# The Report
## On the Project 3 "Development of Standard for State Information Systems and Projects Audit"

Dear colleagues!

We present the project "Standard for State Information Systems Audit", developed in the framework of project 3 "Development of Standard for State Information Systems and Projects Audit" (hereinafter - the draft Standard).

At the 25th meeting of INTOSAI Working group on IT audit, held in Brasilia on 26-27 April 2016, SAI India made a presentation on draft Standard on behalf of the Russian Federation. We would like to thank our colleagues for that!

The comments and suggestions were proposed from ISACA, SAI Georgia, SAI Kuwait, SAI Pakistan and SAI Brazil, which we considered while finalizing the draft Standard.

We believe it is necessary to continue the development of the Standard, due to the fact that in the age of high technologies and active implementation of information systems in the activity of state bodies, the question of efficiency and legality of public funds invested in the state information system is particularly acute. Only in the Russian Federation the federal budget funds for IT in 2017 are about 1.6 billion US dollars (data for the beginning of the year).

The purpose of the draft Standard is to establish methods and procedures used in the implementation of state information systems in our institution, including the experience obtained through testing the standard for auditing federal information systems and projects developed and approved by SAI Russia in 2016.

Project "Standard for State Information Systems Audit" was developed as a special standard of ISSAI 5300-5399 group, which acts as a supplement to the approved standard of ISSAI 5300 "Guidelines on Information Technology Audit" in the part of the audit of state information systems.

We plan to adopt the Standard in 2019 during the INTOSAI Congress in Moscow.

Now, our main task is to agree on the structure of this document and to discuss approaches set out in it.

We hope to enlist your support to achieve our goal in 2019.

Approaches to audit of state information systems described in the draft Standard are determined in accordance with the life cycle which consists of 5 stages:
- The justification for the establishment of State Information Systems (hereinafter - SIS)
- Preparation and organization of the process of SIS creation
- Creation of SIS
- Operation of SIS
- The completion of the SIS operation

These 5 stages describe in details the process of SIS creation and operation.

The first step is to define goals and objectives, expected results and users of results, timelines and resources needed for SIS implementation.

Justification involves an evaluation of the appropriateness, feasibility (including risk assessment) and harmonization of the process of SIS creation with other SIS and processes of their creation.

The stage ends with the preparation of documents containing the description of the requirements for the SIS in terms of volume of involved resources, timeline, expected qualitative and quantitative characteristics and indicators of the planning process, its interaction with other phases of the SIS life cycle.

The second stage is a comprehensive planning and organization process of SIS, in particular, the contract award procedure for the implementation of SIS is realized.

By the end of this stage we get the contracts concluded with the performers for the implementation of SIS.

On the stage of SIS design the goals and objectives are realized, which usually has the form of government contracts, which are characterized by conditions on the timing, volume, price, quantity and quality of purchased goods, works, services and the procedure of pricing and efficiency in the management of contracts.

The stage ends with the acceptance of SIS by the customer.

Depending on the terms of the contract, acceptance can be carried out in stages, for example, technical design, working documents, etc. that are important for the works on SIS design.

During the SIS operational stage, we face the actual consumption of the created product, in this case, depending on inherent in the SIS design decisions there may be a change in the quantitative or qualitative composition included in the SIS components, the product can become a part of another SIS or can be used for some time.

On this stage when using a SIS within a certain time for government authorities, the system of exploitation of the functional capabilities of the SIS is usually organized.

The stage ends with the cessation of the SIS in the form created as a result of this phase of the life cycle. Conclusions and recommendations on the results of the use of the product are prepared.

At the last stage the decisions either on the termination of SIS and its utilization or on the SIS modernization or a new SIS creation are made.

Thus, the cycle is completed.

The stage ends with recycling, conclusions and recommendations based on its results.

It should be noted that the stages of the SIS life cycle may vary in different countries. In addition, they may not be determined by legislation, as, for example, in the Russian Federation.

Thus, the choice of those or other stages of the SIS life cycle depends on national legislation and is defined for each state independently.

The Standard structure consists of 4 main sections:

1. General provisions, which reflect the main concepts;

2. Audit content of state information systems, which reveals such notions as subject, object, objectives and audit results of SIS;

3. Stages of the state information systems audit;

4. The results of state information systems audit, including recommendations for the report generation on the results of the SIS audit, as well as monitoring the implementation of these recommendations.

1. In the first section, we discover the concepts such as informational system and state informational system. In addition, we formulated the goal of developing the draft Standard, which is the establishment of methods, procedures for the implementation of the SAI's audit of SIS, when carrying out audit on any matter for the proper use of public finances, as well as when conducting other inspections, where a particular stage or set of stages of the life cycle is validated as part of the activities of the auditees.

2. The second section defines the following:

- the subject of the audit is the process of using public finance at all stages of the SIS life cycle in accordance with the requirements of the legislation;

- SIS audit objects (auditees) are state bodies engaged in actions for informatization at all stages of the SIS life cycle at the expense of public finances;

- the SIS audit objectives are the analysis of the validity and effectiveness of expenditure of public finance on the implementation of informatization at all stages of the SIS life cycle, as well as the identification of various violations and shortcomings in the planning and implementation of informatization.

- summary of SIS audit is the determination of the compliance degree in the implementation of activities on informatization at all stages of the SIS life cycle, validity, efficiency and effectiveness in the use of public finance, as well as identifying the specific violations and deficiencies in the implementation of informatization.

3. The third section describes in detail the stages of the SIS audit.

The stages are the following:

1) The Preparatory stage;

2) The Main stage;

3) The Final stage.

In the preparatory stage, the preliminary study is provided on the audit subject and object, the analysis of their specificity, the collection of the necessary data and information, the results of which become the basis for the SIS audit program.

The main step involves the following actions:

- analysis of information on planned and/or created by the SIS;

- check of the validity of the implementation of state activities at all stages of the SIS life cycle;

- check of the requirement performance to the procedure of implementation of activities at all stages of the SIS life cycle;

- check of the validity of the provision of public finance for implementation of activities at all stages of the SIS life cycle;

- verification of the legality and efficiency of state funds expenditure to implement the activities at all stages of the SIS life cycle, including the analysis of contracts and documents on their implementation;

- analysis of the SIS functionality for possible duplication of automatization of the same operations and functions by different SIS;

- analysis of other documents prepared and approved in order to implement the activities at all stages of the SIS life cycle and measures of information.

The final SIS stage summarizes the results of the audit, prepares the audit report, including the causes of deviations, violations and deficiencies; prepares proposals for their elimination.

No less important, the subsequent control on the implementation of these recommendations follows after the final stage, as well as the elimination of the revealed violations.

4. The last section describes the requirements for reporting on the results of the SIS and the need for subsequent control of execution of recommendations and elimination of violations. The Russian Federation pays special attention to the subsequent control over compliance with the requirements on correcting deficiencies, which enables to monitor and analyze the status of the SIS after the audit.

Thank you!