6 October 2021

Appendix-3

Terms of Reference for SAI

# Terms of Reference (ToR) for Quality Assurance of IDI supported cooperative Audit of ….. *(name of audit)* conducted by SAI of ….. *(name of SAI)*

## Background and Context

SAI …… *(insert name of SAI)* participated in IDI-….*(insert name of partner if any)* supported cooperative …. *(insert audit type)* audit of ….. *(insert name of audit)*. The aim of the cooperative audit was to conduct high quality audits of … *(insert name of audit)*. The cooperative audit model has a provision for independent quality assurance review of the audits conducted by each SAI participating in the IDI-…. *(insert name of partner)* cooperative audit initiative.

## Purpose of the Review

Purpose of the review is to provide an independent assurance to stakeholders of the extent

to which the … *(insert audit type)* audit of …..*(insert name of the cooperative audit)* carried out by SAI …… *(insert name of the SAI)* meet applicable ISSAI requirements and provide recommendations for enhanced compliance with applicable requirements.

## Scope of the Review

The quality assurance review will be limited to one individual audit – ….. *(insert audit type)* of …. *(insert name of audit)* conducted as a part of IDI-…. *(insert name of partner if any)* cooperative audit initiative.

## Methodology and Reporting

The review will be conducted as per requirements of applicable …. *(insert audit type)* audit ISSAIs. A team of two quality assurance reviewers will plan, conduct and report on the review as per IDI methodology based on applicable  *…(insert audit type)* audit ISSAIs. The review will be objective, and evidence based. Main sources of evidence will be audit files, published reports, relevant documentation and interviews with relevant stakeholders.

The QA report will provide conclusions and recommendations related to implementation of applicable ISSAI requirements and quality control measures.

The review report will be prepared and signed by the QA review team. IDI will arrange for an independent review of the report. The language of the report is…… *(insert the agreed language or reporting)* It will be issued to Head of SAI with a covering letter signed by Director General, IDI.

The QA report and all information related to QA will be owned by the SAI. The IDI will not distribute any information related to the individual QA without consulting with the SAI.

The SAI management will be responsible for implementing the agreed recommendations from the QA report. IDI will monitor such implementation from time to time and may include such information (anonymised) in its annual performance and accountability report. IDI also encourages the SAI to report on implementation of recommendations through its own communication platforms. The Review Team

The review will be conducted by a team of two independent and trained QA reviewers appointed by IDI.

## Review Process

The review team will conduct the review using a …… *(insert an appropriate approach selected for this review as suggested in the guidance document page 11)*. The review process will consist of the planning, conducting and reporting phases. It will start after the SAI and IDI have agreed on the TOR.

**Planning phase (before the visit to the SAI): From … to … 20xx**

|  |  |
| --- | --- |
| Activity | Responsible |
| Information sessions and other information activities for SAI management and staff | Review team and IDI |
| Communication with SAI staff set up | Review team |
| Provision of audit working file | SAI |
| Preliminary online review of background documentation | Review team |

**Conducting phase (visit to the SAI): From …. to … 20xx**

|  |  |
| --- | --- |
| Activity | Responsible |
| Entry meeting - Discussion with SAI leadership | SAI/Review team |
| Review of background documentation | Review team |
| Sampling of audit files for review | Review team |
| Provide required space and documents to review team | SAI |
| Interview with SAI audit team and others related to the audit | SAI/Review team |
| Field work (interviews, document analysis, review of audit files) | Review team |
| Exit meeting - Discussion with SAI leadership on review progress | Review team |

**Reporting phase: From … October to … 20xx**

|  |  |
| --- | --- |
| Activity | Responsible |
| Prepare draft report | Review team |
| Draft report sent to SAI for comments | Review team |
| Revisions to draft report based on comments | Review team |
| Quality Assurance of draft report | Independent review |
| Revisions to draft report based on comments from independent review | Review team |
| Final QA review report to IDI | Review team |
| Final QA review report to SAI | IDI |

**Follow up phase: Within reasonable period after issuance of QA review report**

|  |  |
| --- | --- |
| Activity | Responsible |
| Request for implementation status of QA review recommendations | IDI and its regional partner |
| Submit implementation status of QA review recommendations | SAI |
| Prepare follow up report and communicate back to SAI | IDI |
| Submit action taken on recommendations not implemented in the previous follow up | SAI |

***Note:*** *The timing of follow up will depend on the nature of QA review recommendations. Some recommendations may be implemented within shortest possible timeframe while others might involve longer time duration. The follow up will be done periodically until all recommendations are implemented by SAI.*

Signed:

|  |  |
| --- | --- |
| **Head of SAI:** | **Director General**  **On behalf of IDI** |

Date: