



INCOSAI 2022

# **INTOSAI Global Voice**

## **OLACEFS Regional Paper**

August, 2022



# INTOSAI Global Voice OLACEFS Regional Paper

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# Survey Overview

## The Context of SAI Leadership

The International Organization of Supreme Audit Institutions (INTOSAI) was founded in 1953 as an autonomous, independent and non-political organization. Along with the Supreme Audit Institutions (SAIs) of countries around the globe, its focus has been the exchange of ideas and experience in the field of government audit.

In its almost 70-year history, INTOSAI has paid witness too many external factors that were political, economical, environmental, social and technological in nature. Recent examples of such phenomena include: the COVID-19 pandemic; the release of the United Nations (UN) Sustainable Development Goals (SDGs) specifically addressing UN SDG 16 ‘Peace, Justice and Strong Institutions’; and, in an ever-changing environment, the need to remain true to their professional practices.

More specifically, the organization's response to the pandemic is a perfect illustration of SAIs rapidly adapting its way of working in order to quickly provide information on emergency procurement. In addition, SAIs have had a pivotal role in supporting the aspirations of “accountable, inclusive and transparent institutions at all levels of government” referenced within the principles of SDG 16.6.

Furthermore, the drive to professionalize the SAIs and their auditors to improve audit practices to meet ever-increasing expectations and demands of a broader stakeholder base, including the need to speak truth to power and provide assurance on issues of strategic importance, are expectations of the emerging civil societies in many jurisdictions.

In all of this, INTOSAI is uniquely placed to expand its global influence through consistent and informed messaging on key issues such as SAI Independence, the need for strong and capable SAIs in all INTOSAI regions, global challenges such as climate change, implementation of the SDGs, pandemics, global economic risks, social safety nets and related programs, and reforms to financial markets, among others.



By looking at successful experiences in the national, regional and global levels, the discussion can point strategies and actions to leverage INTOSAI's role and the benefits it brings to the SAI community. Such experiences cover the relationship built with stakeholders, communication strategies, and cooperation projects.

## Contemporary public sector audit and accountability arrangements

Currently, for SAIs, there is a gap in knowledge of contemporary public sector audit and accountability arrangements, particularly at regional and international levels. This is although where a great deal of the voice(s) of accountability (regarding public expenditure and service delivery) are situated, both in normal times and during the current stream of crises.

The purpose of this paper is to develop an international comparison of the audit and accountability regulatory space for SAIs. This is achieved by employing a theorisation of regulatory space, extended by new audit spaces of public audit, to address similarities and differences in the voice(s) of accountability (Ferry and Ahrens<sup>1</sup>, 2022; Ferry et al., 2022a<sup>2</sup>; Ferry et al., 2022b<sup>3</sup>; Ferry et al., 2023<sup>4</sup>).

During 2021/22, research was commissioned including: a documentation review; workshops with steering panel; and an online survey with the purpose of establishing themes relating to the voice(s) of accountability.

The review of academic and practitioner documentation included:

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<sup>1</sup> Ferry, Laurence & Ahrens, Thomas (2022). The future of the regulatory space in local government audit: A comparative study of the four countries of the United Kingdom. *Financial Accountability and Management* 38(3): 376-393.

<sup>2</sup> Ferry, Laurence & Ruggiero, Pasquale (2022a). Auditing Practices in Local Governments: An International Comparison. *Emerald Studies in Public Service Accounting and Accountability*. Emerald.

<sup>3</sup>Ferry, Laurence, Hamid, Khalid & Hebling Dutra, Paula (2022b). An International Comparative Study of the Regulatory Space of Supreme Audit Institutions. The International Centre of Public Accountability (ICOPA), Durham University, UK, Presentation on 6th June 2022.

<sup>4</sup> Ferry, Laurence, Midgley, Henry & Ruggiero, Pasquale (2023). Regulatory space in local government audit: An international comparative study of twenty countries. *Public Money and Management*.



INTOSAI's website; pronouncements and principles; and regional websites. With 'initial' themes derived concerning audit regulatory space, the themes were presented and critically discussed by a panel comprising of:

- INTOSAI Secretary General;
- Tribunal de Contas da União (TCU), i.e., the Federal Court of Accounts of Brazil, and incoming Chair of INTOSAI;
- Academia (Durham University, UK);
- Chartered Institute of Public Finance and Accountancy (CIPFA);
- European Court of Auditors (ECA);
- Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GiZ);
- International Monetary Fund (IMF);
- Organization for Economic Co-operation and Development (OECD); and
- The World Bank.

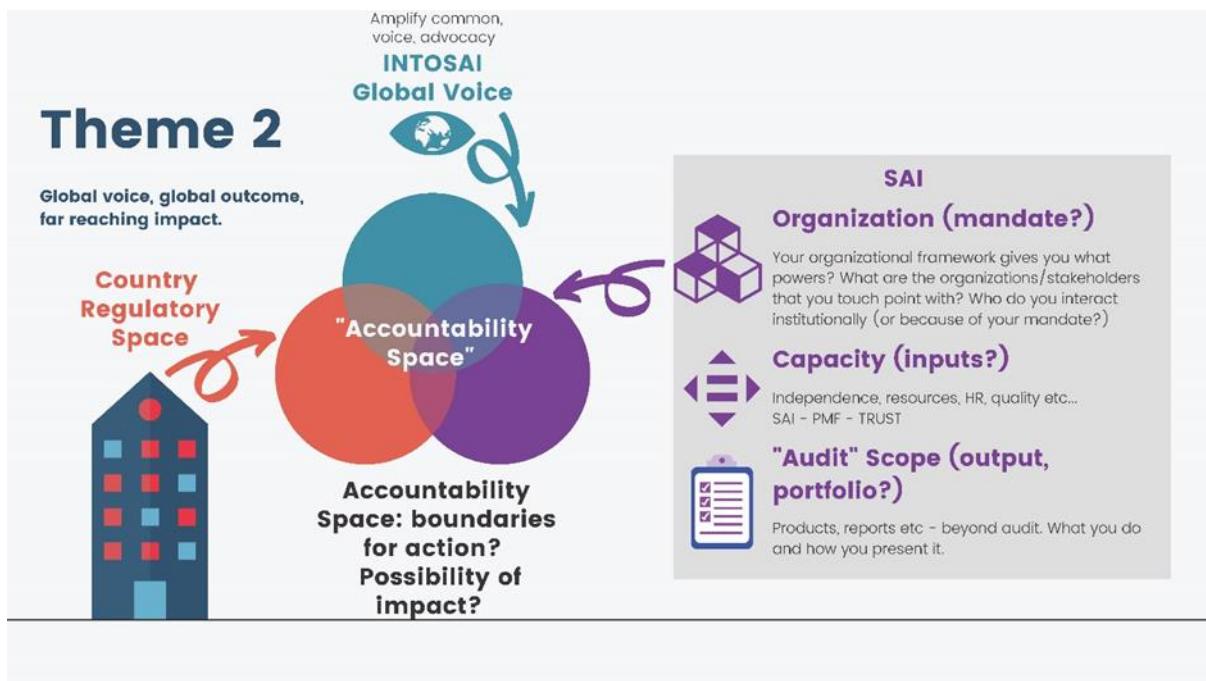
This ensured coverage by world leading experts in the fields of policy, practice and academia concerning audit and accountability arrangements of SAIs. It also ensured representation from core international institutions that could provide authoritative voices from different perspectives. A number of iterations were trialled until 'final' themes were agreed as representative. Then the detailed questions were determined, and a survey constructed capable of meeting the project objectives.

## The Audit Space Model

The framework depicted in 'Figure 1. THE AUDIT SPACE MODEL' was developed by academics and practitioners working together. The model brings into focus many familiar issues INTOSAI has discussed over time, in a systematic manner.



FIGURE 1. THE AUDIT SPACE MODEL



The issue of regulatory space is crucial to understand the prominence and uniqueness afforded to the SAIs. They exist due to a fundamental piece of often-primary legislation that provides their mandates, powers, and functions. They are not simply borne out of orders or regulations that can be easily altered. The powers afforded to SAIs also allow them to undertake their work without fear or favour and in the public interest.

In addition, the positional power of a SAI needs to be matched by the personal authority of the Auditor General or Head of SAI as reflected in the competence and ethical conduct of their staff. This is the area of skills, competencies and recognized qualifications that provide the credibility needed to perform the functions of the SAI.

Furthermore, the audit work undertaken by the SAI staff, in turn must be credible, consistent and subject to independent quality review to provide the trust needed by the users of the reports.

Finally, once all these ingredients or inputs into the work of a SAI are effective, the most crucial issue is to provide relevant, impactful, and trusted insights to enable a voice to support the public interest.



This is in the context of improving public finance at all levels of government and all the way to global institutions. It is therefore in keeping with the principles written in SDG16.6, where SAIs have a pivotal role to support the aspiration of “accountable, inclusive and transparent institutions at all levels of government.”

As can be seen in Figure 1, INTOSAI provides a global voice for SAIs that interacts with a country’s regulatory space and the SAI’s organization, capacity and audit scope.

Here ‘Organization’ concerns the mandate of how a system is accredited and imbued with institutional capital, which gives certain powers and determines organizations and stakeholders whom a SAI interacts. ‘Capacity’ addresses inputs and concerns issues such as independence of auditors and resources. ‘Audit scope’ covers portfolio of activities and output encompassing products and reporting including beyond audit in terms of what you do and how it is presented.

## Method

A survey based on the organization, capacity and audit scope of SAIs was constructed online and translated into seven languages, specifically: Arabic, English, French, German, Portuguese, Russian and Spanish. The survey was distributed to all INTOSAI’s full members and remained accessible for the first 4 months of 2022.

As can be seen, the total response rate was 64% (125 of 196 members), which is relatively high for this form of survey and statistically valid at the 95% confidence level with an overall error rate of  $\pm 5.3\%$ . Table 1 shows the regional response rates.



TABLE 1. REGIONAL RESPONSE RATES

| <b>Region</b>                          | <b>Number of Countries in Region</b> | <b>Number of Respondents</b> | <b>Response Rate</b> |
|--|--------------------------------------|------------------------------|----------------------|
| AFROSAI                                | 47                                   | 22                           | 47%                  |
| ARABOSAI                               | 18                                   | 13                           | 72%                  |
| ASOSAI                                 | 26                                   | 20                           | 77%                  |
| CAROSAI                                | 13                                   | 4                            | 31%                  |
| <i>EUROSAI, including ECA</i>          | 50                                   | 40                           | 80%                  |
| OLACEFS                                | 22                                   | 18                           | 82%                  |
| PASAI                                  | 15                                   | 5                            | 33%                  |
| <i>Total region members of INTOSAI</i> | 191                                  | 122                          | 64%                  |
| <i>Non-region members of INTOSAI</i>   | 5                                    | 3                            | 60%                  |
| <b>Total members of INTOSAI</b>        | <b>196</b>                           | <b>125</b>                   | <b>64%</b>           |

Figure 2 shows the likely error rate. As a sample survey, with a known population (196 members) and a set number of respondents (125) we can measure the level of error within our findings. Given the relatively small population, a reasonably high level of response is required to ensure an equitable level of error. This level of error is at its peak when the result is at or close to a 50 / 50 split or a 50% proportion.

So, by way of example to illustrate the impact of survey error, using the question “Is the SAI headed by an auditor general or is there a board or collegiate structure?”, where the overall answer was 70% (auditor general) and 30% (a board or collegiate structure) we can see that the difference between the result is 40%, which is far greater than the error rate of 5.3%. Consequently, only where such differences exceed the 5.3% error can we be sure that the result is meaningful.

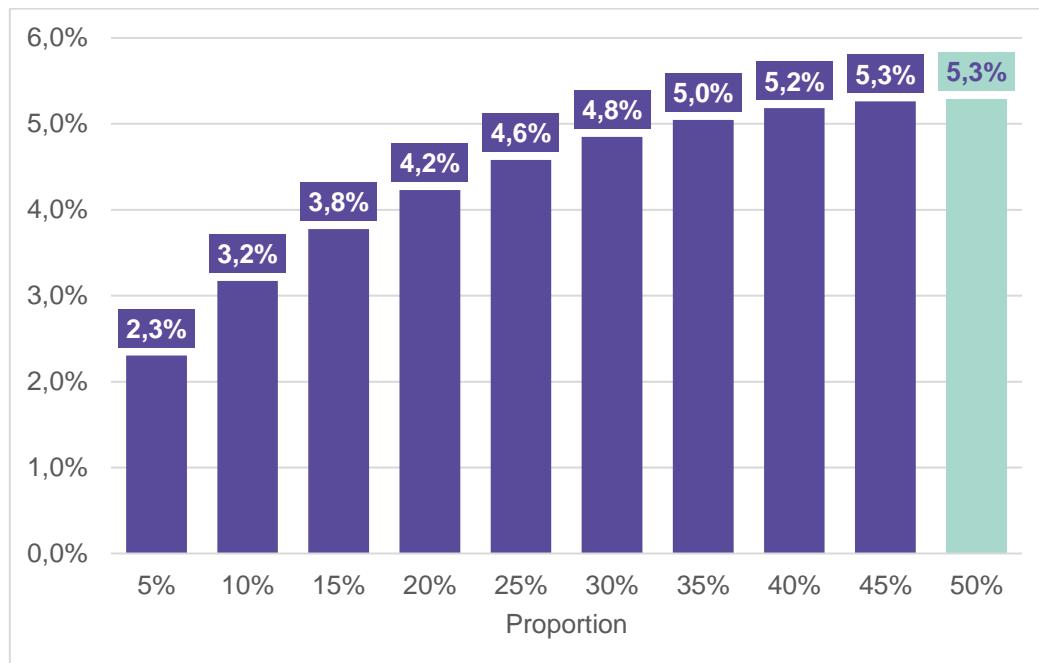
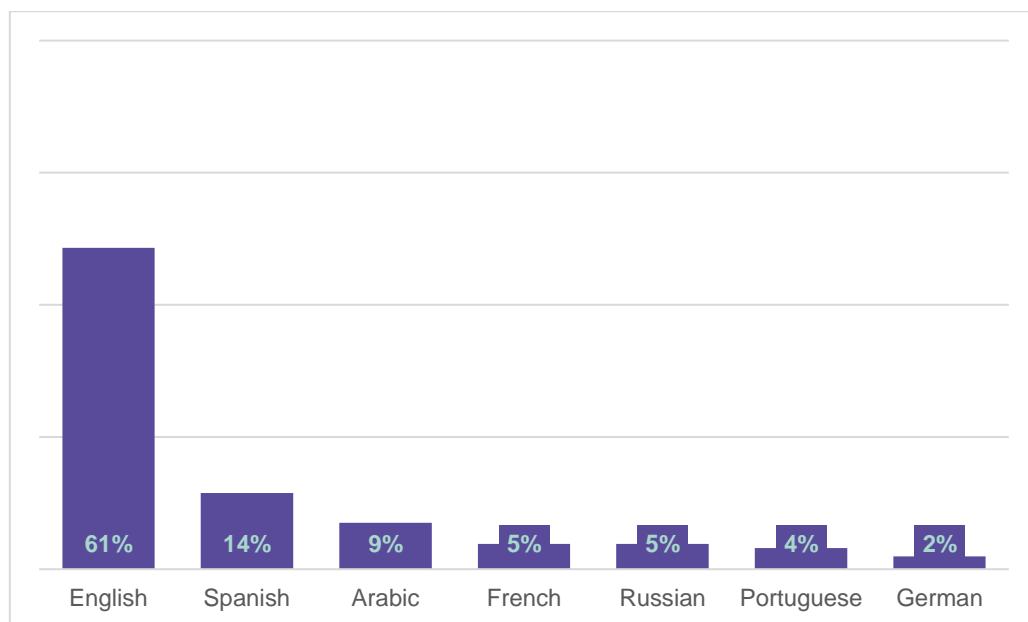
**FIGURE 2. SURVEY ERROR RATE**


Figure 3 shows the officially recognised languages within INTOSAI used to complete the survey. English was the most frequently selected language used across AFROSAI, ASOSAI, CAROSAI, EUROSAI and PASAI. Whilst Arabic was the most popular in ARABOSAI and Spanish in OLACEFS.

**FIGURE 3. CHOSEN SURVEY LANGUAGE**




Please note that, throughout this paper, percentages are rounded to whole figures when presented in both tables and figures. Consequently, the sum total may not always add up to 100%.

## Executive Summary – Overall survey results

### Organizational context

The organizational context considers the mandate, legal framework, structure and bodies involved that gives a SAI structure and powers. The survey findings show that, in terms of structure, four factors were highly common across the 125 respondents.

These factors were: Is an independent body (83%); Reports annually on the financial statements of government entities (78%); Reports to parliament / the legislature (75%); and Is independent of the legislative and executive branches (72%). Also from a structural perspective, some 70% are headed by an auditor general. Whilst in the other 30% of cases there is a board or collegiate structure.

In respect of reporting lines, the vast majority report to parliament (91%), with a minority of 9% doing so within executive government. As an aside, we note that across both PASAI and CAROSAI some 40% and 25% respectively were within executive government. The survey also revealed that close to 9 in 10 of all SAIs (89%) had ‘one auditor general / comptroller / president’, whilst in 61% of cases the high-level structure consisted of ‘one or more deputy or vice auditor / general / comptroller / president’.

### Capacities

Strategically we found that 95% of all SAIs had a plan and in 92% of cases that strategic plan was being implemented. From a human resources (HR) perspective, we evaluated the extent to which staff were:



subject to the terms and conditions of the country's public / civil service; had salaries benchmarked to equivalent entities / professions; and had undertaken a skills audit of staff competencies. Typically, we found that:

- Around two-thirds of SAIs (64%) have staff subject to the same terms and conditions of the country's public / civil service;
- Staff have had their salaries benchmarked to equivalent entities / professions (Yes [44%]; Partially [33%]); and
- The SAI had undertaken a skills audit of staff competencies (Fully [33%]; Partially [37%]).

Continuing on the HR theme, staff were most likely to be either auditors, accountants, IT experts or lawyers. Some 73% were likely to be qualified to at least graduate level. Furthermore, around 41% held a professional qualification and 30% held a post-graduate qualification.

The survey enquired about the status of the SAIs in relation to determination of budgets, whether it periodically undertakes independent assessment of its own performance, and regarding access to data. Reassuringly some 85% of all SAIs stated 'yes' in response to the question 'Is the SAI able to determine how its own budget will be spent?'. This level of determination was typically the same across all SAIs with the sole exception of CAROSAI, where it was at 75%.

In response to the challenge 'Does the SAI periodically undertake independent assessment of its own performance through, for example, SAI-PMF, peer reviews etc.' our survey found that some three-quarters (75%) did so. Interestingly, in two regions the opposite was the case, i.e. CAROSAI 75% 'no' and PASAI 60% 'no'.

From an ICT perspective, the picture was quite varied. Typically, some 68% were able to access all necessary data centrally onsite, whereas the ability to do the same from any satellite office dropped to just 41%. Although some 46% were able to access all necessary data remotely anywhere.



## “Audit” Scope

SAIs are predominantly in a position of being able to decide which standards to apply when undertaking work, with some 78% reporting that they ‘decide for themselves’. In practically all other cases the choice of standards is ‘written into law’, except in ASOSAI where one SAI stated that ‘another body decides’.

In terms of the audits being carried out three types occur in almost all SAIs. These are Financial audits (98%); Compliance audits (94%); and Performance audits (94%). There are other types of audit that SAIs undertake. However, as can be seen below, the occurrence of these is not so high:

- Responding to public / other requests (public interest reports), 39%;
- Specialized audit responsibilities e.g. environmental mandate, 39%;
- Non-audit (other), 35%;
- Preparing specific reports not related to underlying audits, 34%; and
- Investigation powers, 30%.

The extent to which SAIs are mandated to carry out these audits also varies quite extensively, with Table 2. Legal Mandate to AuditTable 2 below illustrating this point.

TABLE 2. LEGAL MANDATE TO AUDIT

| <i>Entity / institution</i>                                     | <i>Yes</i> | <i>No</i> |
|---|------------|-----------|
| <i>Federal or national level</i>                                | 99%        | 1%        |
| <i>Other public sector agencies</i>                             | 97%        | 3%        |
| <i>Public companies / parastatals or state-owned enterprise</i> | 96%        | 4%        |
| <i>Regional level, state, provincial, territory</i>             | 85%        | 15%       |
| <i>Local or municipal level</i>                                 | 84%        | 16%       |
| <i>Central bank</i>   | 75%        | 25%       |

There is just one SAI within PASAI who is not mandated to audit at the federal or national level, in all other cases there is a 100% ability to do so.



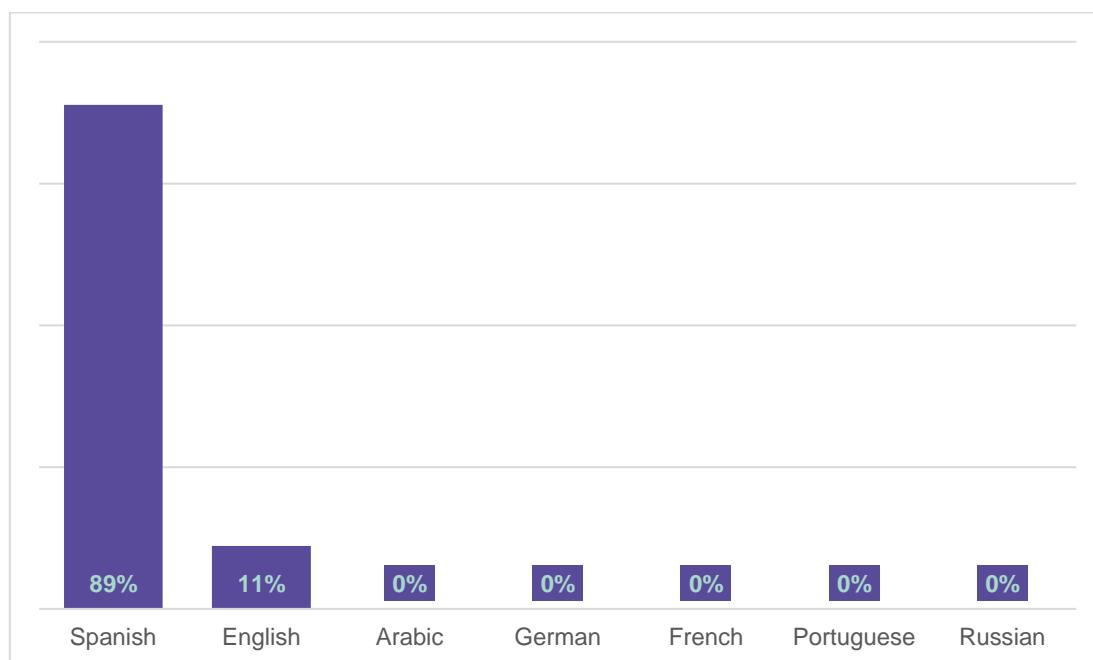
However, as previously stated, the mandate for each entity / institution varies from region to region.

The remainder of this paper sets out the results of the survey completed by each region. In the categories assessed in the survey, our focus was on the organization, capacity and audit scope. A number of observations will provide insights that could be expanded through further narrative to be provided by the SAIs that will enhance the regional paper and provide options that could be considered for further work within the region. Finally, it should be noted that some SAIs are not members of any particular region and are consequently excluded.

## OLACEFS

Amongst the 18 responses from OLACEFS we find that 16 (89%) were in Spanish with the remaining 2 (11%) responses in English.

FIGURE 4. CHOSEN SURVEY LANGUAGE





## Summary of Research Results for OLACEFS

Research results show that SAIs within OLACEFS have legal independence, undertake many functions beyond auditing and cover most areas of the public sector. Their mandate provides the powers to undertake work in the accountability space, and independent assessment of their performance is taken on a periodic basis for 72% of the SAIs in the region.

Besides having budget autonomy, although there are different institutional arrangements, in 89% of the cases, leadership is exercised by one person and there is a strategic plan being implemented.

Most of OLACEFS members are able to access all necessary data both centrally onsite and remotely anywhere. Also, most of their professional staff is qualified to at least graduate level. Most of them holds professional qualifications and, on average, one third also holds post-graduate qualifications.

This suggests that not only SAIs have access to information but also the ability to process it.

Although being subject to the government salary structures can be challenging in terms of recruiting and retaining professional qualified staff in some situations, the research results in terms of SAI staff qualifications suggest that, on average, SAIs in the region are coping well with the constraints imposed by salaries. In 67% of OLACEFS members, salaries were benchmarked to equivalent entities or professions, but only in 53% the SAI has undertaken a skills audit of staff competencies.

In general, the SAI can decide upon their standards or have them entrenched in legislation. Although their mandates to audit, in terms of coverage and scope, are quite varied, at both a federal or national level and for other public sector agencies this mandate is at 100%.

Almost all of them perform the work anticipated by ISSAI P100 (financial, compliance and performance audits) and, for the three main types of audit, the vast majority of the work is publicly available.



Across OLACEFS a variety of regulatory bodies requirements are used depending on the type of activity. So, for example, for financial work INTOSAI standards and national standards compliant with INTOSAI are equally used (28% each). On the other hand, 38% of the cases for performance audits and 33% for compliance audits use national standards compliant rather than INTOSAI standards, which reach 28% of the cases for both types of audit.

Whilst around 33% of all SAIs undertake quality assurance over the audit we find that across OLACEFS this occurs in 24% of cases

The detailing of the research results, as presented in the next sections of this work, allows us to identify the stage OLACEFS members are in terms of the objective of professionalizing the SAIs and their auditors. One of the most important strengths of the region is the broad use of coordinated audits on topics of high relevance, such as biodiversity and protected areas, renewable energy, gender equality and financial aid oversight during the COVID 19 pandemic, for example, to enhance the professionalization process. Also, the region has conducted a series of capacity building diagnosis which were used to develop three Training Plans along the last 6 years to strengthen the capabilities of SAIs and its auditors.

The data to be presented confirm that the solid foundations necessary for the construction of a global community of SAIs have been built over decades, at the regional level, either through the mandates and powers assigned by national legislation, or by the collective construction of values, principles, professional practices and skills, by the international community of SAIs.

They also suggest, together with the SAI Mission Statement Word Cloud, that there are adequate bases for the aggregation, comparison and synthesis of audit results or other works carried out by OLACEFS members, especially if these are coordinated in advance, considering techniques to be used and the scope for the analysis.



Bearing in mind the existence of this common basis of powers, abilities and areas of activity, it is possible to extract coherent messages about themes of regional and global interest from the set of works produced by the SAIs in the region.

Given the result synthesized above, it is important to note that the potential reach of these messages can be amplified if applied the appropriate communication strategies and discussed in the adequate forums.

Furthermore, recent experience has shown that, in situations in which it is possible to coordinate and synchronize efforts by SAIs at a regional or global level to address issues of mutual interest, the individual results of each SAI have been enriched by the opportunity to contextualize them.

The dialog with multilateral organizations has increased the interest in the work produced by the SAIs and the opportunity to create communication channels for its dissemination.

Furthermore, the collaboration with these institutions has shown that there is great potential to be explored in terms of exchanging information, techniques and knowledge that can contribute to making the work developed by SAIs more robust and effective.

## Overview of Findings for OLACEFS

The findings that follow are analysed against the three themes of: organization (mandate), capacity (inputs), and audit scope (output and portfolio).

### Organization mandate

The organizational context considers the mandate, legal framework, structure and bodies involved that gives a SAI structure and powers. The survey findings show that, in terms of structure, five factors were highly common across the 18 respondents within OLACEFS. These factors were: Is an independent body (94%); Reports to parliament / the legislature (83%); Reports annually on the financial statements of

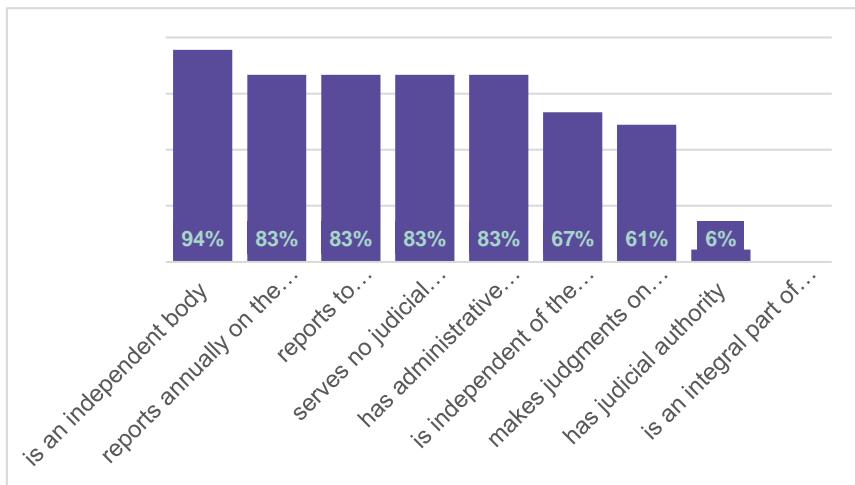


government entities (83%); Serves no judicial function but, when warranted, its findings may be passed to legal authorities for further action (83%); and Has administrative authority (83%). From a structural perspective, two-thirds (67%) are headed by an auditor general. In the other third (33%) of cases there is a board or collegiate structure.

In respect of reporting lines, the vast majority report to parliament (93%), with just one SAI, namely the Bolivarian Republic of Venezuela, doing so within executive government. The survey also revealed that 89% had ‘one auditor general / comptroller / president’, whilst in 67% of cases the high-level structure consisted of ‘one or more deputy or vice auditor / general / comptroller / president’.

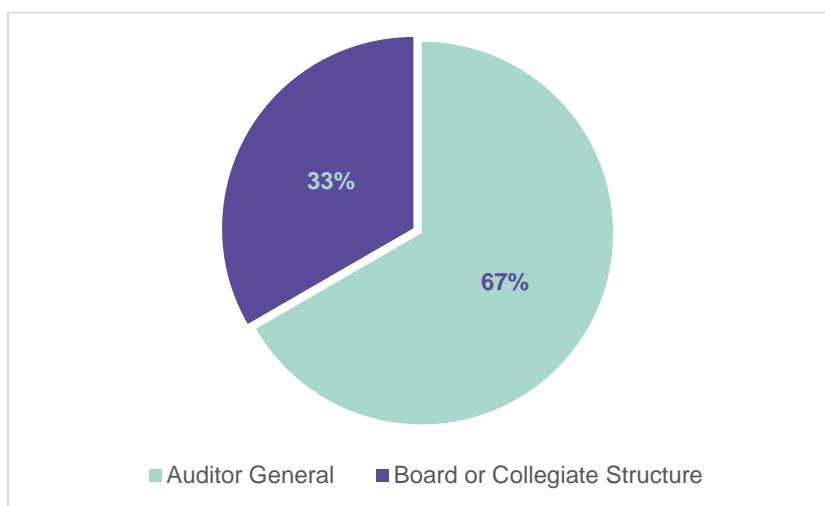
Figure 5 highlights the common characteristics across OLACEFS members. The most common factor that is highly common includes: is an independent body. Other, common traits include: reports annually on the financial statements of government entities, reports to parliament / the legislature, serves no judicial function but, when warranted, its findings may be passed to legal authorities for further action and has administrative authority.

Figure 5. With reference to the current structure of your SAI, please tick the characteristics that describe the structure of your SAI



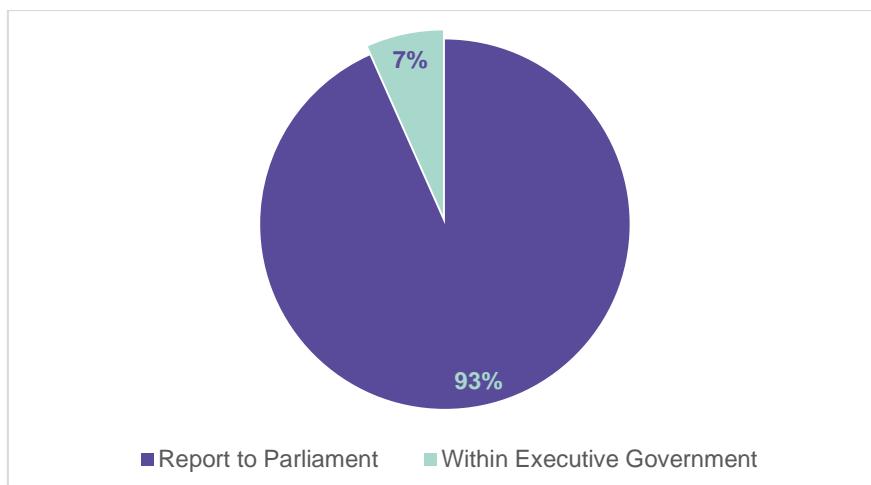
SAIs can be headed either by an auditor general, or there may be a board / collegiate structure. In the case of OLACEFS two-thirds (67%) are headed by an auditor general and a third (33%) have a board or collegiate structure. These results are broadly in line with that for all SAIs, where 70% are led by an auditor general and 30% have a board or collegiate structure.

FIGURE 6. IS THE SAI HEADED BY AN AUDITOR GENERAL, OR IS THERE A BOARD OR COLLEGIALE STRUCTURE?



Audit offices may either report to parliament or be within executive government. What is abundantly clear, in Figure 7 below, is that across OLACEFS respondents are far more likely to report to parliament.

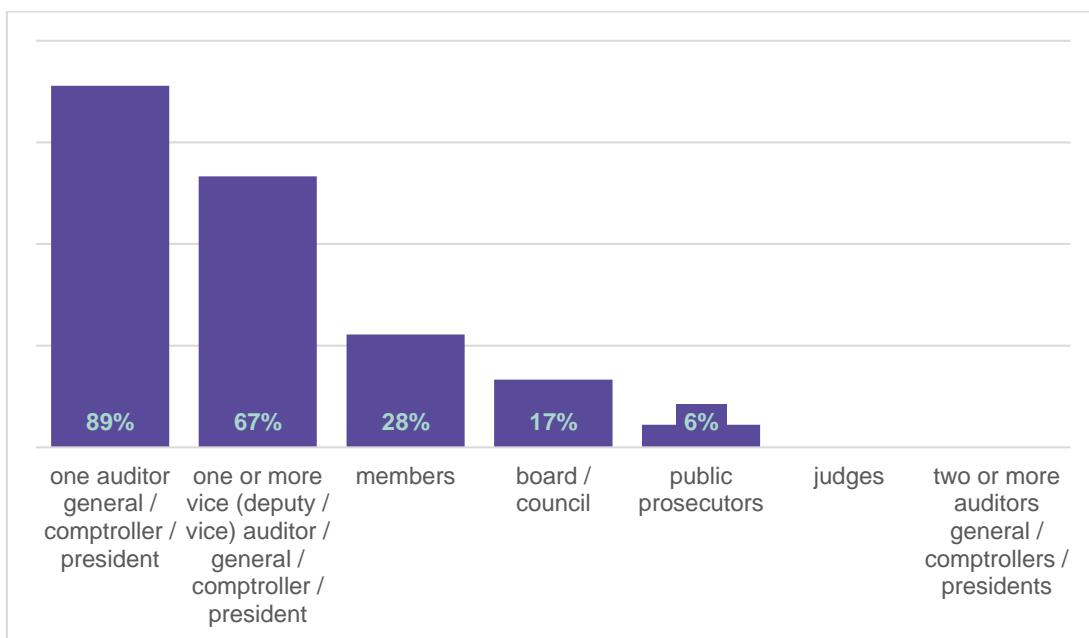
FIGURE 7. DOES THE AUDIT OFFICE REPORT TO PARLIAMENT, OR IS THE AUDIT OFFICE WITHIN EXECUTIVE GOVERNMENT?





Across OLACEFS, we find that some 89% of jurisdictions have one auditor general / comptroller / president. Two-thirds (67%) also have one or more deputy or vice auditor / general / comptroller / president.

FIGURE 8. REGARDING YOUR HIGH-LEVEL ORGANIZATIONAL STRUCTURE, DO YOU HAVE?



## Capacities

Strategically we found that 94% of OLACEFS members had a plan and in 94% of cases that strategic plan was being implemented. From a human resources (HR) perspective, we evaluated the extent to which staff were: subject to the terms and conditions of the country's public / civil service; had salaries benchmarked to equivalent entities / professions; and had undertaken a skills audit of staff competencies. Typically, we found that:

- Around two-thirds of SAIs (61%) have staff subject to the same terms and conditions of the country's public / civil service;
- Staff have had their salaries benchmarked to equivalent entities / professions (Yes [39%]; Partially [28%]); and
- Only the SAI in Mexico had fully undertaken a skills audit of staff competencies, with a further 8 (47%) having done so partially.

Continuing on the HR theme, staff were most likely to be either accountants or lawyers. Some 68% were likely to be qualified to at least



graduate level. Furthermore, around 54% held a professional qualification (more than any other region) and 30% held a post-graduate qualification.

The survey enquired about the status of the SAIs in relation to determination of budgets, whether it periodically undertakes independent assessment of its own performance, and regarding access to data.

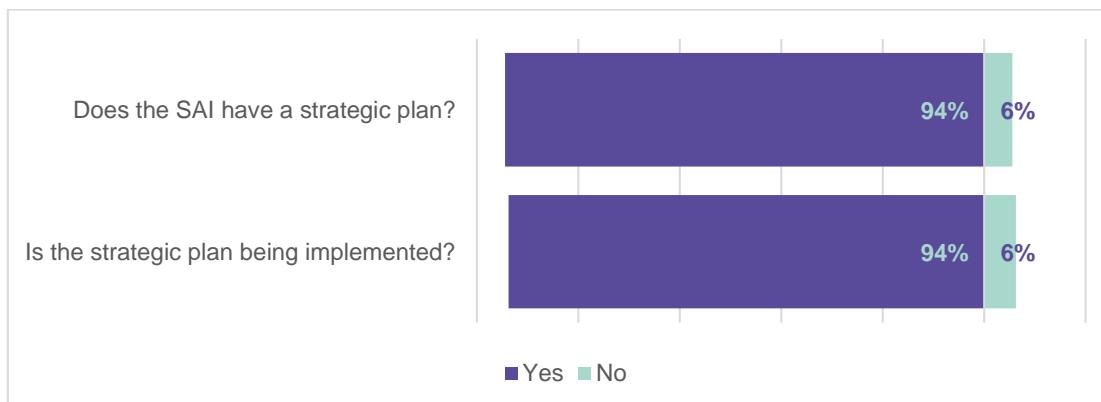
Reassuringly some 89% of all SAIs stated 'yes' in response to the question 'Is the SAI able to determine how its own budget will be spent?'. Only Belize and Cuba responded no.

In response to the challenge 'Does the SAI periodically undertake independent assessment of its own performance through, for example, SAI-PMF, peer reviews etc' our survey found that close to three-quarters (72%) did so.

From an ICT perspective, the picture was quite varied. Typically, some 88% were able to access all necessary data centrally onsite, whereas the ability to do the same from any satellite office was at 63% and some 67% were able to access all necessary data remotely anywhere. This suggests OLACEFS are the most advanced region from an ICT perspective.

Overall, our survey found that 95% of all SAIs have a strategic plan with 92% implementing them. By comparison and somewhat similarly, across OLACEFS, 94% have a strategic plan and 94% are implementing them.

FIGURE 9. STRATEGY



The organizational mandate provides the powers to undertake work in the accountability space. However, the critical ingredient to fulfil the mandate effectively is having the relevant resources. To assess this the capacity

section included consideration around funding arrangement and the type of opportunity for having the right staff and skills for the work needed.

Furthermore, to demonstrate that SAIs are working effectively the quality of the SAI work needs to be independently validated.

The key challenge in many jurisdictions is that although the SAIs have legal independence they are still subject to the government salary structures. In many jurisdictions, this can create a challenge to recruit and retain professional qualified staff at salaries that may not be appropriate. Figure 10 to Figure 16 overleaf and following, illustrate the position across the region for a range of pertinent factors.

FIGURE 10. ARE YOUR STAFF SUBJECT TO THE TERMS AND CONDITIONS OF THE COUNTRY'S PUBLIC / CIVIL SERVICE?

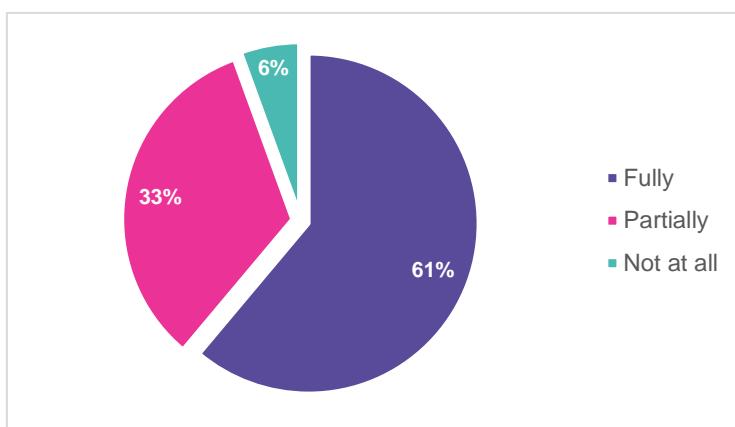


FIGURE 11. HAVE YOU HAD YOUR SALARIES BENCHMARKED TO EQUIVALENT ENTITIES / PROFESSIONS?

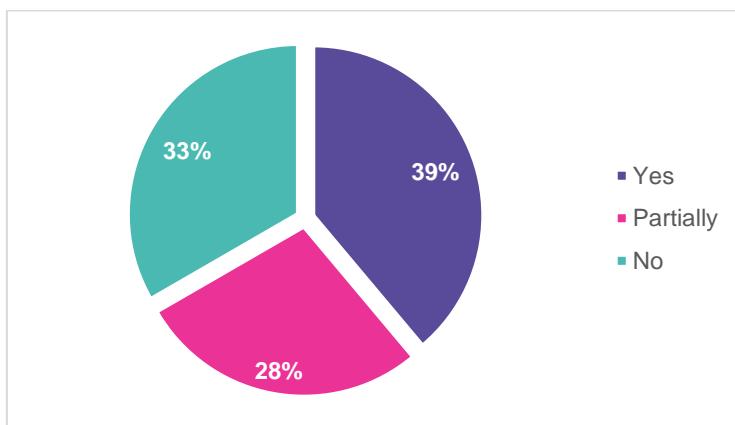


FIGURE 12. HAS THE SAI UNDERTAKEN A SKILLS AUDIT OF STAFF COMPETENCIES?

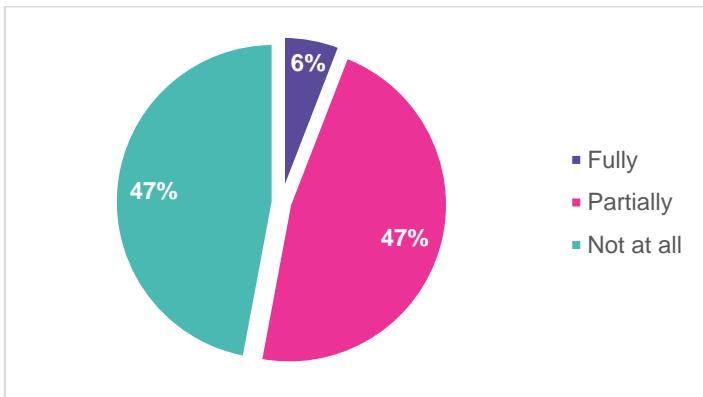


FIGURE 13. WHAT ARE THE MAIN CATEGORIES OF PROFESSION EMPLOYED IN THE SAI?

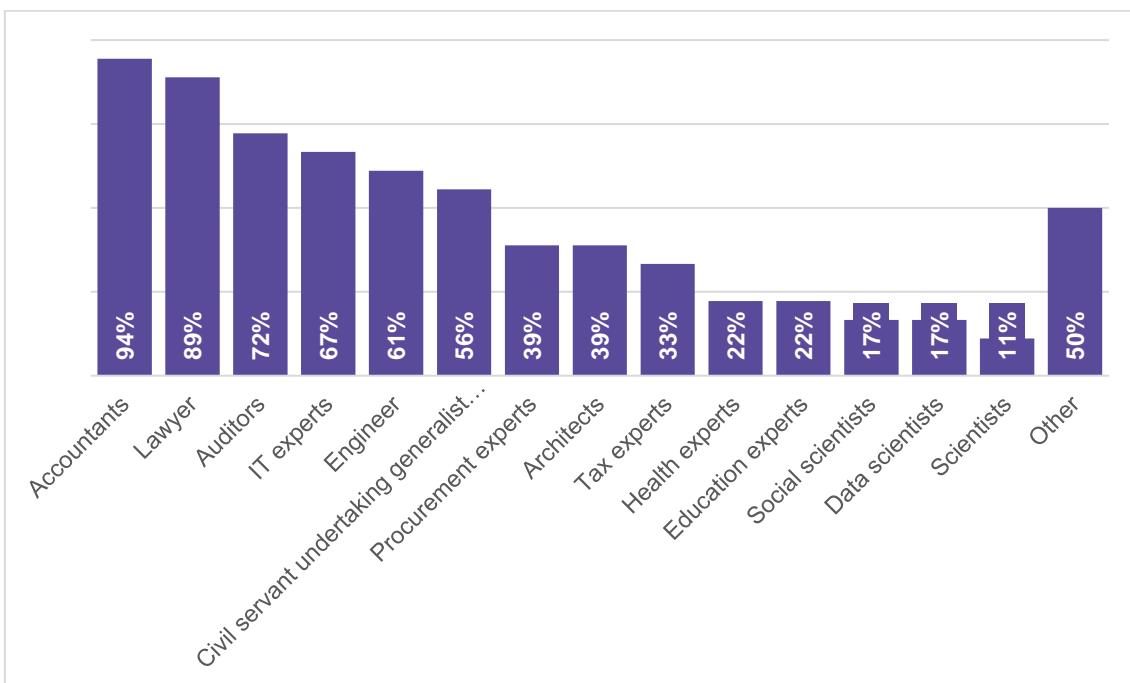


FIGURE 14. FOR THE PROFESSIONAL STAFF EMPLOYED BY THE SAI: PLEASE INDICATE THE PROPORTION OF STAFF WHO ARE QUALIFIED TO AT LEAST GRADUATE LEVEL

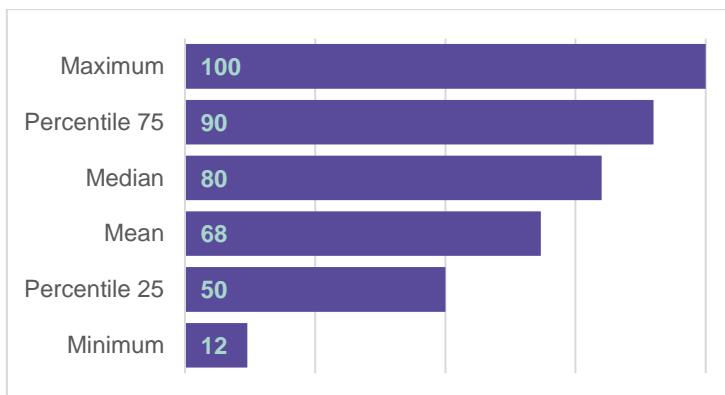


FIGURE 15. FOR THE PROFESSIONAL STAFF EMPLOYED BY THE SAI: PLEASE INDICATE THE PROPORTION OF STAFF WHO HOLD PROFESSIONAL QUALIFICATIONS

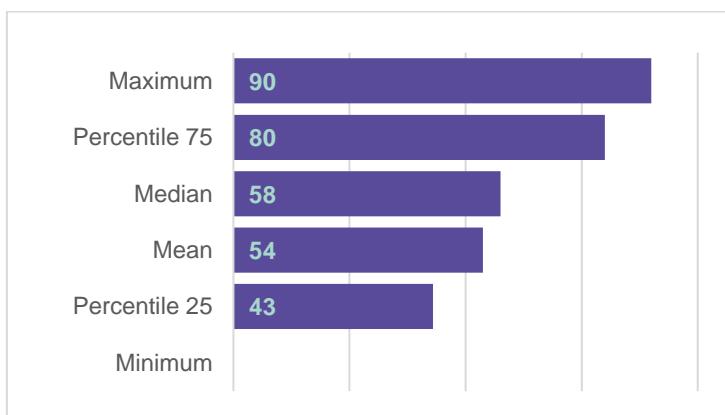
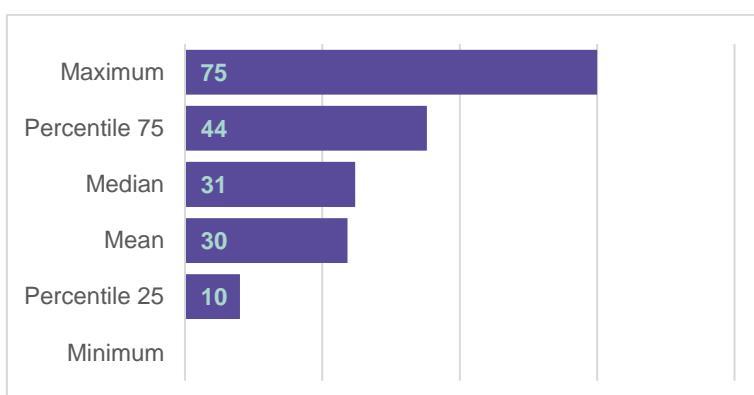
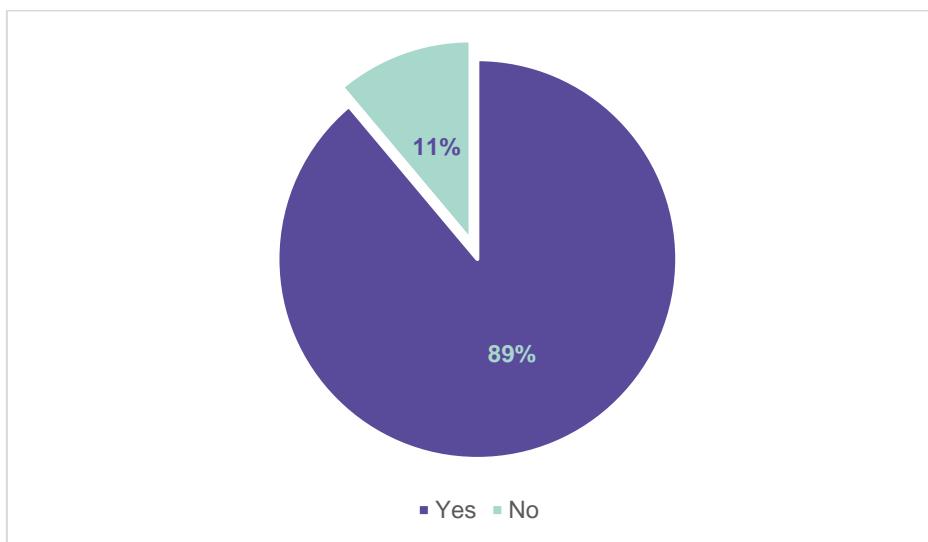


FIGURE 16. FOR THE PROFESSIONAL STAFF EMPLOYED BY THE SAI: PLEASE INDICATE THE PROPORTION OF STAFF WHO HOLD POST-GRADUATE QUALIFICATIONS (OTHER THAN PROFESSIONAL QUALIFICATIONS)



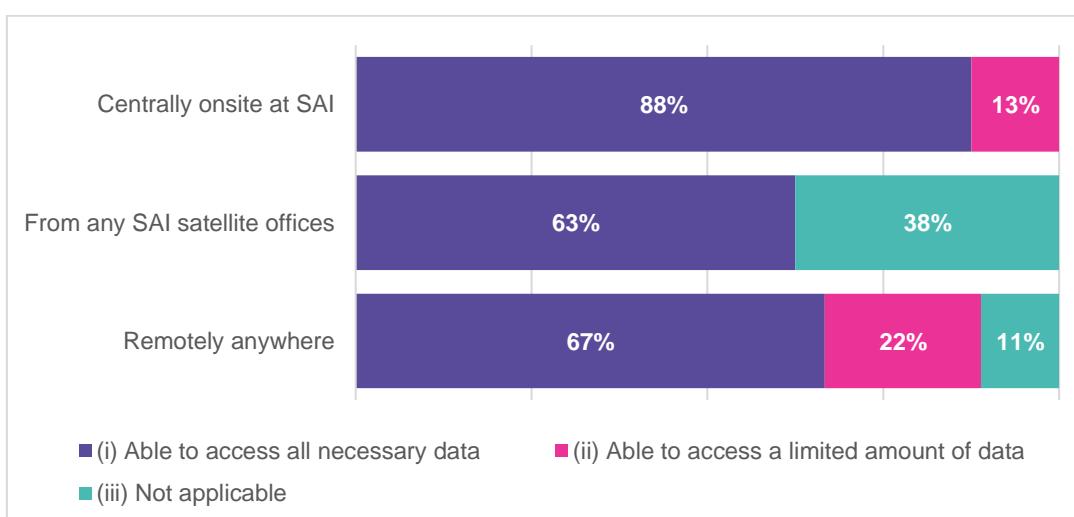
In respect of budget autonomy, results for members of OLACEFS are broadly in line with that of all SAIs, i.e. 89% are able to determine how the budget will be spent for OLACEFs compared with 85% for all SAIs.

**FIGURE 17. IS THE SAI ABLE TO DETERMINE HOW ITS OWN BUDGET WILL BE SPENT?**



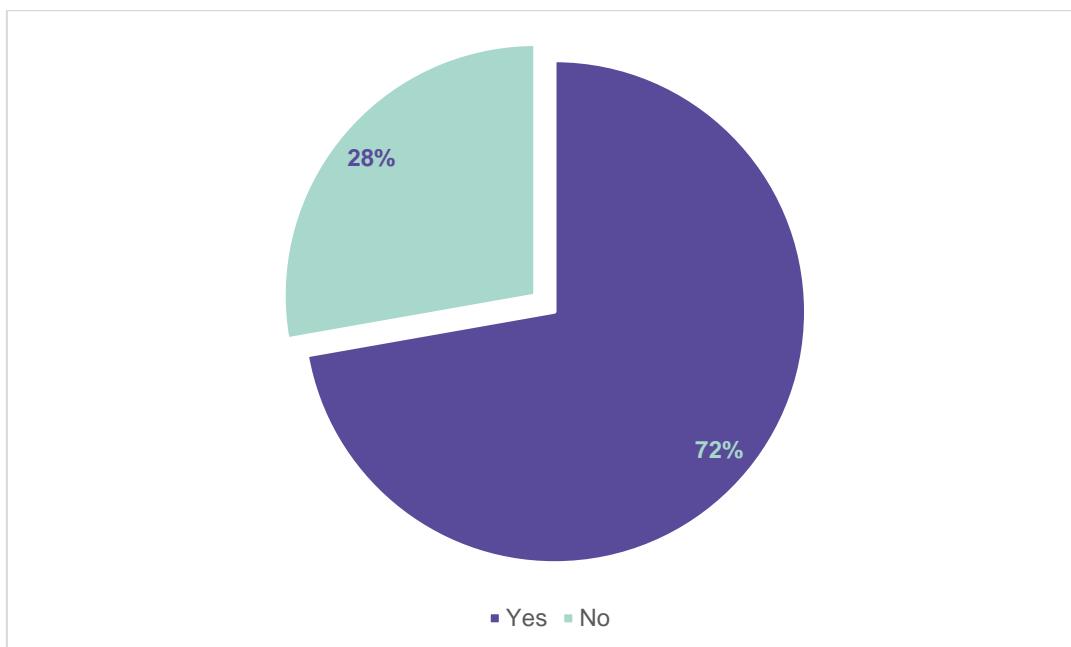
From an information communication technology (ICT) perspective, OLACEFS members are generally able to access all necessary data from a variety of venues / sites. Certainly, in comparison with the other regions, jurisdictions within OLACEFS score highly in this respect.

**FIGURE 18. FROM WHERE CAN YOU ACCESS DATA ELECTRONICALLY?**



Typically, some 75% of all SAIs periodically undertake independent assessment of their own performance. By comparison, some 72% of OLACEFS members do so, i.e. at a similar level.

FIGURE 19. DOES THE SAI PERIODICALLY UNDERTAKE INDEPENDENT ASSESSMENT OF ITS OWN PERFORMANCE THROUGH, FOR EXAMPLE, SAI-PMF, PEER REVIEWS, ICBF?



### Audit scope, products and reporting

OLACEFS members are predominantly in a position of being able to decide which standards to apply when undertaking work, with some 72% reporting that they 'decide for themselves'. In all other cases, the choice of standards is 'written into law'.

In terms of the audits being carried out three types occur in almost all SAIs across OLACEFS. These are: Financial audits (94%); Performance audits (94%); and Compliance audits (89%). Although there are other types of audit undertaken, including:

- Responding to public / other requests (public interest reports), 61%;
- Investigation powers, 56%;
- Non-audit (other), 44%;
- Regulatory responsibilities, 44%;



- Preparing specific reports not related to underlying audits, 39%;
- Specialized audit responsibilities e.g. environmental mandate, 39%; and
- Anti-corruption, 33%.

Furthermore, the extent to which SAIs are mandated to carry out these audits also varies quite extensively, with table 8 below illustrating this point.

TABLE 3. LEGAL MANDATE TO AUDIT

| <i>Entity / institution</i>                                     | <b>Yes</b> | <b>No</b> |
|---|------------|-----------|
| <i>Federal or national level</i>                                | 100%       | 0%        |
| <i>Other public sector agencies</i>                             | 100%       | 0%        |
| <i>Public companies / parastatals or state-owned enterprise</i> | 94%        | 6%        |
| <i>Local or municipal level</i>                                 | 89%        | 11%       |
| <i>Regional level, state, provincial, territory</i>             | 88%        | 13%       |
| <i>Central bank</i>   | 75%        | 25%       |

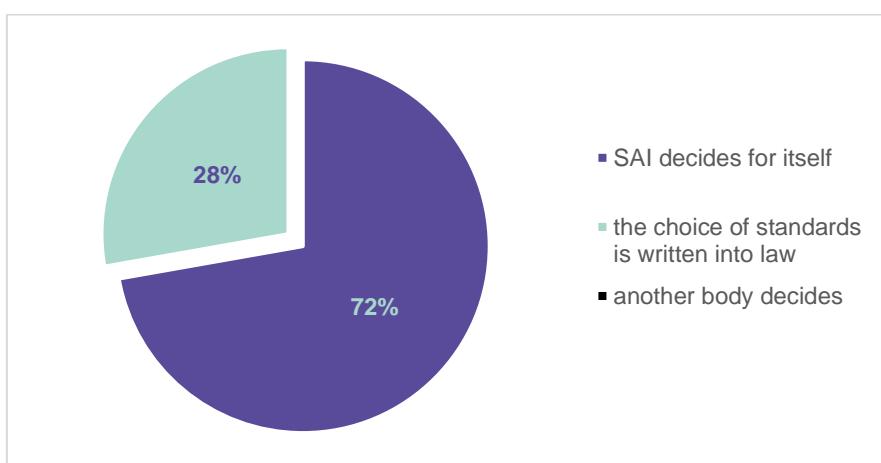
We asked OLACEFS members to provide copies of their mission statements. The size of the word reflects the frequency of use within the statements. Please note that the majority of responses were provided in Spanish, these have been translated into English.

FIGURE 20. OLACEFS MISSION STATEMENT WORD CLOUD



Across OLACEFS, we find that there is a 72% chance of jurisdictions being able to decide independently which standards to apply. By comparison, some 78% of all SAIs are able to do so. This suggests that, for OLACEFS, their ability to decide for themselves which standards to apply is slightly more limited.

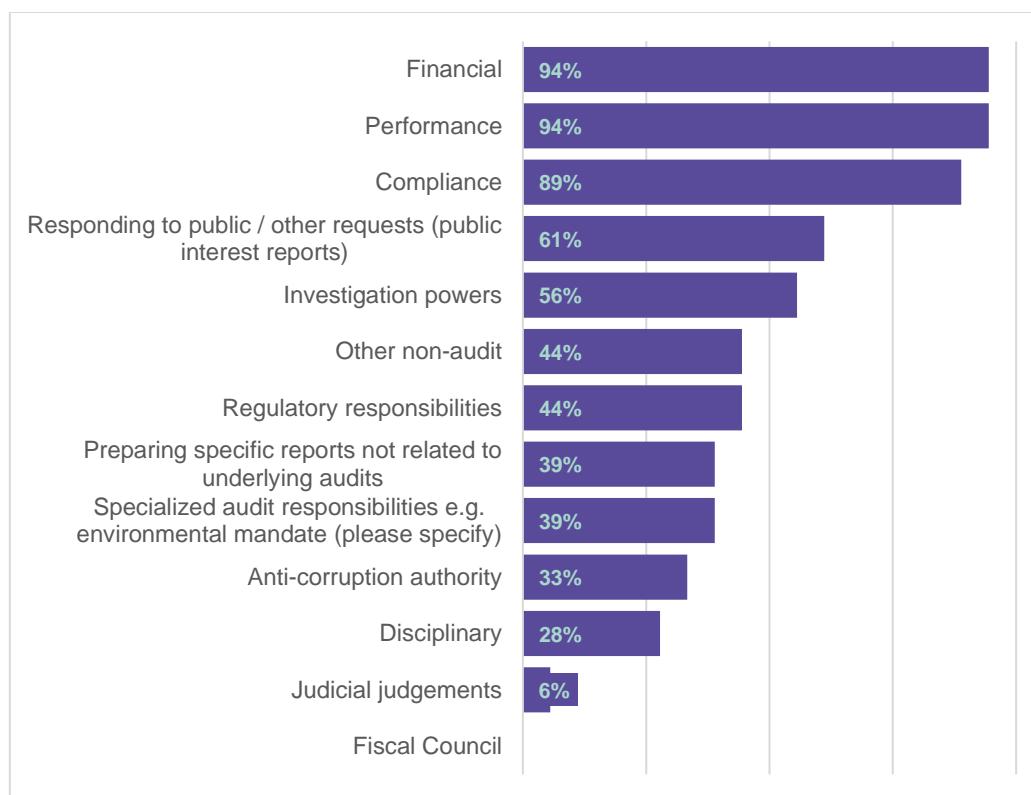
FIGURE 21. IS YOUR SAI ABLE TO DECIDE INDEPENDENTLY WHICH STANDARDS (SUCH AS ISSAIS OR ISAS) TO APPLY WHEN UNDERTAKING YOUR WORK, OR DOES ANOTHER BODY DECIDE WHICH STANDARDS YOU WILL USE, OR IS IT WRITTEN INTO LAW WHICH STANDARDS WILL BE USED?





As can be seen, in Figure 22 below, OLACEFS members more or less all perform the work anticipated by ISSAI P100, i.e. financial, performance and compliance. Furthermore, in comparison with other SAIs we find that OLACEFS members carry out more of the following: Responding to public / other requests (public interest reports); Investigation power; Other non-audit; Regulatory responsibilities; Preparing specific reports not related to underlying audits; Specialized audit responsibilities e.g. environmental mandate (please specify); Anti-corruption authority; and disciplinaries.

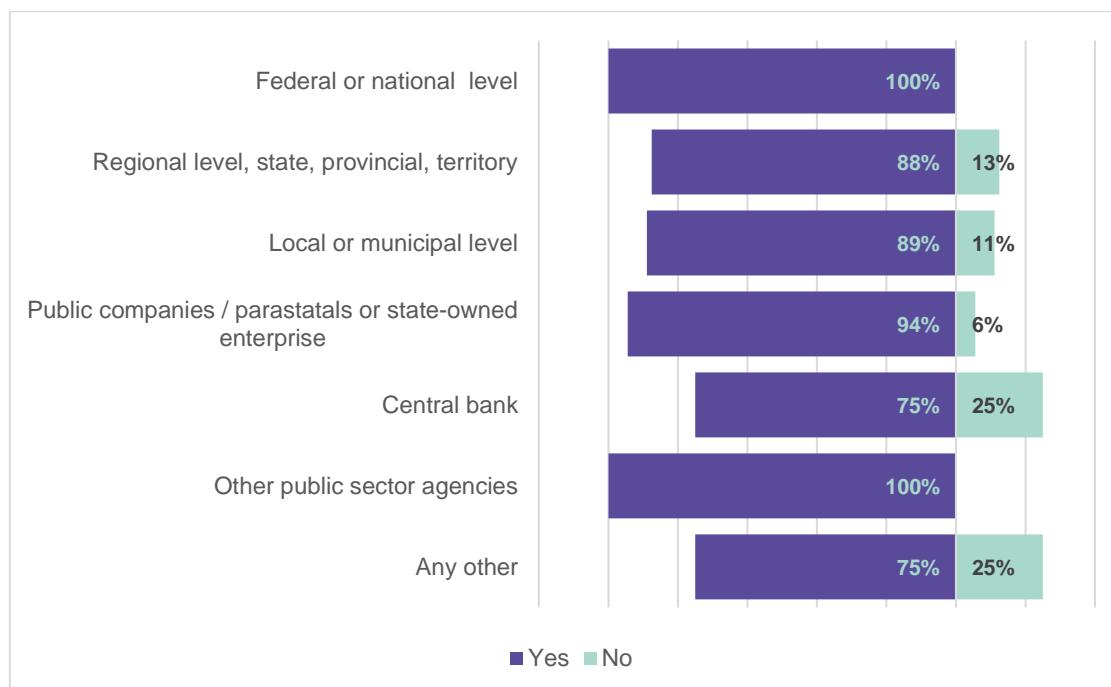
FIGURE 22. ALONG WITH PERFORMING AUDIT OF THE ANNUAL BUDGET AND RELATED EXPENDITURE, WHICH OF THE FOLLOWING RESPONSIBILITIES DOES THE SAI HAVE?



Survey respondents across OLACEFS indicated that their mandates to audit, in terms of coverage and scope, are quite varied. At a federal or national level and for other public sector agencies this mandate is at 100%. Furthermore, this mandate is also quite high in respect of audits of public companies / parastatals or state-owned enterprises.

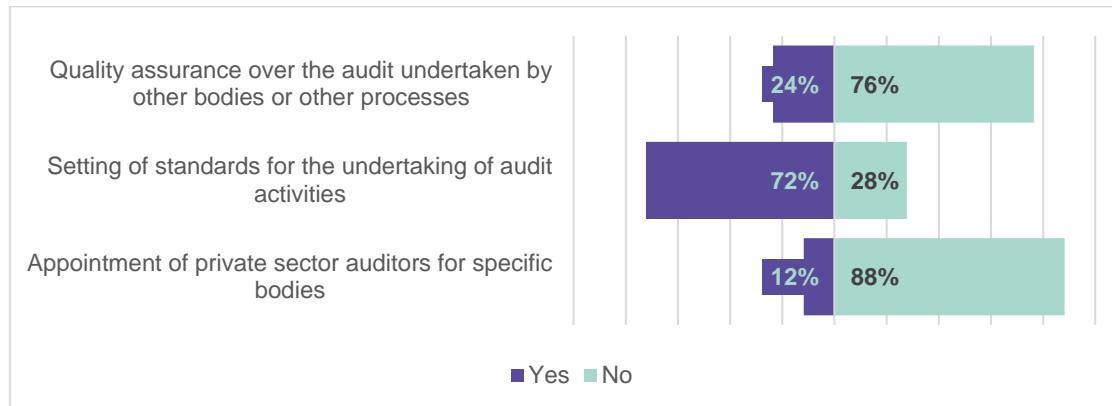


FIGURE 23. DOES YOUR SAI HAVE THE LEGAL MANDATE TO CARRY OUT AUDIT ON THE FOLLOWING ENTITIES/INSTITUTIONS/LEVELS E.G. CENTRAL, LOCAL ETC.?



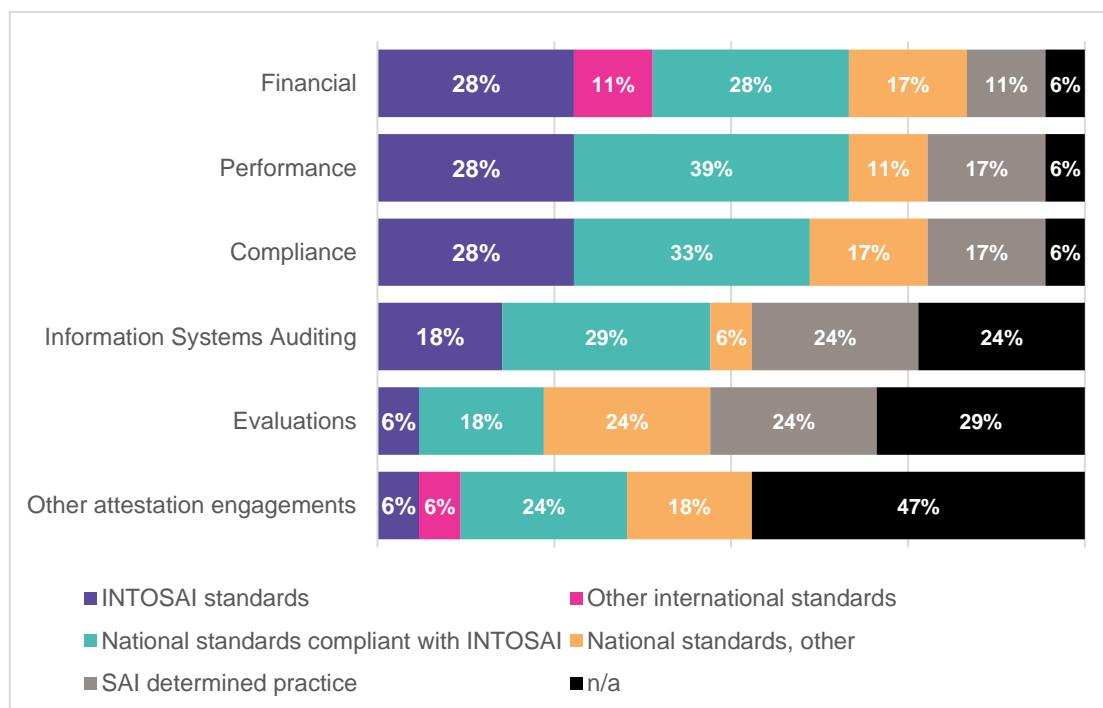
Typically, whilst around 33% of all SAIs undertake quality assurance over the audit we find that across OLACEFS this occurs in 24% of cases. Furthermore, in respect of setting of standards a significantly larger proportion of OLACEFS members carry these out (72%) compared to all other SAIs (50%). Finally, with regard to the appointment of private sector auditors, this only occurs in 12% of all cases across OLACEFS, compared with 27% for all SAIs.

**FIGURE 24. DOES YOUR SAI HAVE OTHER RESPONSIBILITIES OVER OTHER LEVELS OF GOVERNMENT OR PUBLIC SECTOR ENTITIES AS FOLLOWS?**



Across OLACEFS a variety of regulatory bodies requirements are used depending on the type of activity. So, for example, for financial work INTOSAI standards and national standards compliant with INTOSAI are equally used. Whereas for both performance and compliance audits national standards compliant with INTOSAI are more popular than INTOSAI standards.

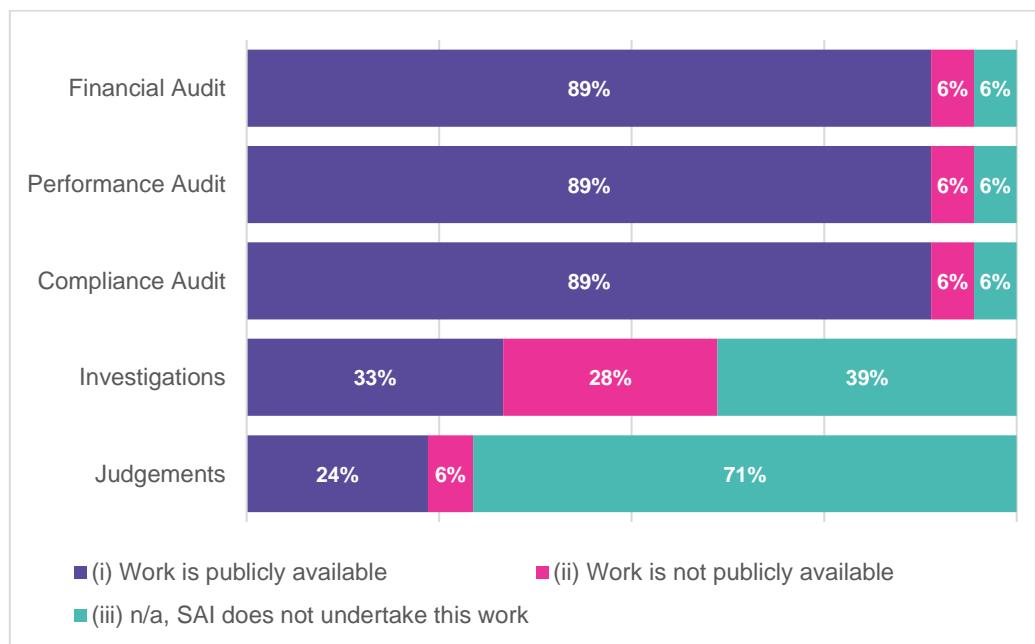
**FIGURE 25. FOR THE DIFFERENT TYPES OF SAI ACTIVITIES PLEASE STATE THE REGULATORY BODY /REQUIREMENTS USED AS A BASIS OF THE WORK PERFORMED**





Somewhat reassuringly, for the three main types of audit, the vast majority is publicly available (89%).

FIGURE 26. FOR THE FOLLOWING AREAS OF WORK, PLEASE INDICATE IF THE WORK (OR THE RESULTS OF THE WORK) OF YOUR SAI IS PUBLICLY AVAILABLE (FOR EXAMPLE, BY MAKING A REPORT AVAILABLE ON THE INTERNET, OR BY REPORTING TO AN OPEN PARLIAMENTARY SESSION)



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