standards' endorsed by INCOSAI in 2001 is divided into 5 documents and each is given an ISSAI-number. The Code of Ethics belongs to level 2, while each of the 4 chapters of the Auditing Standards becomes a document on level 3. The item numbers are changed to the effect that the digit indicating the number of the chapter is left out.