

MINUTES OF THE 9th MEETING OF INTOSAI STANDING COMMITTEE ON EDP AUDIT NEW DELHI, NOVEMBER 20th-21st 2000

- 1 The 9th Meeting of the INTOSAI Standing Committee on EDP Audit was held at New Delhi on 20th and 21st November 2000. 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:

SAIs	
Austria	Mr. Bruno Walter
Canada	Ms. Nancy Y. Cheng
India	Mr. V.K. Shunglu Mr. K.N. Khandelwal Mr. Narendra Singh Mr. Deepak Anurag Mr. N. Mathivanan Mr. Ramann Sivasubramanian Mr. Deepak Narain
Israel	Mr. Moti Nativ Ms. Ella Simchoni
Japan	Mr. Yamashita Nobuhiro
Kuwait	Mr. Abdulaziz Al Roumi Mr. Abdulaziz Al-Houli Mr. Ahmad Al Dousari Mr. Osama Abdullah Al-Faris
Netherlands	Mr. Thomas Wijsman Mr. Van Der Geest
Norway	Mr. Thor Kristian Svendsen Ms. Astrid Haga Mr. Jan Fredrik Lied Ms. Gry Anette Midtbo
Oman	Mr. Nasser H Al Rawahy Mr. Mohammed Moosa Ibrahim Mr. KR Sriram
Poland	Mr. Jacek Uczkiewicz Mr. Dariusz Krawczynski Mr. Wiesław Ostaszewski Mr. Lech Witecki
Russia	Mr. KM Karmokov Mr. Fyodor Shelyuto Mr. Kolesnikov Valdimir
Slovakia	Mr. Jozef Stahl Ms. Zlatica Svetikova Ms. Silva Jamnik

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Sweden	Mr. Bengt EW Andersson Ms. Lena Ellwerth Stien
United Kingdom	Mr. Steve Doughty
United States of America	Mr. Keith Rhodes Mr. Madhav Panwar
Zimbabwe	Mr. A.E. Harid Ms. Josephine Mukomba

2. The Chairman welcomed the members. In particular he welcomed new members, SAI of Israel and USA. He outlined the agenda for the meeting, which had been circulated to member SAIs.

Report on intoIT

3. SAI-UK reported on the status of publication of intoIT. Edition 11 with IT training theme was published in February 2000. Edition 12 with Government on Web theme could not be published in time due to difficulty in obtaining contributions. SAI, UK intended to contact members to find out when they can get the contribution so that the 12th edition is published in January 2001.
4. SAI, UK invited members to:
- ◆ Endorse themes proposed for future editions.
 - Edition 13 (Spring 2001) IT and communications Security
 - Edition 14 (Autumn 2001) Report on the performance Auditing Seminar in Slovenia
 - Edition 15 (Spring 2002) IT related fraud
 - Edition 16 (Autumn 2002) Intranets
 - Edition 17 (Spring 2003) Organisation of IT audit
 - ◆ Contribute articles on the themes agreed from within their SAIs and encourage others to do so.

- ◆ Provide short news articles.
- 5. SAI-UK informed the members that a survey on Government and the Internet was published in Economist magazine and that they are negotiating with the magazine to print the same in intoIT.
- 6. The committee after discussion agreed to the themes for future editions and endorsed the view that the contributions from the members and other SAIs are important.
- 7. The Chair proposed to write to all INTOSAI members highlighting the important role of intoIT, the themes to be covered in the next few issues and the need for contribution from all SAIs and requested members for regular contributions for intoIT. SAI India made a commitment to contribute an article on trends of e-governance in India but without any audit issues as no audit has been done in this area.

INTOSAI EDP Directory and Compilation of SAI Mandates

- 8. SAI India reported on presented a report on the INTOSAI EDP directory and stated that a survey questionnaire is proposed to be sent to all INTOSAI members to obtain updated information in the following areas :
 - ◆ EDP Environment in SAIs
 - ◆ IT Strategy of various SAIs
 - ◆ Audit of EDP Systems
 - ◆ Training in IT and IT Audit
 - ◆ Funding of IT and IT Audit functions
- 9. A section on matters relevant to research studies of the committee and feed back on the committee's activities and products is proposed to be included in the

directory. The third edition of INTOSAI EDP directory is expected to be ready for distribution during XVII INCOSAI.

10. SAI India also reported the status of compilation of SAIs mandates. A new compilation of the mandates incorporating revision in mandates and mandates of more SAIs would be produced before the next INCOSAI. As the collaborative project with UNDP for producing a printed compendium could not materialise, SAI India would carry out the project and produce a printed compendium of the mandates in addition to electronic copy hosted on SAI India Website.
11. SAI India proposed that a brief write up about the mandate of SAIs obtained from all SAIs be compiled along with the mandate. The committee discussed and agreed that this would help in better understanding of SAI mandate. A committee consisting of SAIs India, Oman and USA was formed to decide the standard features which the write up should contain. This committee would consult through electronic means and finalise the requirements in two to three months time. It would also work out the modalities for regular updating of the SAI mandates and the feed back system.

INTOSAI IT Audit Courseware

12. SAI Zimbabwe reported on the status of the project relating to updating INTOSAI IT Audit Courseware. Based on the responses received from various SAIs the courseware needs updating in a number of areas due to changes in technologies that have occurred since the course was developed.
13. The committee discussed and decided that various SAIs should take the responsibility of updating individual modules as updating of the entire courseware by one SAI would be difficult. SAI-Zimbabwe will continue to coordinate the activity. Accordingly it was agreed that various modules would be updated by different SAIs as given below :-

Modules	SAI,
IT Awareness	UK
IT Methods Awareness	USA
IT Controls	Russia
Business continuity planning	UK
Audit of developing systems	India
IT Security	No volunteers
Value for money audit	No volunteers
IT Audit organization and management	No volunteers
Computer Assisted Audit Techniques	Oman
Data downloading and conversion	Oman

14. The project coordinator will seek volunteers for the remaining modules from amongst Committee Members. The committee also endorsed the view that the special requirements of SAIs where IT had not yet made sufficient headway should also be kept in view while updating the courseware. The other area for consideration was creating awareness and providing training to SAI personnel in the use of internet. SAI Canada and Netherlands agreed to work out the course module for use of internet for SAI personnel with specific reference to senior management.

Advance Training Modules

- 15 SAI UK reported on the status of development of advance training modules. Facilities for document repository and discussion groups were set up on the Committee's website. The output of the research project of the committee would be useful for developing advanced training modules. It proposed that an expert group carry on this work.
- 16 The Committee discussed and endorsed formation of an expert group consisting of SAIs Canada, Israel, Oman, UK and USA to carry forward this assignment. SAI USA would coordinate this and a proposal regarding development of advance training module would be prepared by the group and presented in the next committee meeting in May 2001.

Reference list of materials on Performance Auditing

- 17 SAI-Sweden presented its report. In its report, SAI-Sweden informed members on the progress relating to the task of updating material included in the reference list and putting the same on the website of the Committee. The members were informed that as of now, the reference list stands included in the website in the PDF format without any updation.
- 18 A proposal for future organisation of reference materials on the Committee's website was presented. This proposal laid down the responsibilities for each SAI, the SAI-UK and the INTOSAI Standing Committee on EDP Audit. Under this proposal each SAI would basically be responsible for reviewing and updating materials relating to it. It would also be responsible for translation and preparation of material in a suitable format and transferring the same to the SAI-UK. The SAI-UK would provide space for reference material on the Committee's website and would verify the material received from each SAI after putting it on the website. This task would be performed within a given time frame. The SAI-UK will be required to periodically report to the EDP Audit Committee on the activities relating to this project. The EDP Audit Committee

would be responsible for organising a special project for publishing the reference material list and distributing the same to all SAIs every 3 years. The Committee would also ascertain from SAIs the use to which list has been put.

Report on the Committee's Web Site

- 19 SAI-UK presented its report. It stated that the look of the website was revised in October 2000 to give it a more modern appearance while allowing easy access. In the past one year a number of products of the INTOSAI EDP Audit Committee were added to the website. These products include the EDP Directory, Performance Audit Reference list, Edition 11 of intoIT and IT Audit Courseware. Facilities for document repository and discussion groups were also created. The number of hits on the site had shown an increasing trend. During discussions it was suggested that information on the website be periodically updated. The Chairman suggested that the agenda for EDP Audit Committee meetings could also be put on the web site in advance of the meeting.

Report on Preparation of 3rd Performance Auditing Seminar

- 20 SAI-Sweden presented the status report on preparation for 3rd Performance Auditing Seminar. The Committee noted that the preparatory work was going on smoothly. SAIs who were preparing/reviewing the lead paper committed that this will be done within a fixed time frame.

Report on Project Communications Security

- 21 SAI-Sweden presented its status report on the project Communications Security. The objective was to create a reference model, a form of best practices in order to examine whether agencies exercise reliable controls over the computer communications via internet. SAI-Sweden stated that they would complete verifying the model by end of January 2001 and would present a written report describing the model. Some SAIs such as UK, Netherlands etc. offered to give their comments on the model. The Committee discussed the issues and

stressed that management issues should be given adequate coverage in this project.

Report on project on IT Related Frauds

22. SAI-UK presented its status report on the research project on Detection and Prevention of IT Related Fraud. They also indicated the time schedule for the project with September 2001 as the deadline for circulation of the final report. Various related areas like evidence, custody of evidence, government fraud vs other frauds, definition of frauds, effect on cyber laws and cyber crimes etc. were discussed and the Committee agreed that the final report should lead to definition of the IT related fraud with auditors responsibilities and their role in the detection of IT related fraud.

Report on Project on IT Infrastructure Management

23. SAI-Norway presented the status report on the progress of IT Infrastructure Management. The high level objective of the project was defined as developing a model for risk assessment for auditing IT infrastructure management in government. SAI-Norway would send the report in February 2001 for evaluation to other team members and in May 2001 a final report would be presented to the EDP Audit Committee. Various areas such as of COBIT and linking, outsourcing of IT services, enterprises architecture, inclusion of case studies, horizontality and commonality of architecture, some set of standards etc. were suggested for consideration in their research project.

Project on Intranet for SAIs

24. SAI-Oman presented a report on the progress of the project. They informed members that the research paper had been finalised and presented it in the meeting. They also informed members that electronic version of this document was available at their website. This was technology neutral and was intended for SAI managers with decision making responsibilities in the field of IT. The report was discussed and it was decided that some more time was required to study the

reports. Some of the members expressed apprehensions about accessing intranet from outside and the risk management through intranet, etc. SAI-Oman requested that responses to this paper be given by end of January 2001 so that if required they could bring out a modified version depending upon the nature and volume of responses.

Preparation for XVII INCOSAI

25. The chairman informed members that unlike XV and XVI INCOSAI, no theme has been designated for XVII INCOSAI to enable a discussion on the work and plans of INTOSAI Standing Committees/Working Groups. However, the Chairman would be presenting a report to the INCOSAI on the activities and work plan of the Committee. The Chairman informed the members that he would be working in the next few months on the Committees work plan for the next three year period starting from October 2001. He invited suggestions from members and indicated that the proposed survey for updating the INTOSAI EDP Directory contain a section devoted to feed back on the products of the Committee as well as for soliciting suggestions from the entire INTOSAI membership, regarding areas of IT audit that they would like the Committee to concentrate on. It was agreed that the matter would be further discussed during the X meeting of the Committee in May 2001. The members highlighted the importance of securing resources for the activities of the Committee. It was felt that to obtain greater recognition for the work of the Committee, enough time should be provided to the committee during the INCOSAI meeting to highlight its achievements. The Chairman felt that the Committee had successfully carried forward its working and that the activities of the Committee should have greater support from the heads of SAIs represented in it. He informed members that since some of the SAIs represented in the Committee were also members of the Auditors General Global Working Group, the proposed meeting of the GWG in January 2001 could be profitably utilised to discuss ways and means of securing greater acceptance and appreciation for the work of the Committee.

Other matters

26. The 3rd Performance Auditing Seminar will be held on 14, 15 and 16 May 2001 in Slovenia. The Committee will meet immediately after the Seminar on 17 and 18 May 2001.
27. The Committee discussed a proposal for about the re-naming it to "INTOSAI Standing Committee on IT Audit". This suggestion was accepted. The Chairman informed members that this matter would be taken up with INTOSAI General Secretariat in case approval was required.

Closing remarks

28. 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 Slovenia next year and declared the meeting closed.