6 October 2021

Appendix -2

**Terms of Reference for QA Reviewer of IDI supported Cooperative Audit**

# Terms of Reference for QA Reviewer of IDI-…… *(insert name of partner if any)* Cooperative *(insert audit type)* Audit

As part of the IDI- .. *(insert name of partner)* Cooperative …*(insert audit type)* Audit Initiative, the IDI supported eight SAIs from … *(insert name of region)* in conducting ISSAI based pilot …*(insert audit type)* audits. The initiative includes the setup of a mechanism for quality assuring the audits conducted by SAIs.

## Objective of QA review

The objective of the Quality Assurance (QA) Reviews of IDI supported cooperative audits is to ascertain the extent to which the audits meet applicable ISSAI requirements and provide recommendations for enhanced compliance with applicable requirements.

## Competencies required by reviewer

The QA reviewer should possess the following competencies:

1. **Functional competencies:** The QA reviewer should be competent in understanding and application of ISSAIs applicable to ….*(insert audit type)*. He/she should possess competence to review ISSAI based … ….*(insert audit type)* audits. Familiarity and understanding of the audit subject matter e.g. audit of SDGs, would also be desirable *(applicable only for QARs of performance and compliance audits and modify according to audit subject matter)*.
2. **Cross cutting competencies:** The QA reviewer should demonstrate the following cross cutting competencies:

* Ethical behaviour in all situations.
* Ability to communicate effectively (verbally and in writing) with different stakeholders.
* Ability to work effectively in an online environment.
* Gender sensitivity and respect for diversity.
* Professional judgement & scepticism as a QA reviewer.
* Holds oneself to account for agreed responsibilities.
* Delivers results to time and quality.
* Team player.

## Basis for conducting the QA Review

The QA reviewer shall use audit files maintained by the pilot audit engagement teams as the primary basis for conducting the QA review. He/she will enquire and interview audit engagement supervisor/team leader, as and when required.

## Timeframe for the review

Each QA review will be conducted online by using the … *(insert name of cooperative audit)* audit workspace maintained on IDI LMS between ….. to ….. 20xx. Upon completion of online review, the reviewer will visit respective SAIs to meet with the audit teams to finalise the review as per the agreed schedule. The review reports will be finalised by ….. 20xx. *(this is the standard paragraph for review done online - modify this according to option being used for QA review – refer the guidance)*

## Scope of the Review

The QA reviewer will examine an individual audit conducted as a part of the cooperative audit to check:

* The extent to which the different phases of the audit (planning, conducting, and reporting) complied with applicable ISSAIs and the reasons for lack of compliance, if any.
* That audit working papers were prepared and maintained consistently throughout the audit process and were of appropriate quality.
* The quality control procedures throughout the audit were applied appropriately and consistently.

## QA Review tool

The reviewer is expected to use the …*(insert audit type)* QA tool developed by the IDI and conduct the review as per the guidance provided.

## QA review report

The QA review report will be based on the format provided by the IDI. The report format will cover objective of the review, methodology used, review findings, conclusions and recommendations. The audit engagement team will be given an opportunity to respond to the findings of draft QA review before finalising the report. The report will be prepared in a reporting template suggested by the IDI (refer Annexure). The QA review report will be jointly signed by the reviewer concerned and the review team leader.

The reviewer will also submit detailed working papers in support of the work done, including a copy of the completed ……*(insert audit type)* QA tool.

## Independent review of QA review

The work done by the concerned QA reviewer will be reviewed by the team leader. The work done by the team leader will be reviewed by an independent reviewer outside of the review team as appointed by the IDI. This review will be carried out in a format prescribed by the IDI. The QA reviewer will respond timely to independent reviewer’s queries, if any and act upon any actions that need to be performed at the instance of the review. *(This is the standard paragraph where the QA review team leader acts as an independent reviewer – modify this paragraph according to different independent review arrangements provided in the guidance)*

Annex:

*QA Review Reporting Template*

Signed:

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| **QA Reviewer** | **Deputy Director General, IDI** |
| Dated: |  |