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**7<sup>th</sup> Meeting of the INTOSAI Standing Committee  
on EDP Audit**

**May 14-15, 1998 - Stockholm**

**Minutes**

**Introduction**

1. The 7<sup>th</sup> meeting of the INTOSAI Standing Committee on EDP Audit was held at Stockholm on May 14-15, 1998; the agenda for the meeting is enclosed as Annexé I. The meeting was presided over by Mr. V.K. Shunglu, Comptroller and Auditor General of India and Chairman of the Committee. The following delegates attended the meeting:

<b>Austria</b>	Mr. Bruno Walter
<b>Barbados</b>	Mr. Phil R.C. Haynes
<b>Brazil</b>	Mr. Homero Santos Mr. Humberto Souto Mr. Sergio Freitas de Almeida Mr. Antonio Quintino Mr. Joao Ricardo de Aravjo Vieira Mr. Eugenio Lisboa Vilar De Melo Mr. André Luiz Furtado Pacheco
<b>Canada</b>	Ms. Nancy Y. Cheng Mr. Eric A. Antilla
<b>India</b>	Mr. V.K. Shunglu (Chairman) Mr. A.N. Chatterji Mr. K.R. Sriram Mr. Abhijit Das
<b>Japan</b>	Mr. Noriaki Katsuno
<b>Kiribati</b>	Mr. Takinoa Toatu
<b>Kuwait</b>	Mr. Abdulaziz al-Houli Mr. Ahmad Al-Dousarri
<b>Russian Federation</b>	Mr. Aleksandre Suvorov

**Slovenia**

Mrs. Silva Jamnik

**Sweden**

Mr. Goran Steen  
Mr. Peter Nilsson

**United Kingdom**

Mr. Martin Pflieger

**Zimbabwe**

Mrs. Josephine Mukomba

2. The Chairman welcomed the members and thanked the Auditor General of Sweden for hosting both the 2<sup>nd</sup> Working Seminar on IT Performance Auditing, as well as this meeting. He also expressed condolences on the demise of Mr. Teteiara Maen, former Auditor General of Kiribati. He outlined the agenda for the meeting, which had already been circulated earlier to member SAs.

### **INTOSAI EDP Directory**

3. SAI-India reported the status of updating of the INTOSAI EDP Directory, and indicated that responses had been received from 83 SAs to the Survey Questionnaire circulated in 1997. The Committee agreed that attempts should be made to include responses from as many SAs as possible. It was decided that the updated edition of the Directory, including later responses, should be published by the end of September, so as to allow for circulation to members well before the XVI INCOSAI in November.

### **INTOSAI IT Journal "intoIT"**

4. SAI-UK reported on the status of publication of intoIT .Issue 6 had just been printed and circulated, while issue7, a special edition consisting of the output of the research study by SAI-Sweden on performance audit of the effectiveness of use of new technologies by auditees, was under print.

5. Issue 8 would contain, besides the regular features, a country focus article from Brazil, part-II of an article on auditing and computerisation in New Zealand, a feature on modernisation and development at the Court of Auditors of Portugal, an update on the millennium problem and two articles on IT based forensic audit from India and UK.

6. Issue 9 would contain a country focus on Slovenia, articles by Sweden and India on the Performance Audit Seminar and the future



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work plan of the Committee, a follow-up on the millennium issue, an article by UK on "Financial Audit Software Support", contributions from Netherlands, Brazil and Oman on IT audit training, and an article on the INTOSAI EDP Committee website.

7. Barbados agreed to contribute an article for issue 10 on the new accounting system introduced by their government, and the audit approach and methodology being adopted by the SAI

### **Reference List of Material on IT Performance Auditing**

8. The possible follow-up action on the Reference List of Material on IT Performance Auditing, which had been circulated by SAI-Sweden to all INTOSAI members in February 1997, was circulated. Members agreed that there was need for maintaining and keeping this list up to date, while at the same time taking note of the limited editorial resources available to Committee members. The Committee agreed on the following course of action.

- intoIT and the Internet would be the two mechanisms for circulating updates to the reference list. It was felt that publication of revised editions of the list was not an efficient method of updating.
- The updating of this reference list would cover listings of new Audit Reports prepared by SAIs on IT Performance Audits. SAIs could be requested to make available, where possible, summaries in English of these reports, which could be posted on the Internet.
- SAIs could also be asked to send references to articles and other non SAI-generated material on IT Performance Auditing; these would be included without scanning or editing, with an appropriate disclaimer.

9. Under this agenda item, SAI-Brazil made a presentation on the EDP Audit Manual prepared by them. Reference was also invited by the Chairman to a guide on information security management being prepared by SAI-USA.

### **INTOSAI IT Audit Training Courseware**

10. The Committee noted that the courseware had been made available in hard copy as well as electronic format to the Regional Working Groups of INTOSAI, the INTOSAI Secretariat and the

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INTOSAI Development Initiative (IDI), as also that copies of the Course Overview had been circulated to all members of INTOSAI.

11. SAI-UK reported that it had used this courseware for a training course for SAI-China, and also proposed to use it for training staff from SAI-Pakistan; also SAI-Netherlands would be using this courseware for a training programme for English speaking African SAs. The Committee also noted that SAI-Brazil and SAI-Oman had translated this courseware into Portuguese and Arabic respectively.

12. Regarding the follow-up action on the courseware, the Committee agreed on the following :-

- Feedback would be obtained from different regions on their experiences in using the courseware.
- The Committee would take stock in mid-1999 on the need for updating of the courseware.
- The possibility of producing a CD-ROM version of the courseware would be explored.

### **IT Performance Auditing Seminar**

13. SAI-Sweden reported on the recently concluded 2<sup>nd</sup> Working Seminar on IT Performance Auditing :-

- 30 participants from 20 SAs attended the Seminar on May 12<sup>th</sup> and 13<sup>th</sup> , which covered six themes in diverse areas of performance auditing of IT systems
- In addition, an impromptu session on the Year 2000 problem was scheduled on May 13<sup>th</sup> in view of the topicality of the issue.
- In view of the excellent responses to both the seminars on IT Performance Auditing, it was felt that there was a need for a third seminar on this topic.

14. Regarding the hosting of the 3<sup>rd</sup> IT Performance Auditing Seminar, SAI-Slovenia offered to host the seminar in the first half of 2001 AD. Decisions on the themes for the seminar and the editorial aspects, compilation of the proceedings etc. would be taken at the next Committee meeting in 1999; this would provide a lead time of



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about 2 years for preparatory work. It would be ensured that the themes chosen for the seminar would be of topical importance.

## **Research Studies**

15. The Committee discussed the three research studies viz. "Auditing in a Client-Server Environment", "EDI and the Paperless Audit" and the "Year 2000 Problem".

- SAI-UK presented a short paper on "Auditing in a Client Server Environment"; Committee members were invited to forward their comments and suggestions on this paper to SAI-UK. The revised paper would be printed as an article in intoIT
- Regarding the study on "EDI and the Paperless Audit", the Committee noted that this was one of the themes at the recently concluded IT Performance Auditing Seminar. It was agreed that EDI and its audit implications would be the focus of a future issue of intoIT; possible contributors included Canada, France, Sweden and USA. As Chairman of the UN Board of Auditors, India also agreed to contribute an article on its experiences in this area.
- On the Year 2000 issue, the Committee felt that this issue should be kept in focus through articles and news items in future issues of intoIT, as also on the Internet web page of the Committee.

## **Internet Web Page for the Committee**

16. The Committee discussed a proposal for hosting of a website on the Internet by the Committee. It noted that two other Working Groups, dealing with Audit of Privatisation and Environmental Audit had already set up their own sites. The Committee agreed that :-

- Responsibility for hosting of the Committee Web Page would be shared by India (Chairman) and UK (Convenor - Working Group II). The web page would be suitably linked to the INTOSAI Secretariat home page
- The website would contain background information, as well as Committee products. Background information would include the composition of the Committee and contact names and addresses of members, the Committee's terms of reference, proceedings of Committee meetings and reports to the INTOSAI Governing Board. The products to be featured on the Internet would cover

the INTOSAI EDP Directory, the latest issue of intoIT as well as back issues, the Reference List on IT Performance Auditing, IT Performance Audit Seminar proceedings, the IT Audit Curriculum, the Course Overview of the IT Audit Training Courseware, the IT Strategy Guide and the IS Security Review Methodology

- The products to be put on the Internet would be in Hyper Text Markup Language (HTML) - the standard Internet language
- A phased approach would be adopted to building the Internet web page

### **Electronic Compilation of SAI-Mandates**

17. SAI-India presented an electronic compilation of the mandates and statutes governing INTOSAI member SAIs. This compilation, prepared on a CD-ROM for use as an electronic reference tool, could be accessed in two ways :-

- using a country-wise listing of mandates of different SAIs
- using a list of 22 selected attributes, covering provisions for independence, jurisdiction, auditorial and administrative powers, across SAIs

18. The Committee was informed that the present CD-ROM contained the statutes of 87 SAIs, the ultimate objective being to take this number to 140 to 150 before INCOSAI-XVI at Montevideo. Committee members were highly appreciative of the product and agreed that this product should be made available to the entire INTOSAI community. Suggestions and comments were invited from Committee members, before the finalisation of the product in time for the XVI INCOSAI.

### **Work Plan upto the XVII INCOSAI**

19. The Committee members discussed the possible outline of a work plan for the Committee for the next three years upto the XVII INCOSAI in 2001 AD. The possible components of a future work plan would fall into three areas :-

- Continuing projects
- Follow-up of completed projects



- Projects in new areas

20. It was agreed that the quality of the work plan would be considerably enhanced through inputs from INTOSAI members, not restricted to the Committee membership. Accordingly, it was decided that Committee members would consult members of their respective Regional Working Groups as follows for generation of ideas for the Committee's future work plan :-

Brazil	OLACEFS members
Barbados	CAROSAI members
Canada	GAO
Sweden	EUROSAI members
Japan	ASOSAI members
Kuwait	Gulf / ARABOSAI members

21. All suggestions should be sent to the Committee Chairman by July 15<sup>th</sup>, 1998 to enable preparation of the Committee work plan well in time for the Montevideo Congress.

### **Plan of Action for XVI INCOSAI**

22. The Committee discussed the various events relating to the Committee's activities forming part of the XVI INCOSAI at Montevideo in November this year. It noted that the crucial sessions at the Congress would be the two discussion sessions on November 11<sup>th</sup> 1998, where the Committee's work till date and future work plan would be discussed by INTOSAI members. The Committee was also informed that SAI-Barbados would be serving as rapporteur and SAI-Kuwait as moderator for these sessions.

### **Next Meeting of Committee**

23. The Committee noted that the programme for the XVI INCOSAI included a slot on November 7<sup>th</sup> 1998 for meetings of various INTOSAI Committees and Working Groups. SAI-Austria clarified that this meeting was only facilitative and not obligatory; the Committee noted that many of the members attending the meeting of the EDP Committee may not attend the XVI INCOSAI.

24. SAI-Zimbabwe offered to host the next meeting of the Committee in Spring 1999. This offer was accepted by the Committee.

### **Closing Remarks**

25. The Chairman thanked all members for their active participation in the work of the Committee and useful contributions. He looked forward to the next meeting at Zimbabwe next year and declared the meeting closed.