

**MINUTES OF THE 20th MEETING OF THE
INTOSAI WORKING GROUP ON IT AUDIT
held in
Sun City, South Africa (15-16 April, 2011)**

The 20th meeting of the INTOSAI Working Group on IT Audit was held in Sun City, South Africa from 15 to 16 April, 2011. The meeting was presided over by **Mr. Vinod Rai**, Comptroller & Auditor General of India and Chairman of the Working Group. The list of delegates who attended the meeting as members and observers is attached as Annexure.

1. Agenda item 1: Welcome Address

Mr. Pramesh Bhana on behalf of Mr. Terence Nombembe, the Auditor General of South Africa welcomed Mr. Vinod Rai, the Chair of the INTOSAI Working Group on IT Audit and Comptroller & Auditor General of India, and all other delegates to South Africa. He thanked the members for giving them an opportunity to host the meeting in Sun City, South Africa. He informed the members that SAI South Africa was celebrating the 100th anniversary of its existence this year. The Information System Division of SAI South Africa established in 1986 was 25 years old and was equipped with well qualified staff. He wished the meeting all success in its deliberations and the members an enjoyable stay in Sun City.

2. Agenda item 2: Opening Remarks

Mr. Vinod Rai thanked the Auditor General of South Africa, for the excellent arrangements made in hosting the meeting at Sun City. He welcomed the SAIs of Bangladesh, Cambodia and Iran for joining this Group as members and stated that the growth in membership of this Group spoke about the tremendous faith reposed by the INTOSAI community in the achievements of the Working Group.

He was happy to note that most of the projects of the Group were in the frontier areas of Information Technology. He emphasized that as Information Technology was influencing all aspects of business today, it was imperative for the auditing community to understand the key concepts and terms and to envision the strategic potential of IT Assets, which would help in evaluating whether IT projects were achieving the stated objectives keeping in mind the performance, cost and security parameters. The Working Group's endeavour had always been to empower SAIs by disseminating IT audit guidelines and tool kits for development and adoption of professional standards in IT Audit. He also requested members to give in their suggestions on bringing out printed booklets on some of the guidance on IT Audit prepared by the Working Group, for wide circulation among INTOSAI community. He also apprised the members of another important role of this Working Group in promoting and sharing of best practices and methods in Information Technology related audits and to facilitate exchange of information and experience. He stated that it was encouraging to note that 9 SAIs were presenting Country Papers on a variety of topics like E-governance strategy, Audit Resource Management System, Utilising Google Earth, etc.

The Chair placed the Agenda of the meeting which was accepted without comments.

3. Agenda item 3(a): Report on 'Into IT'
**3(b): Report on 'Working Group *website*' &
'Reference List of Material on Performance Audit'**

In the absence of Mr. Angus Waugh of SAI-UK, Mr. Jagbans Singh of SAI India provided an update on 'intoIT' and the website. The 29th and 30th edition of the journal had been published since the last WGITA meeting held in April 2010. As SAI-UK was not in a position to continue with the role of editing and publishing the journal as also the role of hosting and maintenance of the WGITA website, it invited interest from member SAIs willing to consider taking on the editorial role and the role of hosting and maintenance of WGITA website. The Chair requested the members to

consider the request of SAI UK and SAIs willing to take over the editorial role of the journal as also the role of hosting the website could contact Mr. Angus Waugh at angus.waugh@nao.gsi.gov.uk for further discussion in the matter. The Working Group acknowledged the commendable job done by NAO, UK in managing the website and bringing out the journal.

4. Agenda item 4: Reports on Projects (Work Plan 2011-2013):

Agenda item 4 (a)

Project 1: Development of Key Performance Indicators Methodology for Auditing IT Programmes

SAI China, the leader of the project elucidated the project plan, its objectives and scope. The project would have two principal outcomes: a set of specific and measurable IT-related indicators, and a guidance document or manuals describing ways to apply them in the practice of IT auditing. As per the timeframe set up in the project plan, the beta database of the project would be set up by the end of 2011, the composition of the draft project guidance by the end of 2012 and the final project guidance document would be delivered by the end of 2013. As a follow up, Mr. Alexander Myltsev of SAI Russian Federation also made a presentation on this topic. He explained an analytical approach for comparing different IT systems.

5. Agenda item 4 (b)

Project 2- IT Audit planning and detailed audit procedures to review IT controls

Ms. Jabu Nkosi of SAI South Africa presented their work approach for this Project. In the first phase they would be collecting information regarding methodologies used by different SAIs to assess and review IT controls. The information would be collated and analysed in the second phase to produce a guidance document. Mr. Pramesh Bhana of SAI South Africa informed that they had planned to leverage support from IDI and Regional Working Groups in this project. Mr. Magnus Borge of IDI reiterated IDI's resolve to support capacity building programmes in IT Audit.

6. Agenda item 4 (c)

Project 3: Optimising IT value in Government Organisations

Mr. Richard Brisebois of SAI Canada, the Project leader presented the scoping paper and desired outcomes of the project. The project objective was to research and share best audit practices in the area of achieving the best value from IT investments. As IT investments bring both value and risk, he defined the various challenges faced by Government departments and IT auditors. He gave an account of the status of the six sub-projects undertaken for the preparation of the Project Report.

7. Agenda item 4 (d)

Project 4: Green IT

Mrs. Erna J Lea of SAI Norway, the project leader presented the scoping paper of the project. She stated that the Green IT project would describe Green IT and provide SAIs with a set of audit approaches to keep a focus on environmental aspects in auditing IT in different aspects to motivate governments to ensure an environmental approach both to reduce negative effects and achieve positive effects from IT investments and use of IT-tools. The desired outcomes of the project would include producing a list of important questions to ask and areas to cover when auditing Green IT. Different aspects could cover among others: policy and governance, identifying relevant risks, setting up an action plan, and monitoring/evaluations of results, share experiences (setting up a database). The project group was in the process of defining the sub-projects and due dates for drafting the reports.

8. Agenda item 4 (e)

Project 5: Cloud Computing and Virtualisation

Mr. Richard Brisebois of SAI Canada presented the project report in the absence of SAI USA, the project leader. Mr. Brisebois defined cloud computing and described its advantages like providing shared services as opposed to local servers or storage

resources, enabling access to information from most web-enabled hardware and cost savings on reduced facility, hardware/software investments and support. He also apprised the members of the service models, deployment models and various risks (like service provider risks, technical risks, external risks, management/oversight risks and security/ privacy risks) associated with cloud computing. Mr. Brisebois informed that the next steps for the project group would be to frame agreements on risks and provide auditors some mitigation strategies so that they could use these as guidance.

9. Agenda item 5: cooperation with IDI

Mr. Magnus Borge from INTOSAI Development Initiative introduced the topic and Ms. Shefali Andaleeb presented the report on ‘Developments of IDI’s use of e-learning and other virtual means in capacity development of SAIs’. She spoke of IDI’s cooperation with WGITA in developing and delivering the E-learning course module, the evaluation of the course through survey questionnaire and the evaluation results. She also apprised the members on other E-learning initiatives undertaken by the IDI including the ‘Capacity Building Programme on Audit of Public Debt Management’ and ‘IT Audit Capacity Development’. The Chair thanked Mr. Magnus Borge and Ms. Shefali for IDI’s support in developing the IT Audit capacity of SAIs.

10. Agenda item 6: A retrospective of WGITA accomplishments in the last 10 years

Mr. Richard Brisebois of SAI Canada made a presentation on ‘a retrospective of WGITA accomplishments in the last 10 years’.

Mr. Richard Brisebois would retire this year after more than 34 years of service with the office of the Auditor General of Canada and this was his last WGITA meeting. In recognition of his services in the field of IT Audit and as a very valued colleague, the Chair presented a souvenir to him.

11. Agenda item 7: Overview of activities and new Projects of the EUROSAI IT Working Group

Mr Pawel Banas of SAI Poland presented his paper on an ‘overview of activities and new projects of the EUROSAI IT Working Group’. He gave a detailed account of the various IT projects undertaken by the EUROSAI IT Working Group and its future activities. The projects undertaken by the EUROSAI IT Working Group are IT Self-assessment, IT Audit Self-assessment, E-Government Audit Algorithm, Information Systems to support the Audit Process and IT Training Courses. The Chair thanked SAI Poland for providing an insight in to the functioning of the EUROSAI IT Working Group.

12. Agenda item 8: Country Paper Presentations:

There were nine country paper presentations from SAIs of Bangladesh, Bhutan, Brazil, Cambodia, China, Iran, Japan, Pakistan and Poland on the following topics.

- (a) SAI Bangladesh’s IT Auditing strategies – SAI Bangladesh
- (b) Concept paper on Audit Resource Management System - SAI Bhutan
- (c) 2nd IT Governance Survey and the IT Governance Index – SAI Brazil
- (d) Introduction of National Audit Authority of Cambodia – SAI Cambodia
- (e) IT contents included in the National Auditing Standards – SAI China
- (f) Developing IT Audit Plan – SAI Iran
- (g) Audit Ideas utilizing Google Earth – SAI Japan
- (h) Challenges of Management Information Systems – Sustaining Change and Reforms in Pakistan – SAI Pakistan
- (i) Risks of e-Governance Strategy dominated by outsourcing – SAI Poland

All the presentations were appreciated by the members.

13. Agenda item 9: New ISSAIs adopted at XX INCOSAI, South Africa

Mrs. Erna Lea of SAI Norway presented a paper on 'Raising awareness of the ISSAIs and INTOSAI GOVs'. She reminded the members of the resolution adopted at the XX INCOSAI called the 'South Africa Declaration' calling upon the INTOSAI members to use the ISSAI framework as a common frame of reference for public sector auditing and implementing the ISSAIs in accordance with their mandate and national legislation and regulations. She also gave an overview of the ISSAI framework and ISSAIs adopted at the XX INCOSAI. She stated that its adoption and implementation by SAIs in league with their country's environment and national standards would add value to their work. The Chair thanked Mrs. Erna Lea for her presentation on raising awareness of the ISSAIs and INTOSAI GOVs for the benefit of the members.

14. Agenda item 10: Tutorial film on INTOSAI Collaboration Tool

The online Collaboration Tool (ICT) which is the workbench for the INTOSAI community is available for use by member SAIs, as a tool for internal communication in any of the five INTOSAI languages. The tool significantly facilitates communication and coordination of collaborative initiatives. The INTOSAI Communication Guidelines issued in 2009 recognises 'Collaboration Tool' as an important tool for internal communication. In order to popularize the tool among members for its optimum use, SAI India played a tutorial film for the benefit of members.

15. Agenda item 11: Discussion on preparations for the 21st Meeting of WGITA

SAI-Malaysia gave an update on the preparations for the next meeting proposed to be held in Kuala Lumpur, Malaysia in January 2012. It was decided that SAI Malaysia, after consultation with the Chair, would communicate the exact dates for the meeting later this year.

16. Agenda item 12: Discussion on Venue for the 22nd Meeting of WGITA

The members were requested to send in their proposals to the Chair for hosting the 22nd meeting of WGITA and 7th Performance Auditing Seminar in 2013. Subsequently, SAI-Republic of Lithuania expressed their interest for hosting the 22nd meeting of the Working Group in 2013. The venue and the date for the meeting will be decided later.

17. Agenda item 13: Any other item for discussion with permission of the Chair

There was no other issue for discussion at the meeting.

18. Agenda item 14: Closing Remarks and Summing up

At the end, the Chairman, Mr. Vinod Rai, mentioned that these annual meetings of the INTOSAI Working Group on IT Audit were an important forum for collaboration on projects and exchange of information and ideas. He thanked Mr. Terence Nombembe, Auditor General of South Africa and his officers for organizing and hosting this meeting, and expressed his gratitude to all members of the Group for their active participation and support to the proceedings.

The Chairman of the Working Group declared this meeting closed.

Participants of the 20th WGITA meeting

Members

#	Country	#	Name of Participants	Position
1	Bangladesh	1	Mr Ahmed Ataul Hakeem	Comptroller and AG
		2	Mr Niaz Rahman	Finance Controller
2	Bhutan	3	Dasho Ugen Chewang	Auditor General
		4	Ms Sonam Delma	ICT/ IT Auditor
		5	Ms Kinley Zam	ICT/ IT Auditor
3	Brazil	6	Mr Jose Lima	Minister
		7	Mr Luis Felipe	
		8	Mr Claudio Souza Castello Branco	Secretary of IT Audit
4	Cambodia	9	Mr Som Sotheara	Dy. Director of Technical Department
		10	Mr Chhay Nuppakum	Director of Technical Department
		11	Mr Sar Piseth	Senior Auditor
5	Canada	12	Mr Richard Brisebois	Audit Principal
6	China	13	Prof Baohou Sun	Deputy Auditor General
		14	Ms Li Yang	Director
		15	Mr Tieying Wang	Director General
		16	Mr Xiaosheng Wang	Deputy Director
		17	Mr Zhiyu Wang	Director General
		18	Ms Luxia Wang	Deputy Director
7	INDIA	19	Mr Vinod Rai	Comptroller & AG of INDIA
		20	Mr Jagbans Singh	Pr. Director - International Relations
		21	Mr Alok Sinha	Principal Director to CAG
		22	Mr Amitabh Prasad	Director - International Relations
8	Iran	23	Mr Mohammad Hosseini	Director General
		24	Mr Mohammad Ali Abdollahzadeh	Chairman - Center for Training and Planning
		25	Mr Saied Rahati Quchani	Advisor to Senior President
		26	Mr Issa Ahmadabadi	Technical Expert
9	Japan	27	Mr Tomohiro Kobata	IT Auditor
		28	Mr Kazuki Shinohara	IT Auditor
		29	Mr Shimon Hama	IT Auditor

10	Kuwait	30	Mr Osama Alfaris	IT Audit Supervisor
		31	Mr Saad Alkhalfan	IT System Auditor
11	Lithuania	32	Mr Arunas Keraminas	Deputy Auditor General
12	Malaysia	33	Ms Alifah Aida Binti Lope Abdul Rahman	Principal Auditor
		34	Mr Y Hamdan Bin Mohd Dom	Principal Auditor
13	Norway	35	Mr Arthur Lio	Senior Audit Advisor
		36	Ms Erna Lea	Deputy Director General
14	Pakistan	37	Mr Munawar Hussain	Director
15	Poland	38	Mr Pawel Banas	Advisor to the President
		39	Mr Stanislaw Jarosz	Vice President
16	Qatar	40	Mr Ghanim Mubarak G M Ali	Senior Auditor
17	Russian Federation	41	Mr Alexander Myltsev	Leading Inspector
18	South Africa	42	Mr Pramesh Bhana	CE
		43	Ms Jabu Nkosi	BE: ISA
		44	Mr Micah Daniel	Senior Manager: ISA
		45	Mr Pieter Ferreira	Senior Manager: ISA
		46	Ms Anita Ferreira	Senior Manager: ISA
		47	Ms Maud Madondo	Senior Manager: ISA
		48	Ms Sisanda Mmeno	Product Champion
		49	Mr Andrew America	Senior Manager: ISA
		50	Mr Kagiso Kgosiemang	Senior Manager: ISA
		51	Ms Shanthinee Chetty	ISA:BUAM
		52	Ms Valentine Leballo	ISA: Secretary
		53	Ms Nthabiseng Mogase	Communication: Events
19	Zimbabwe	54	Ms Fatima Hoosen	Communication: Events
		55	Mr Spears Taruvhinga Mutsau	Deputy Auditor General
		56	Mrs Laiza Chikowore	Director

Observer

20	IDI, Norway	57	Mr Magnus Borge	Director General
		58	Ms Shefali Andaleeb	Programme Manager