

QUALITY CONTROL & ASSURANCE

APIPA, August 2020



*"Pacific Auditors Working
Together"*

Session 1

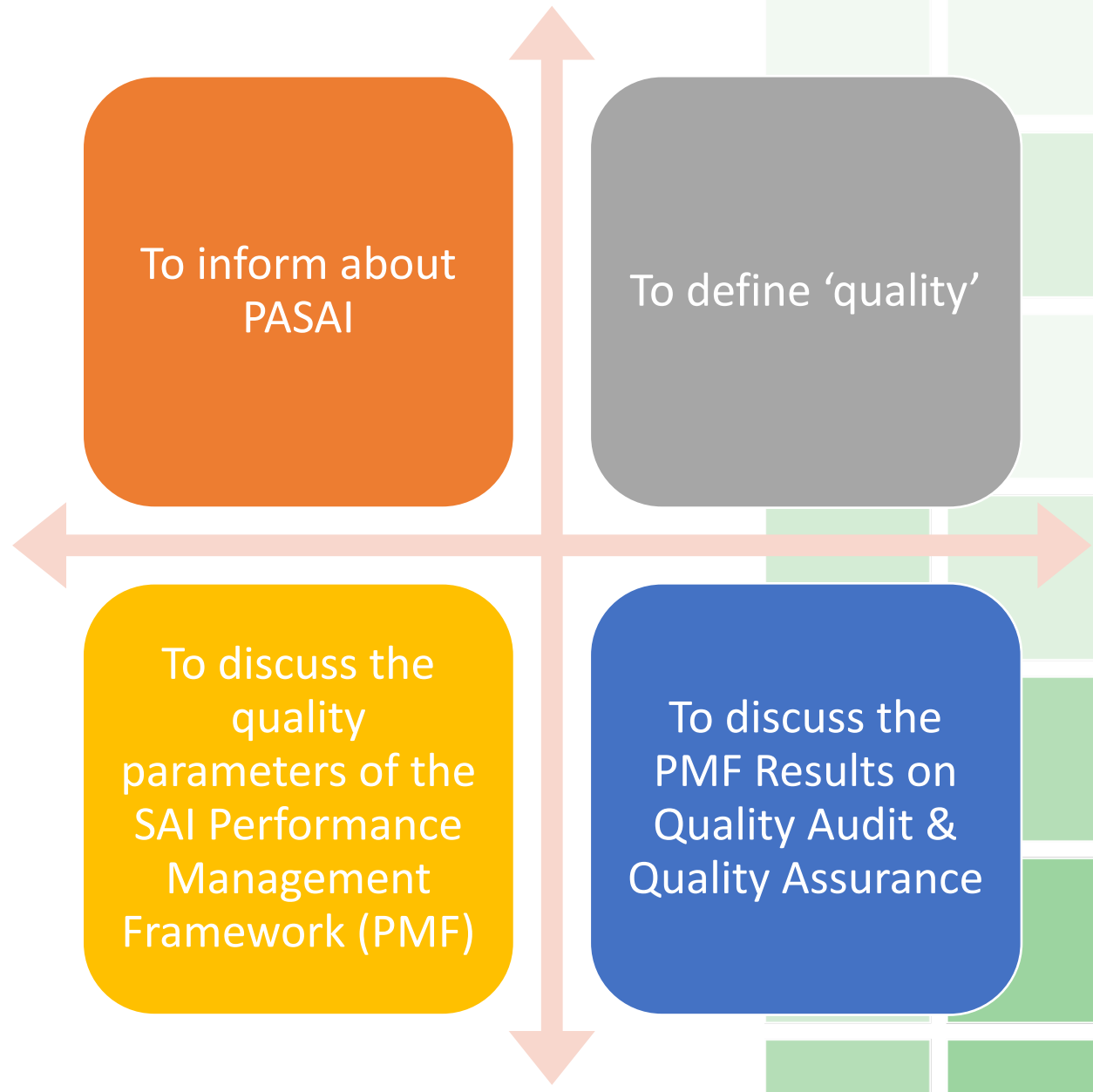
Session 1 Objectives

To inform about
PASAI

To define 'quality'

To discuss the
quality
parameters of the
SAI Performance
Management
Framework (PMF)

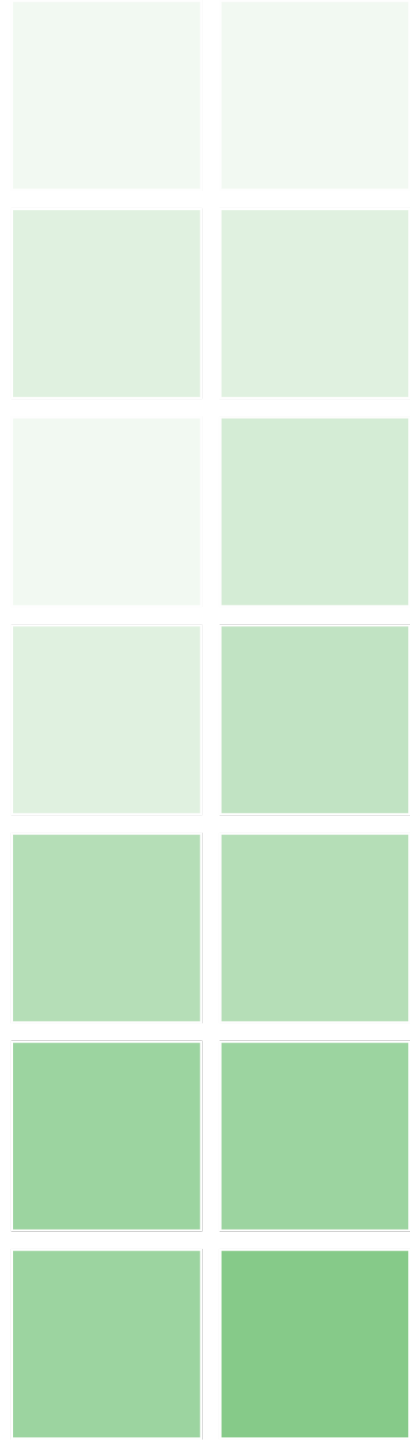
To discuss the
PMF Results on
Quality Audit &
Quality Assurance



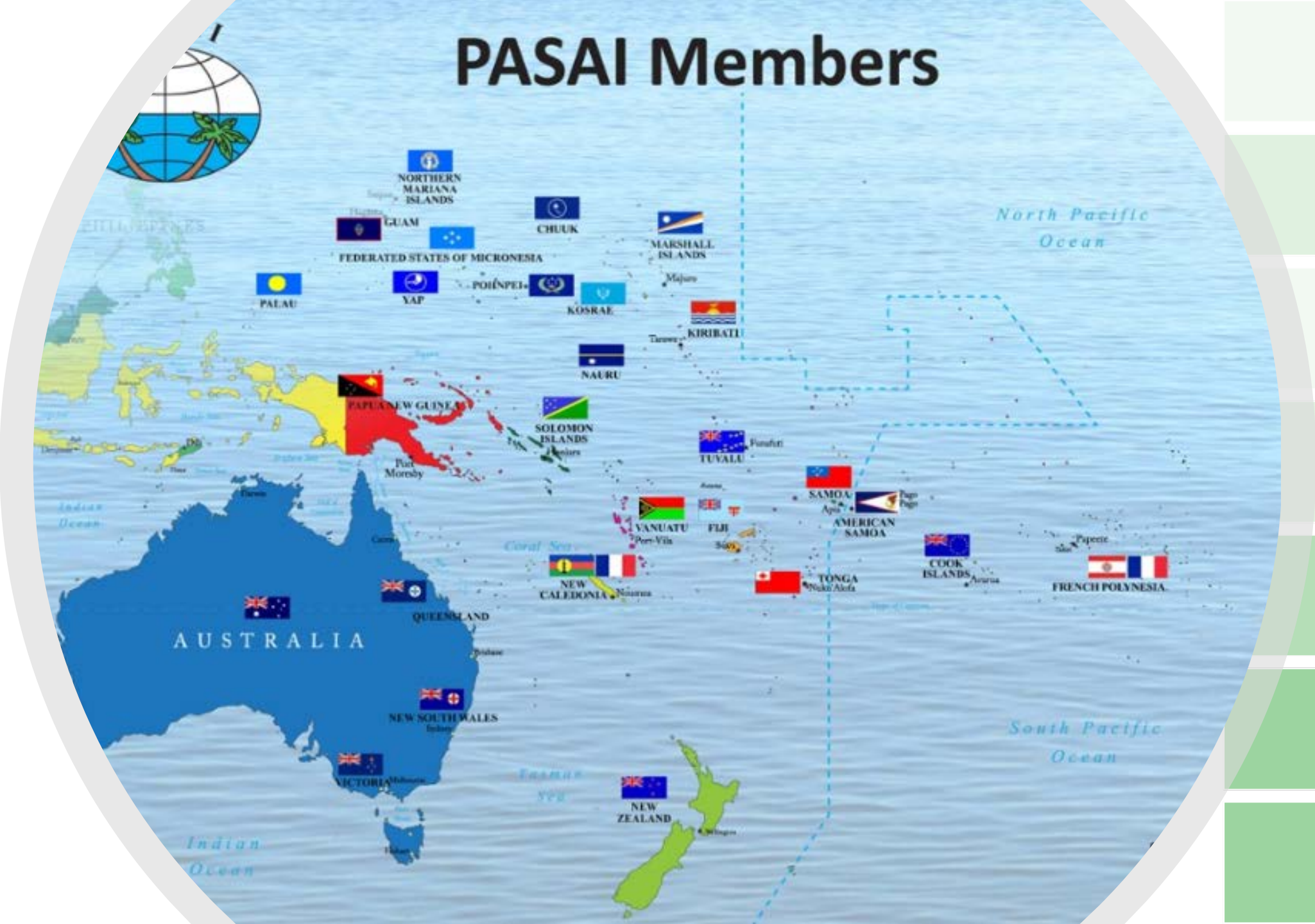
About PASAI

- ✓ The Pacific Association of Supreme Audit Institutions (PASAI) is the official association of supreme audit institutions (SAIs) in the Pacific region.
- ✓ PASAI- regional for International Organisation of Supreme Audit Institutions (INTOSAI).
- ✓ PASAI promotes transparent, accountable, effective, and efficient use of public sector resources in the Pacific.
- ✓ It contributes to that goal by helping its member SAIs improve the quality of public sector auditing in the Pacific to recognised high standards.
- ✓ Secretariat is based in Auckland, New Zealand.

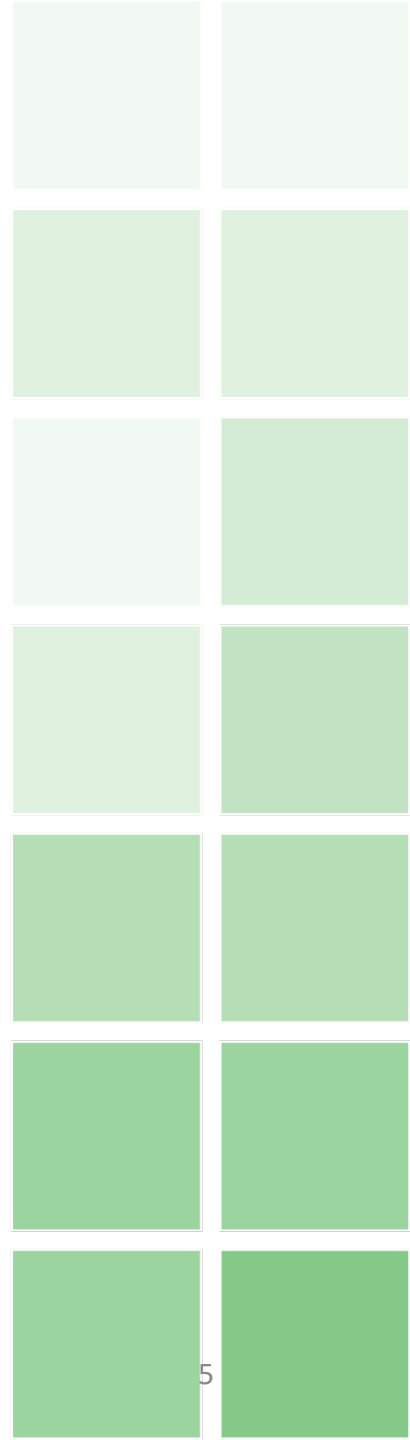
- ✓ Website: www.pasai.org



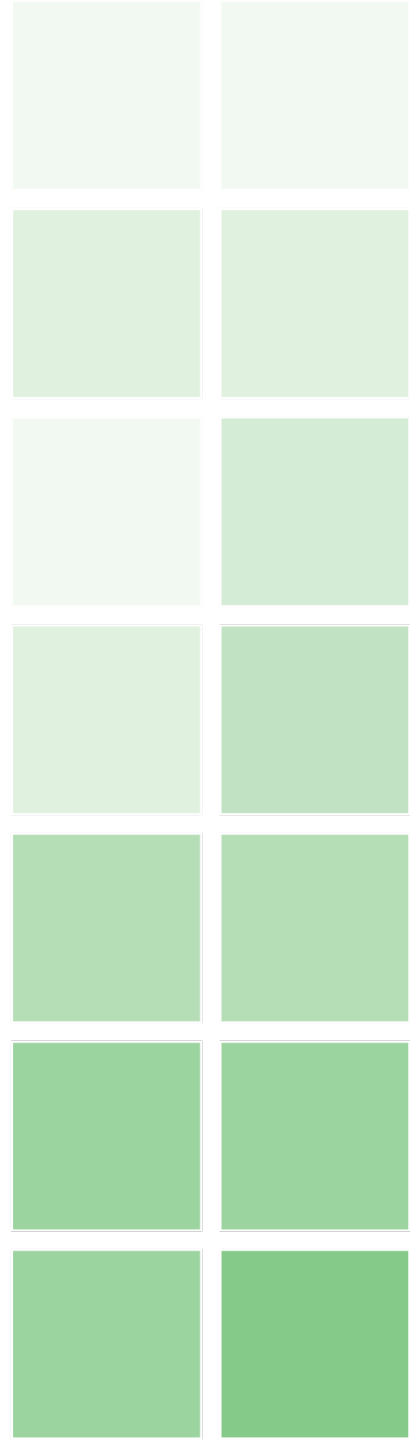
PASAI Members



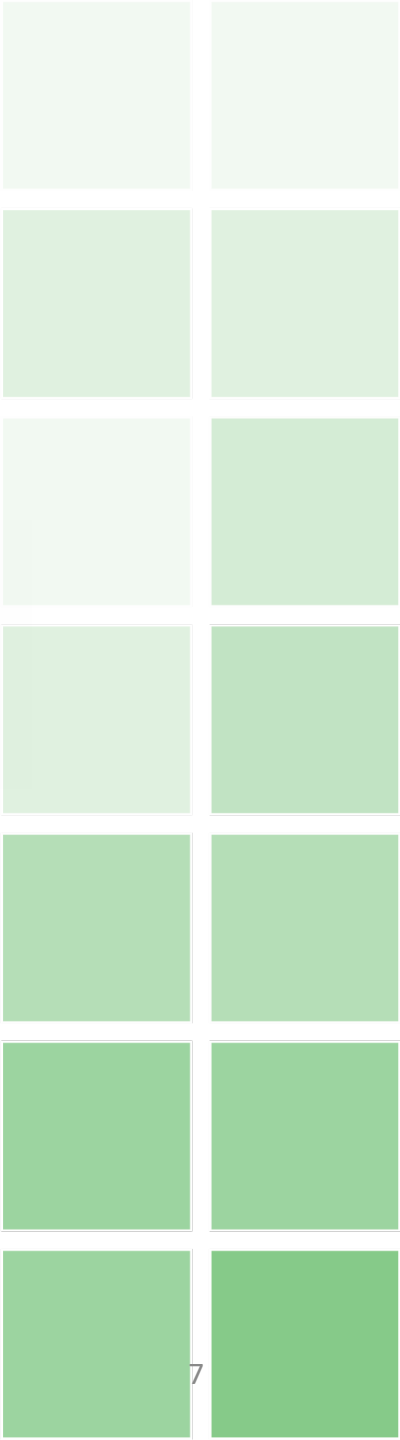
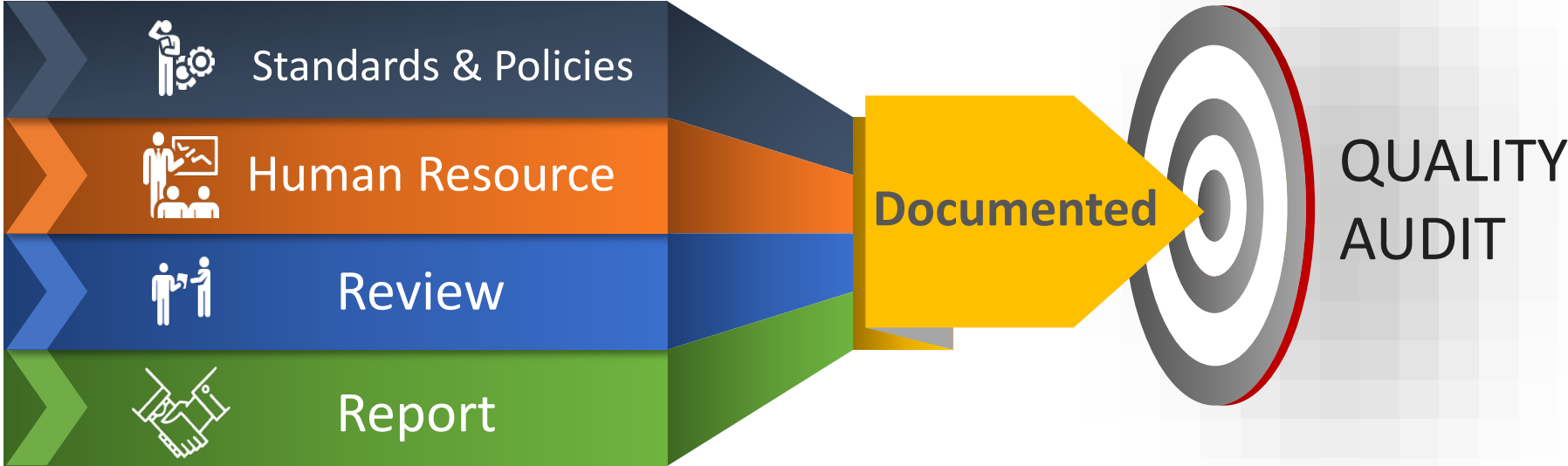
What does 'quality' mean?



Supreme Audit Institutions (SAIs) & Quality Control



SAI PMF Criteria - Quality audits



1. Standards & Policies



2. Audit Team Management & Skills



system to ensure audit team collectively have the appropriate competence & capabilities



Proper training of audit team



Understand accounting and auditing standards, legal and regulatory framework



Technical expertise & knowledge of the industry



Understand Quality Control policies & procedures of the SAI



Technical knowledge to develop audit strategy & plan

3. Review



All work done subject to a review process



To ensure work is done in line with the QC procedures of the SAI



Must be documented.



Independent peer review

PASAI

Performance Measurement Framework (PMF)

20 participating SAIs

17 SAIs already assessed

3 yet to be assessed

PMF includes Assessment of Quality
Control at SAI level

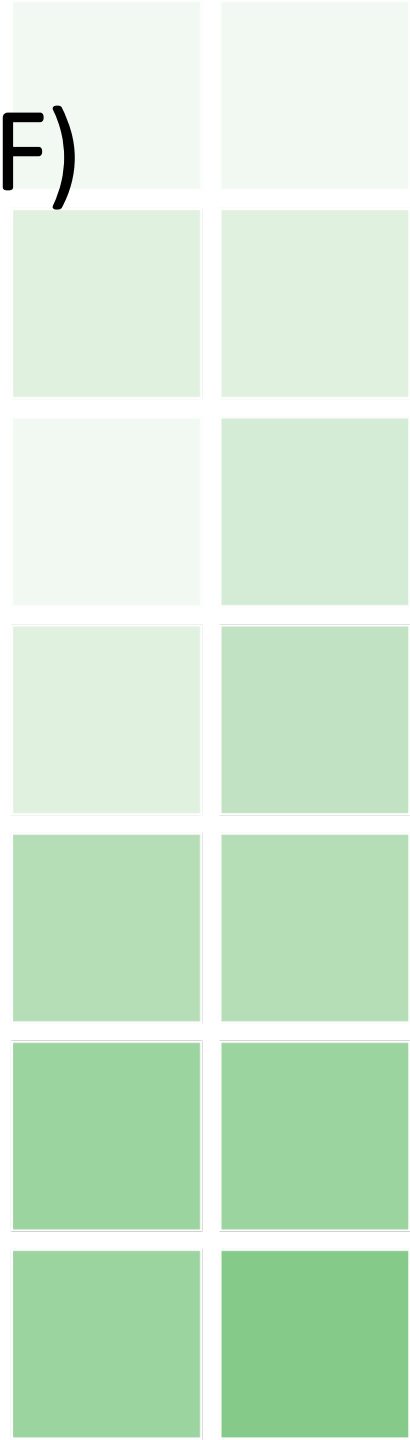
Performance Management Framework - INDICATORS

Indicator	Indicator Name	Indicator	Indicator Name
Domain A	Independence and Legal Framework	Domain C	Audit Quality and Reporting (cont)
SAI-1	Independence of the SAI	SAI-14	Performance Audit Results
SAI-2	Mandate of the SAI	SAI-15	Compliance Audit Standards and Quality Management
Domain B	Internal Governance and Ethics	SAI-16	Compliance Audit Process
SAI-3	Strategic Planning Cycle	SAI-17	Compliance Audit Results
SAI-4	Organizational Control Environment	SAI-18	Jurisdictional Control Standards and Quality Management
SAI-5	Outsourced Audits	SAI-19	Jurisdictional Control Process
SAI-6	Leadership and Internal Communication	SAI-20	Results of Jurisdictional Control
SAI-7	Overall Audit Planning	Domain D	Financial Management, Assets and Support Services
Domain C	Audit Quality and Reporting	SAI-21	Financial Management, Assets and Support Services
SAI-8	Audit Coverage	Domain E	Human Resources and Training
SAI-9	Financial Audit Standards and Quality Management	SAI-22	Human Resources Management
SAI-10	Financial Audit Process	SAI-23	Professional Development and Training
SAI-11	Financial Audit Results	Domain F	Communication and Stakeholder Management
SAI-12	Performance Audit Standards and Quality Management	SAI-24	Communication with the Legislature, Executive and Judiciary
SAI-13	Performance Audit Process	SAI-25	Communication with the Media, Citizens and Civil Society Organizations

Performance Measurement Framework (PMF)

Quality Control – Performance Measures

1. SAI-4: Organisational Control Environment
2. SAI-5: Outsourced Audits
3. SAI-9: Financial Audit Standards & Quality Management
4. SAI-12: Performance Audit Standards & Quality Management
5. SAI-15: Compliance Audit Standards & Quality Management



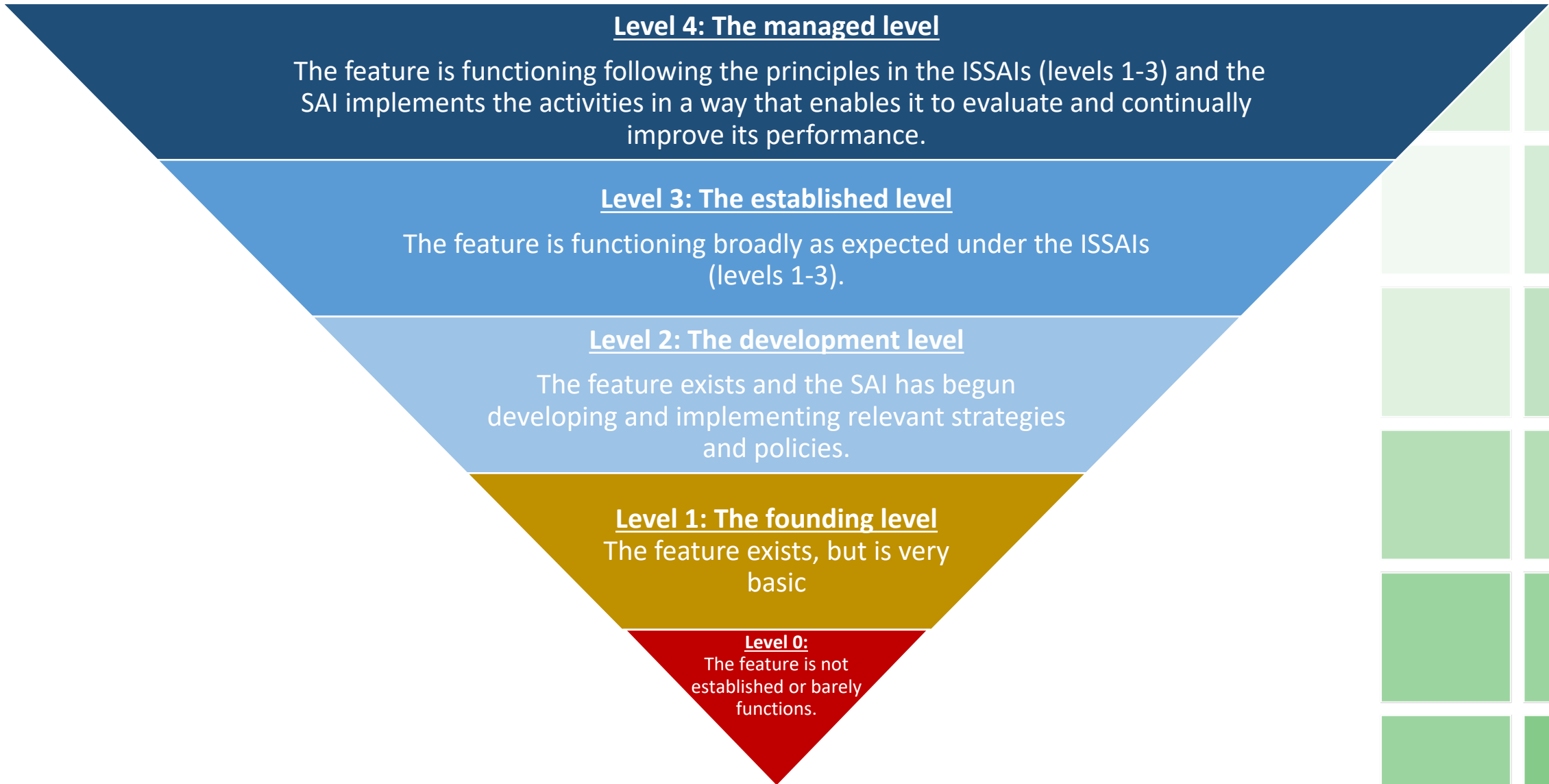
Performance Measurement Framework (PMF)

Quality Control – Performance Measures

Scoring & Description

- Score 0 QC Feature is not established or barely functions
- Score 1 QC Feature is at the founding Level
- Score 2 QC Feature is at the development Level
- Score 3 QC Feature is at the established Level
- Score 4 QC Feature is at the managed Level
- NA SAI Not Assessed

Scoring Levels



Performance Measurement Framework (PMF)

Quality Control – Performance Measures

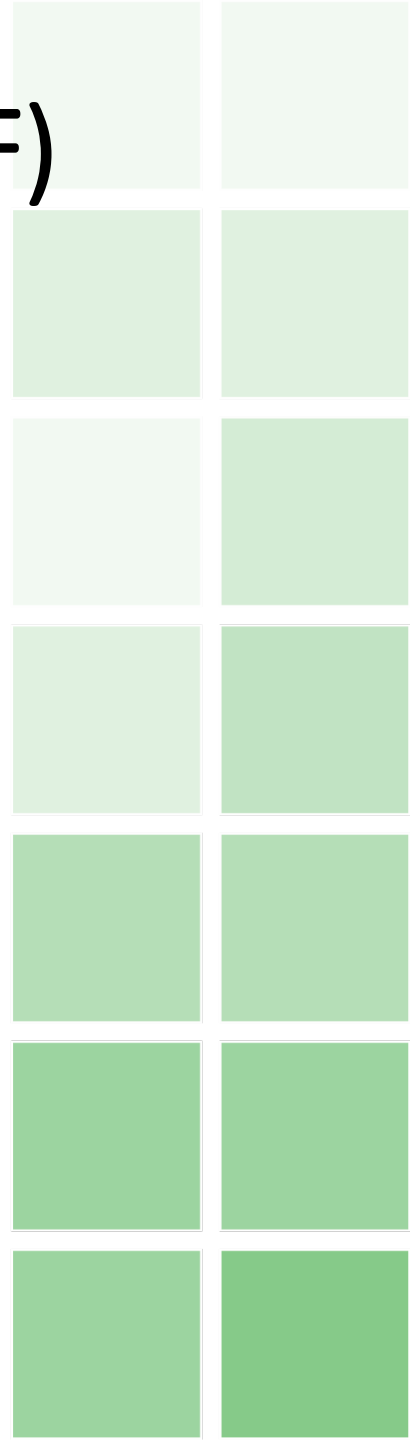
1. SAI-4:Quality Control Systems

Internal Control Environment - Dimension 1

System of Internal Control - Dimension 2

Quality Control System - Dimension 3

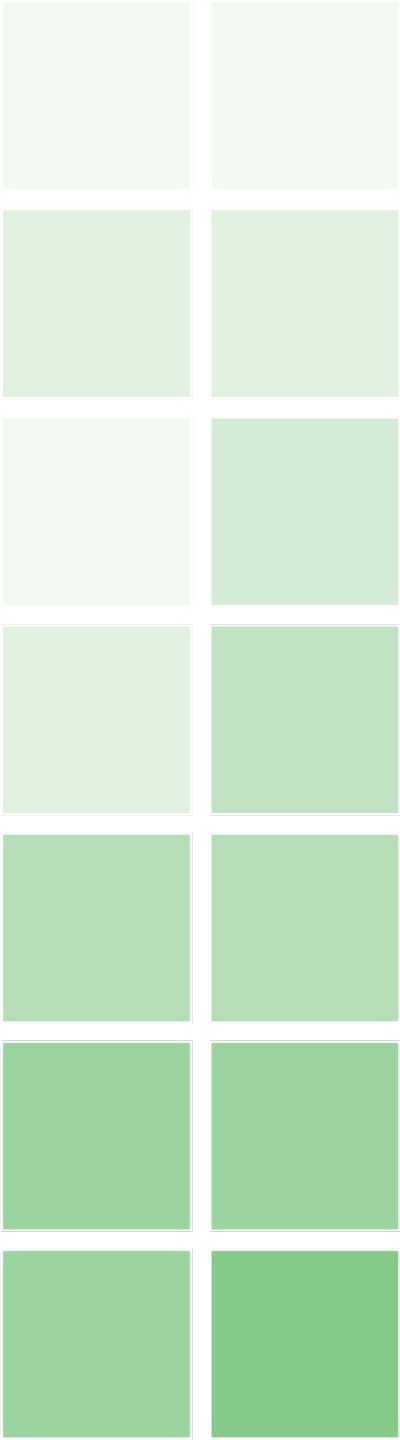
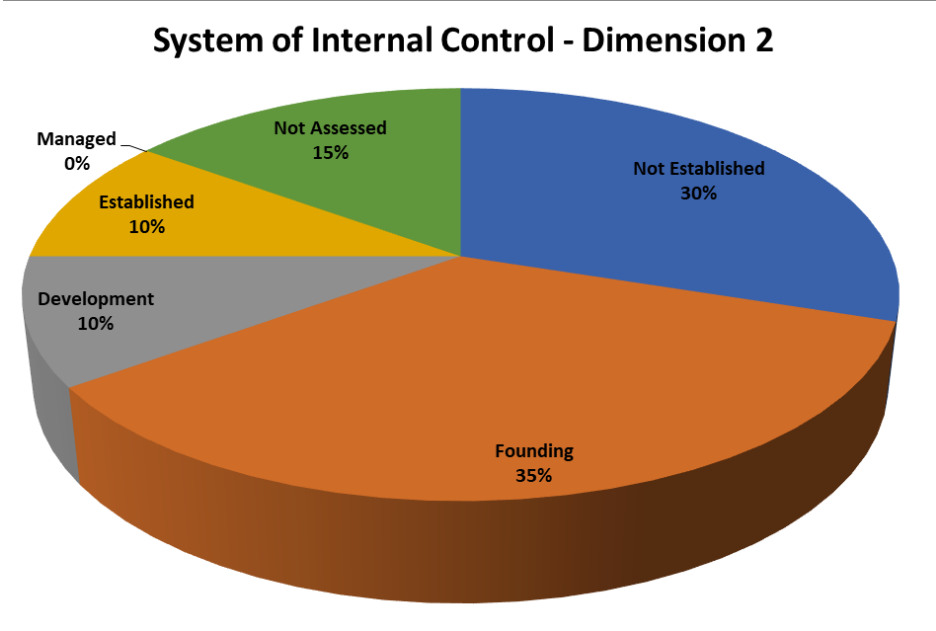
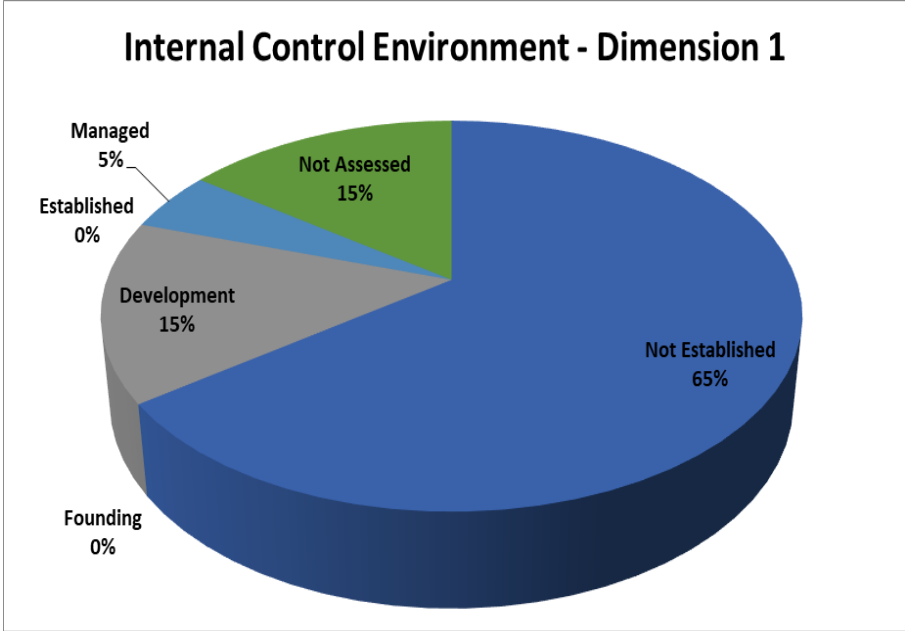
Quality Assurance System - Dimension 4



SAI-4 Results – Dimensions 1 & 2

Internal Control Environment – Dimension 1

System of Internal Control – Dimension 2

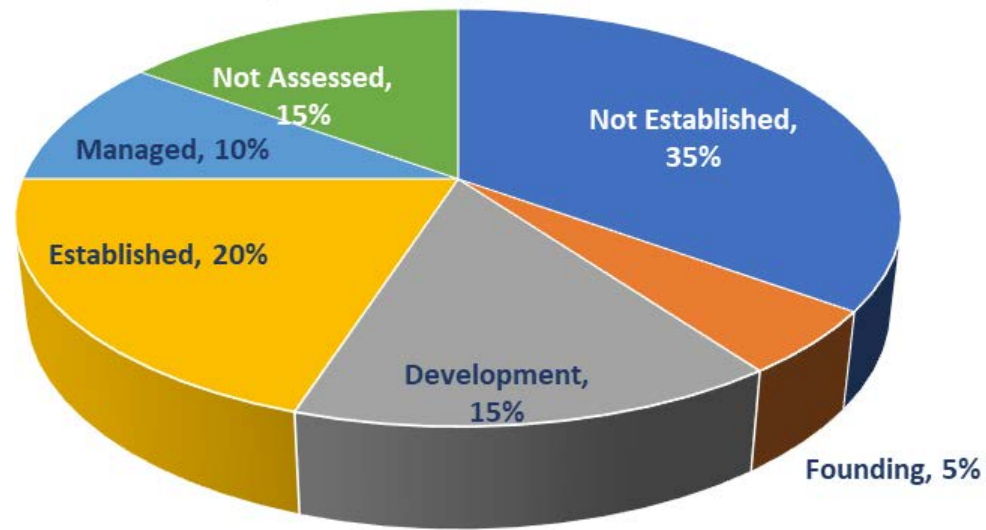


SAI-4 Results – Dimensions 3 & 4

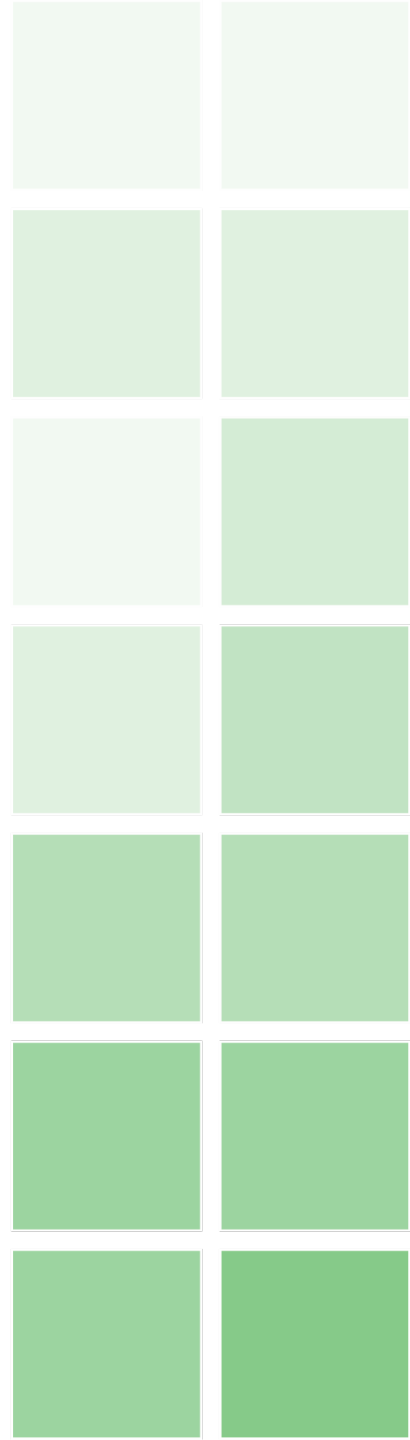
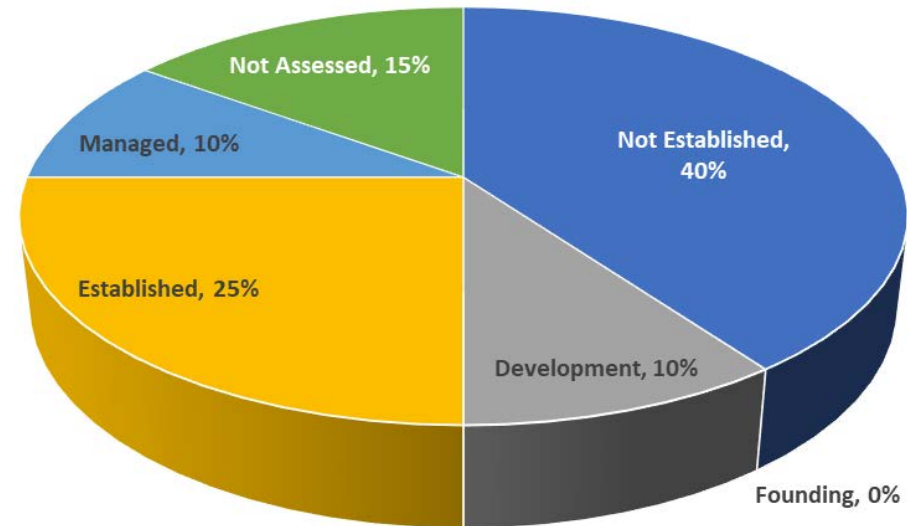
Quality Control System – Dimension 3

Quality Assurance System – Dimension 4

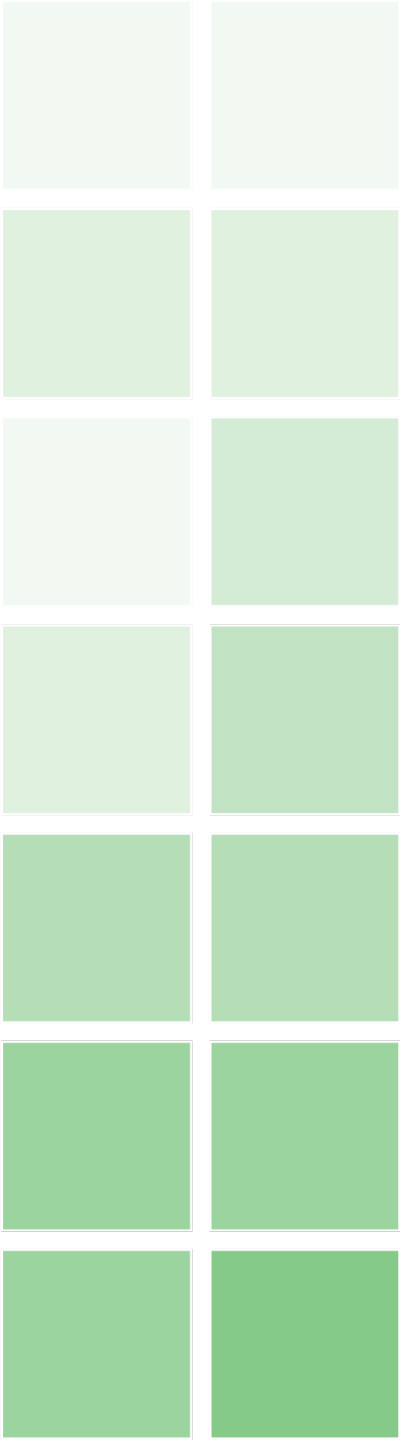
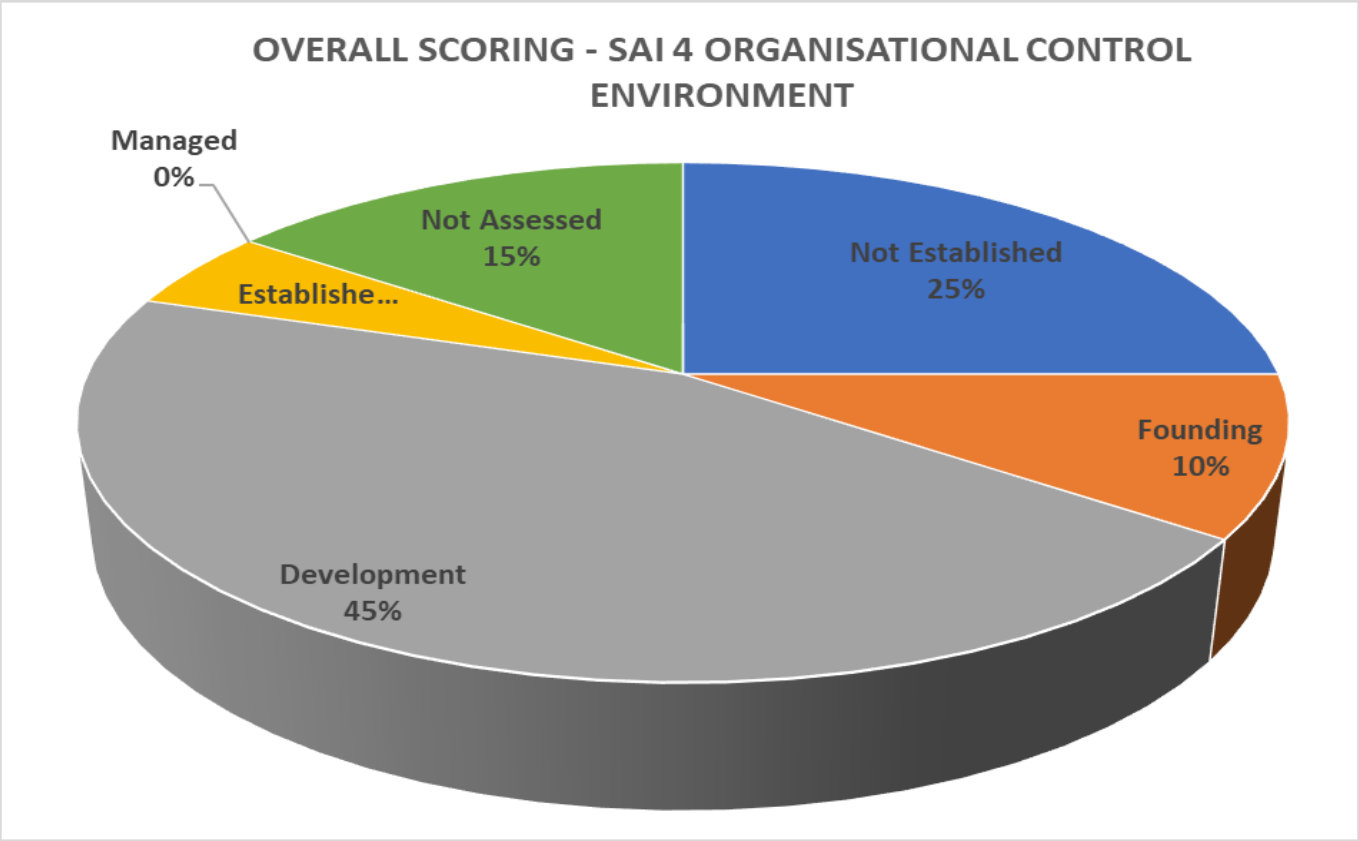
Quality Control System - Dimension 3



Quality Assurance System- Dimension 4



SAI 4 - Overall Scoring - Organisational Control Environment



Performance Measurement Framework (PMF)

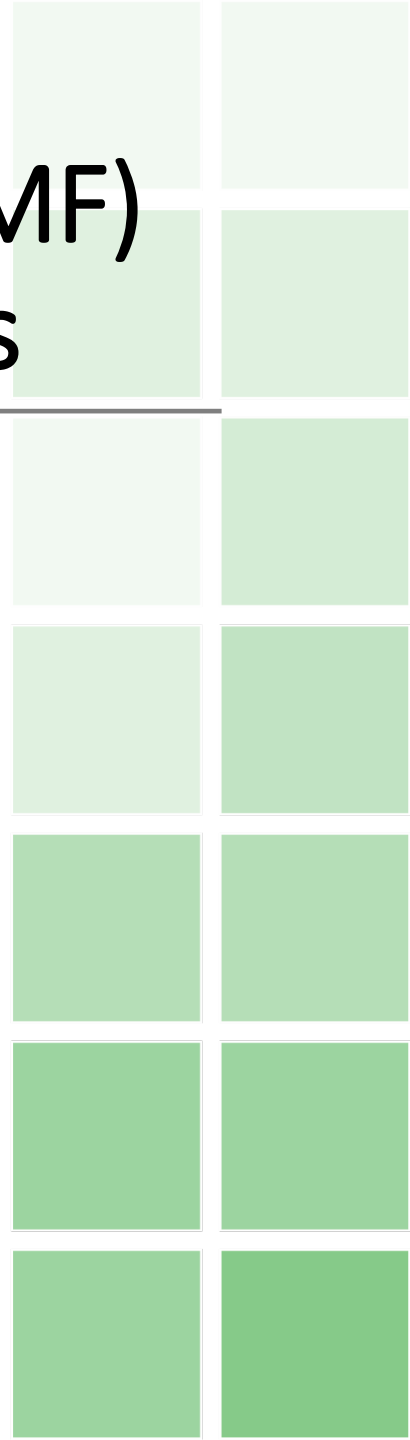
Quality Control – Performance Measures

2. SAI-5: Outsourced Audits

Process for Selection of Contracted Auditor - Dimension 1

Quality Control of Sourced Audits - Dimension 2

Quality Assurance of Sourced Audits - Dimension 3

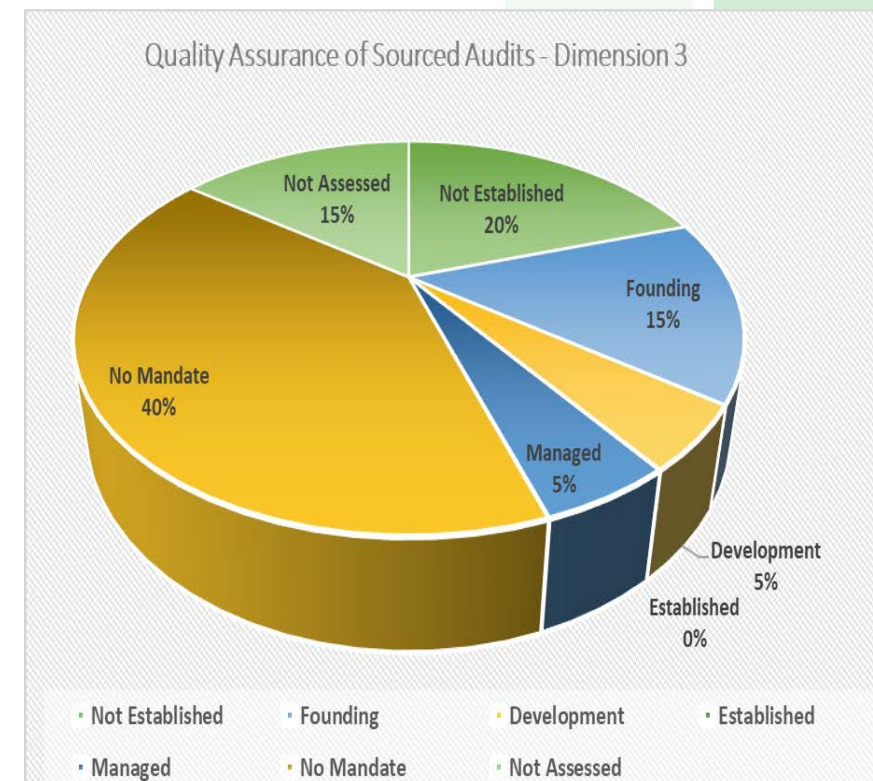
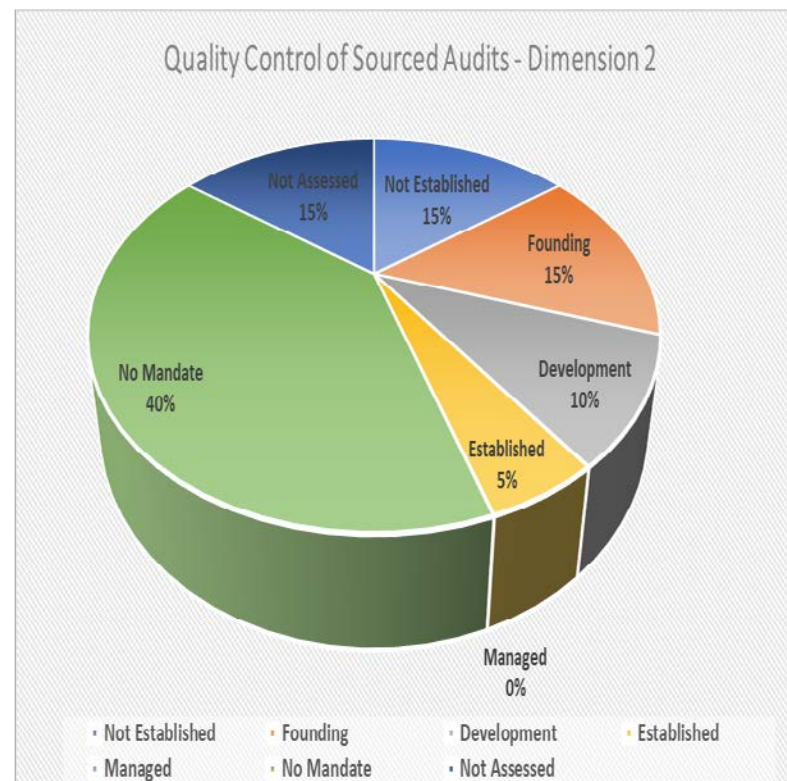
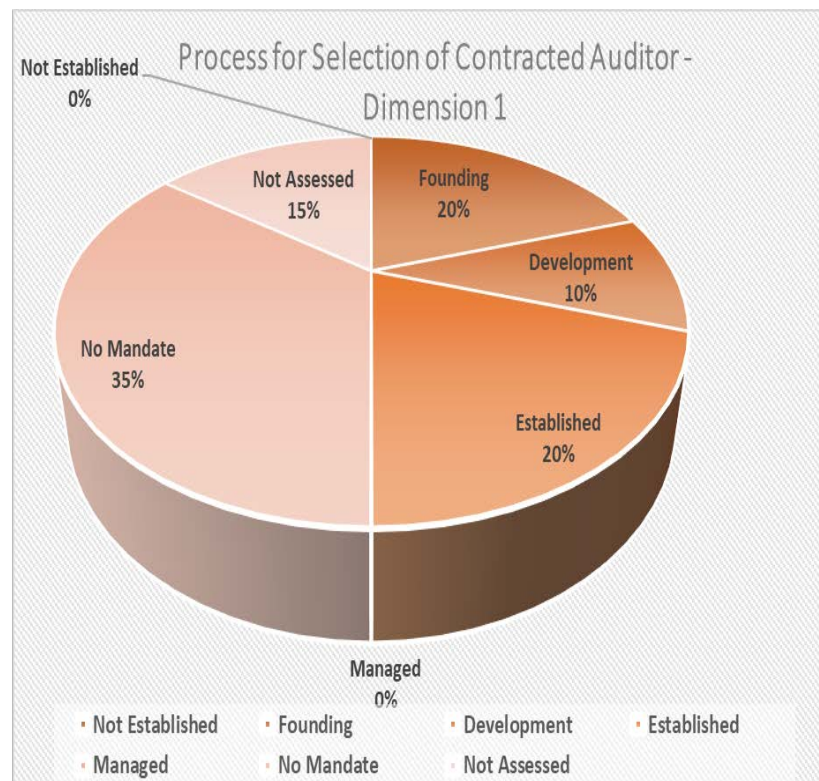


SAI 5- Results – Dimensions 1, 2 & 3

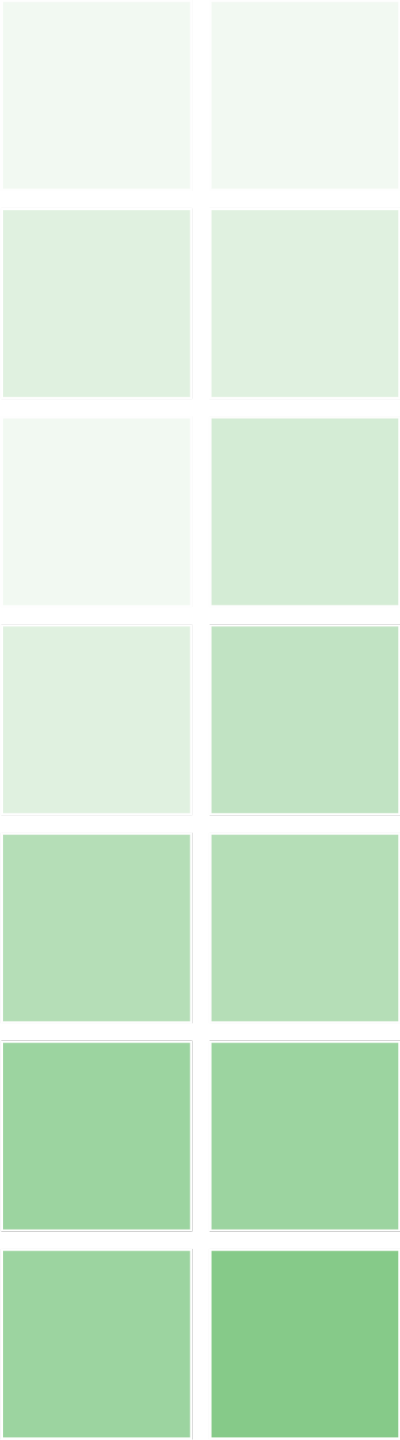
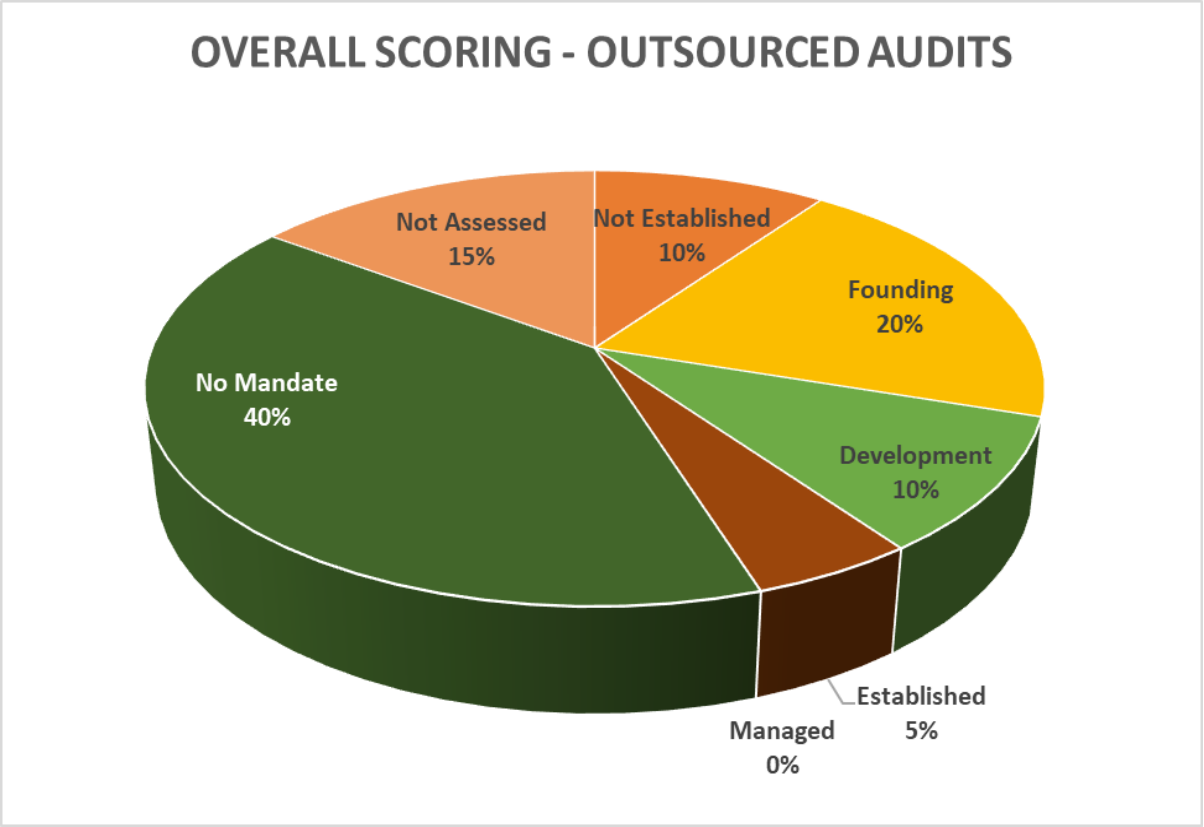
Process for Selection of Contracted Auditor – Dimension 1

Quality Control of Sourced Audits – Dimension 2

Quality Assurance of Sourced Audits – Dimension 3



SAI 5 – Overall Scoring – Outsourced Audits



Performance Measurement Framework (PMF)

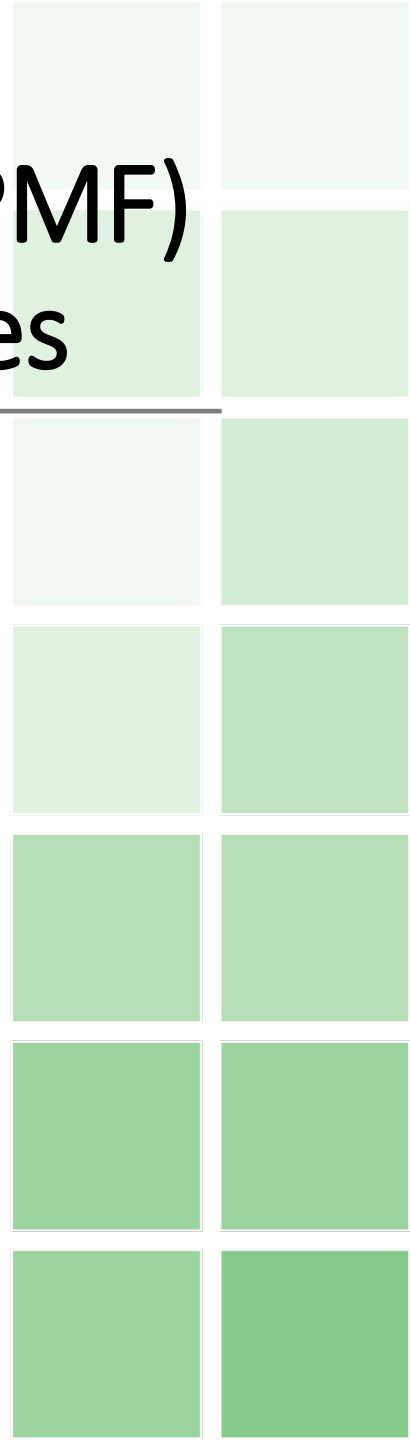
Quality Control – Performance Measures

3. SAI-9: Financial Audit Standards & Quality Management

Financial Audit Standards & Policies

Financial Audit Team Management Skills

Quality Control & Financial Audit

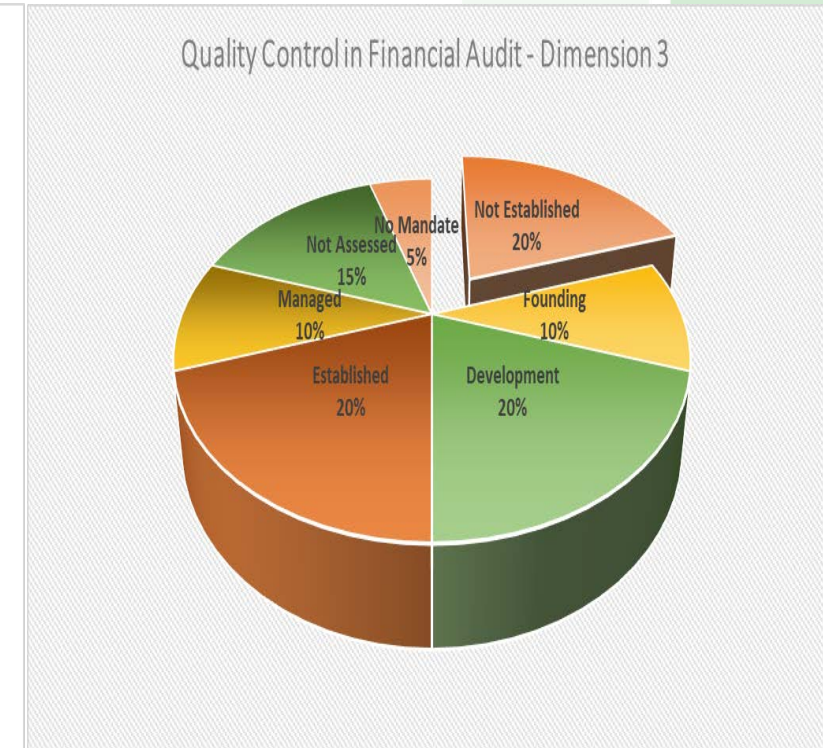
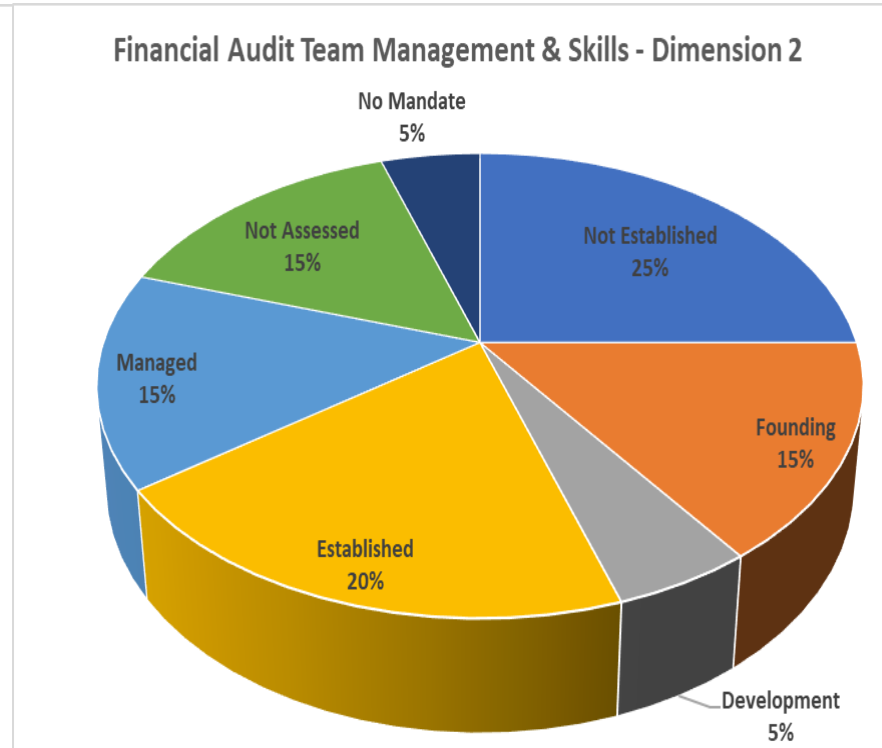
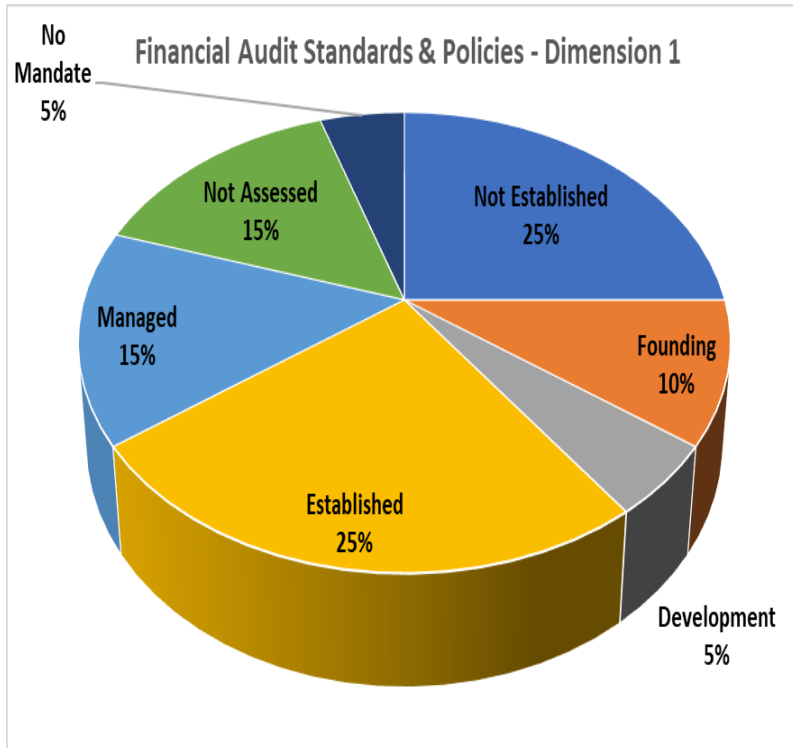


SAI-9 Results – Dimensions 1, 2 & 3

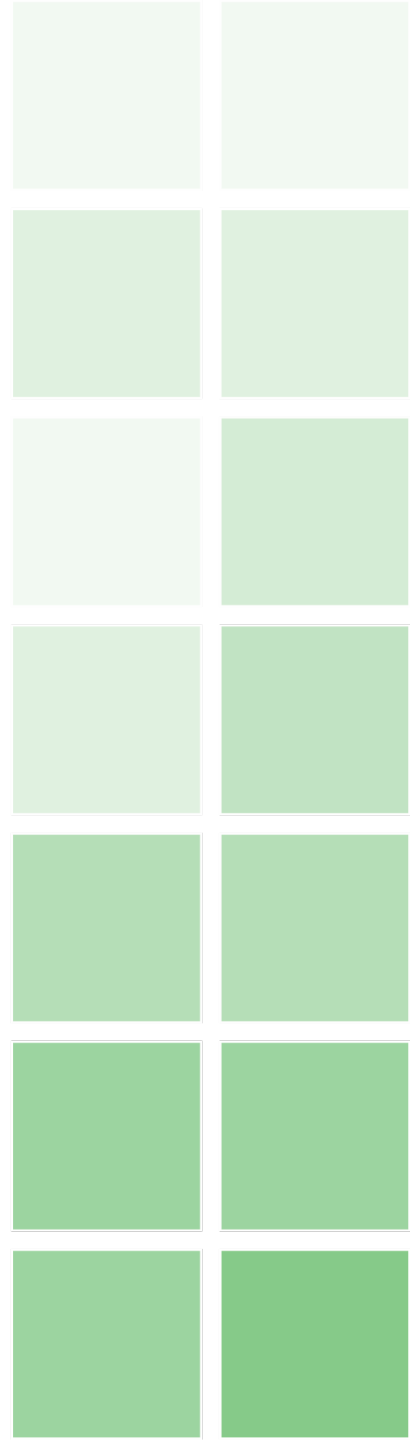
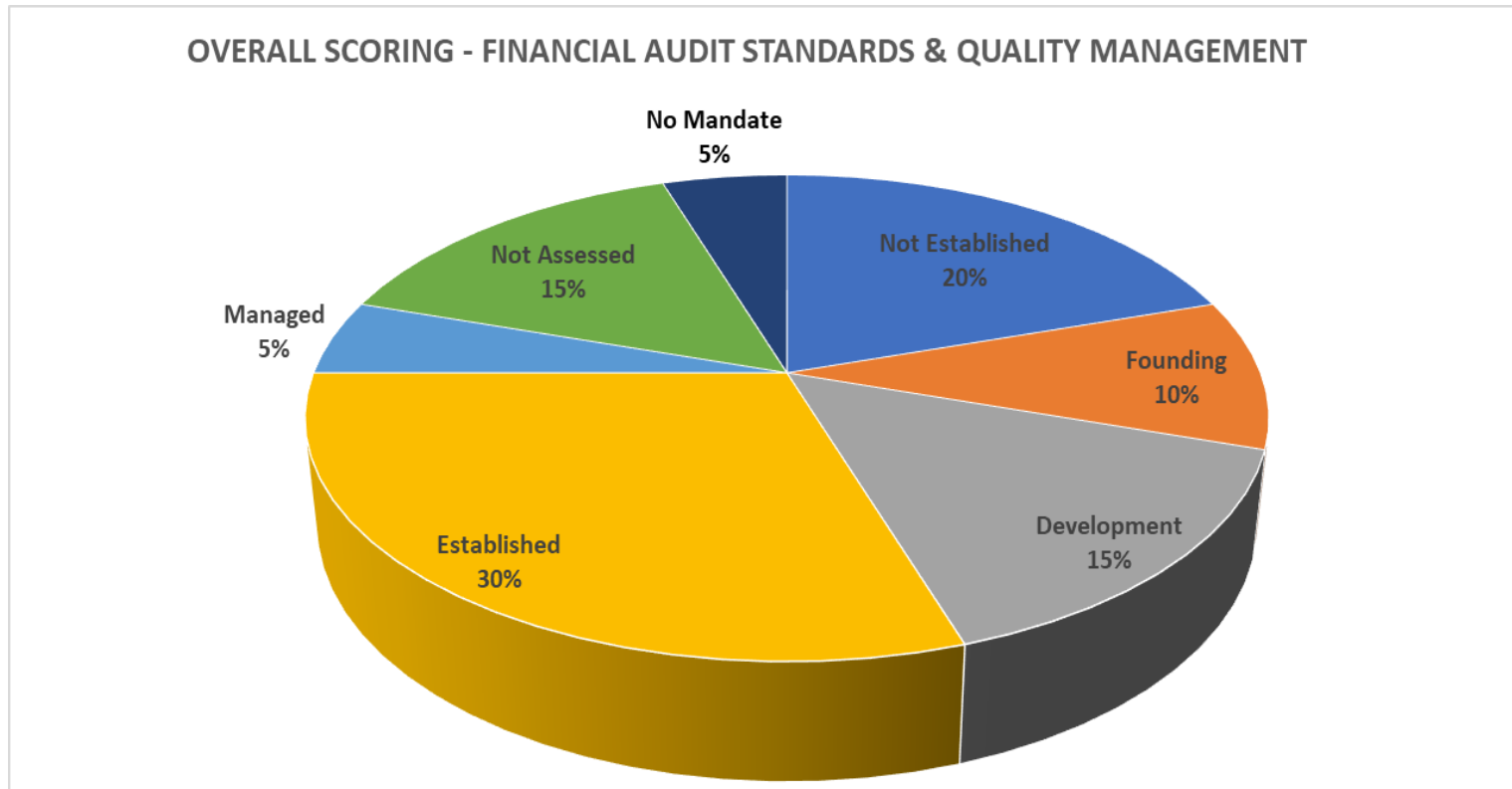
Financial Audit Standards & Policies – Dimension 1

Financial Audit Team Management Skills – Dimension 2

Quality Control & Financial Audit – Dimension 3



SAI 9 – Overall Scoring - Financial Audit Standards & Quality Management



Performance Measurement Framework (PMF)

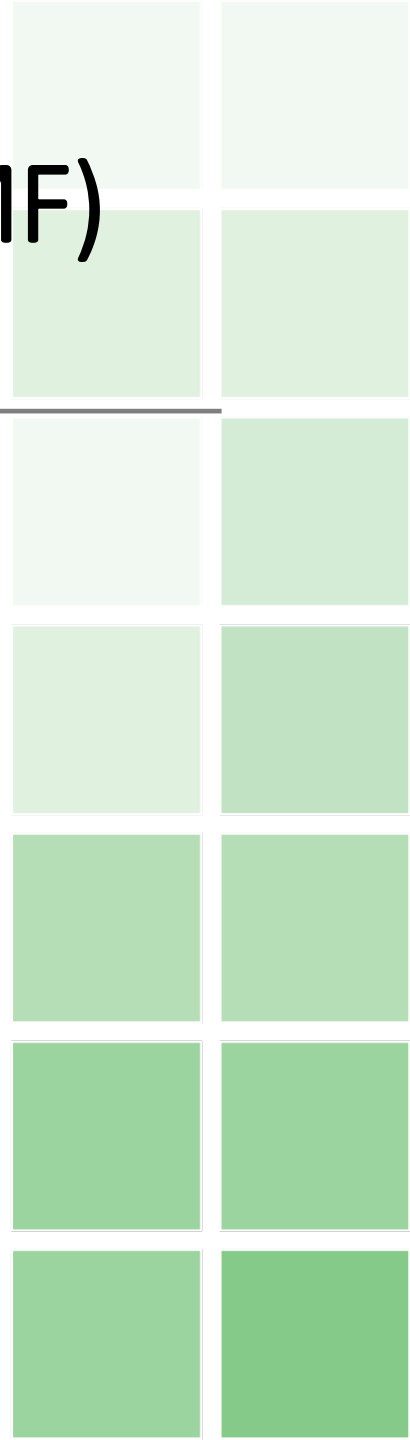
Quality Control – Performance Measures

4. SAI-12: Performance Audit Standards & Quality Management

Performance Audit Standards & Policies

Performance Audit Team Management Skills

Quality Control & Financial Audit





SAI 12 Results – Dimensions 1, 2 & 3

Performance Audit Standards & Policies –

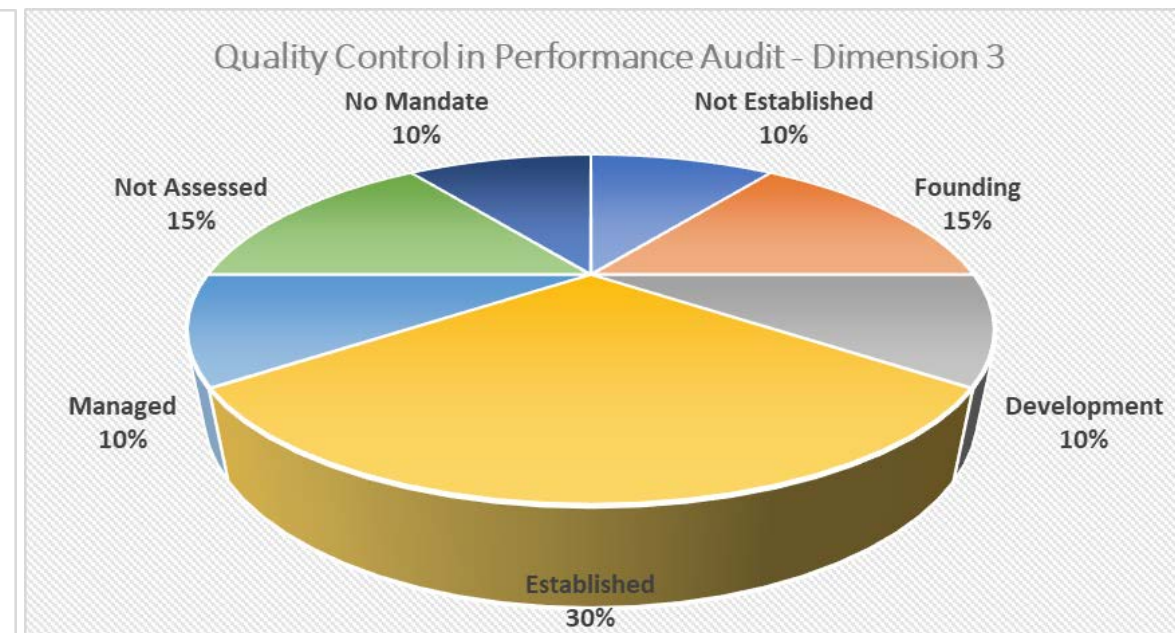
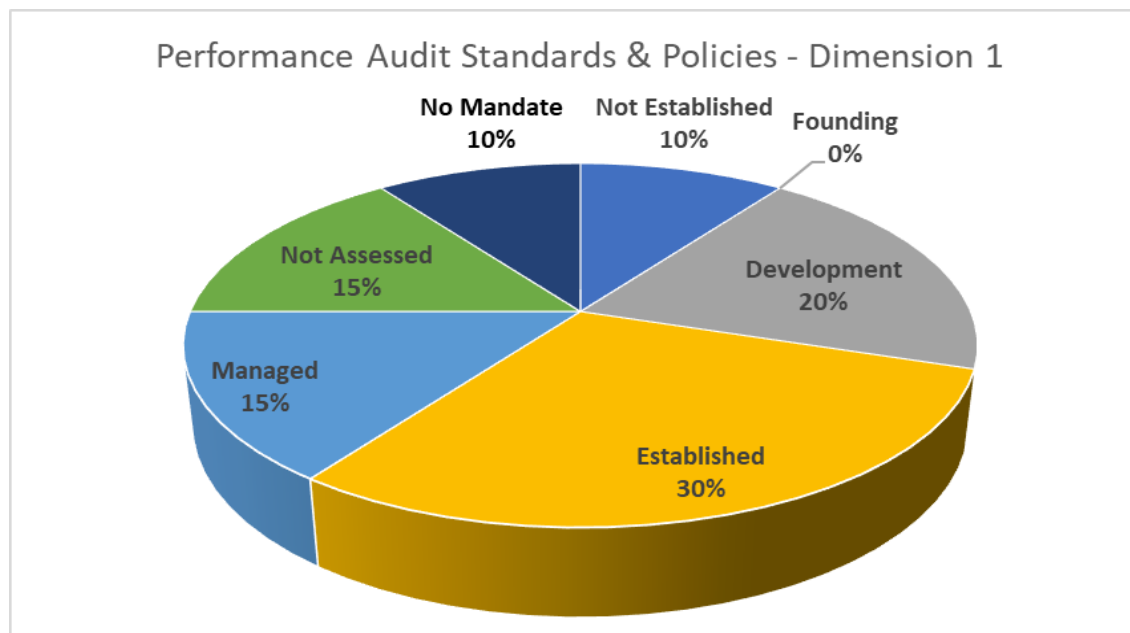
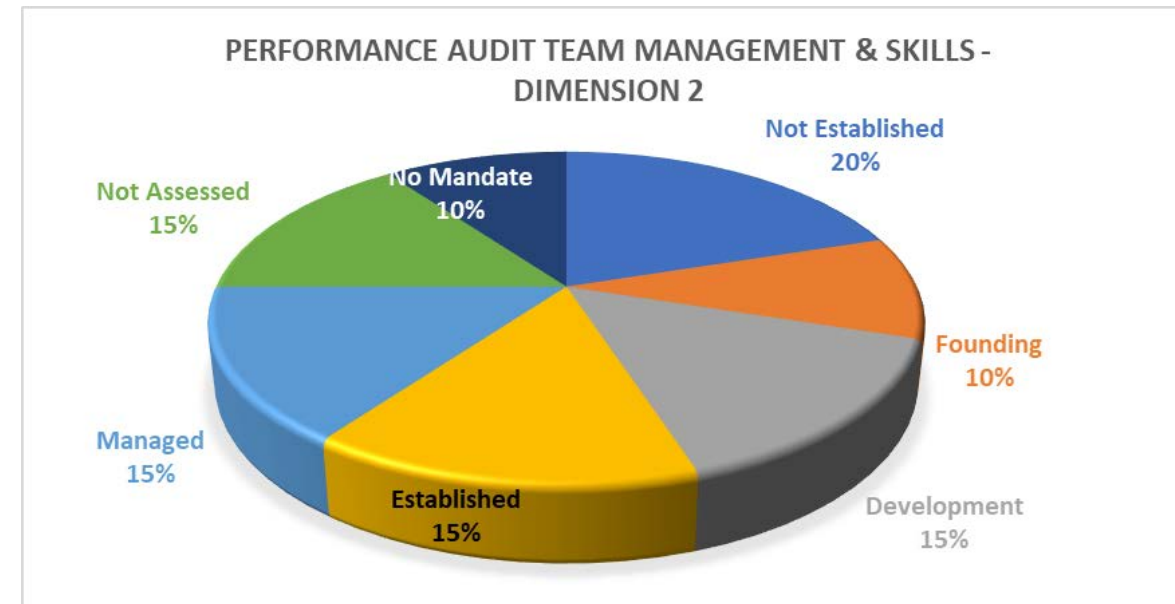
Dimension 1

Performance Audit Team Management

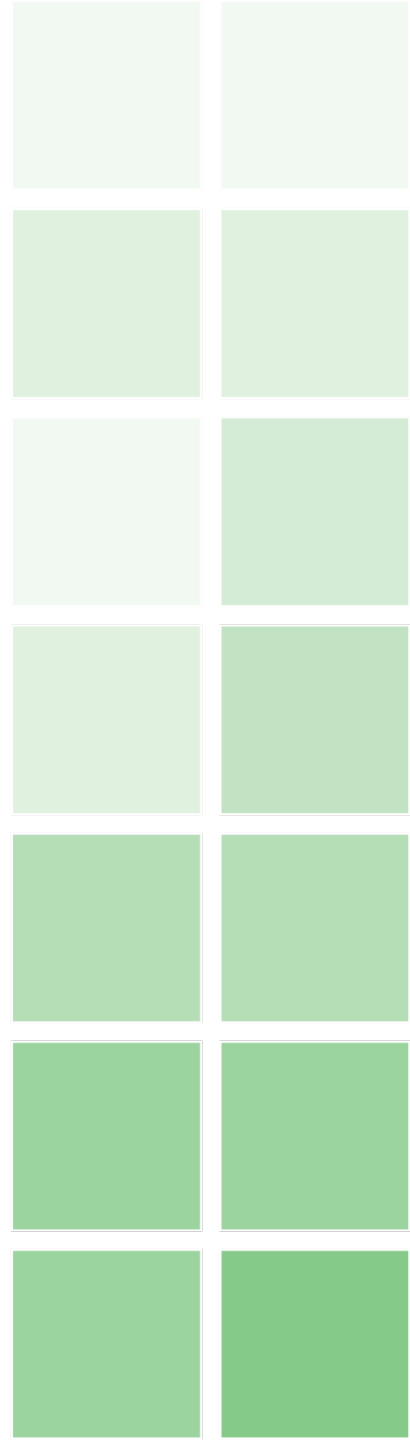
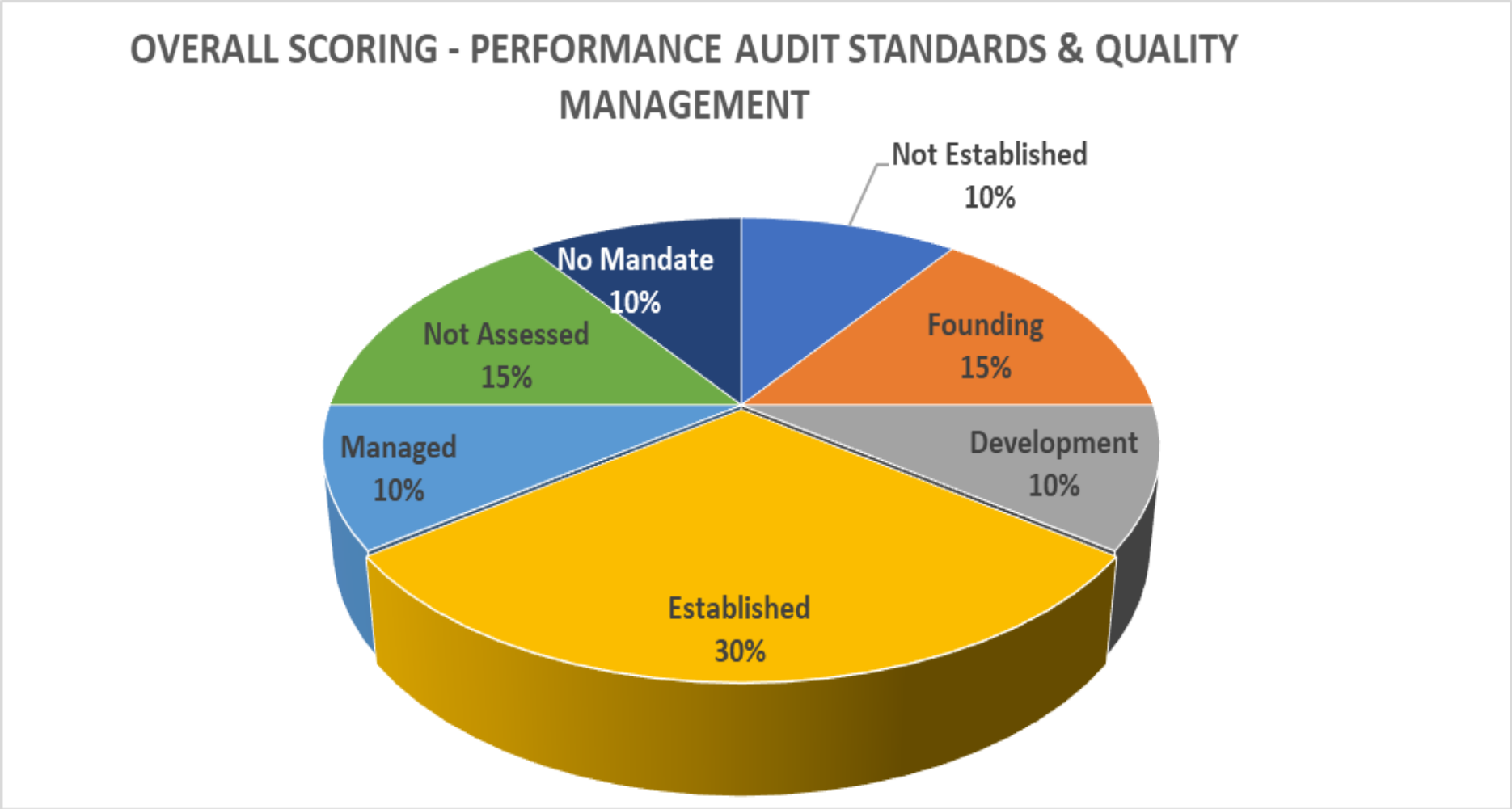
Skills – Dimension 2

Quality Control & Financial Audit –

Dimension 3



SAI 12 - Overall Scoring - Performance Audit Standards & Quality Management



Performance Measurement Framework (PMF)

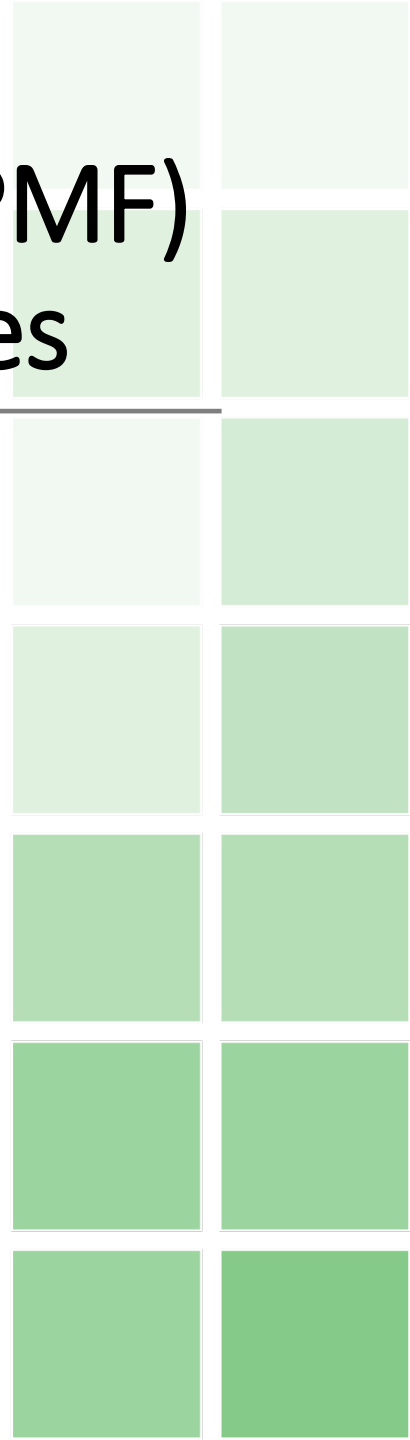
Quality Control – Performance Measures

5. SAI 15 – Compliance Audit Standards & Quality Management

Compliance Audit Standards & Policies

Compliance Audit Team Management & Skills

Quality Control in Compliance Audit



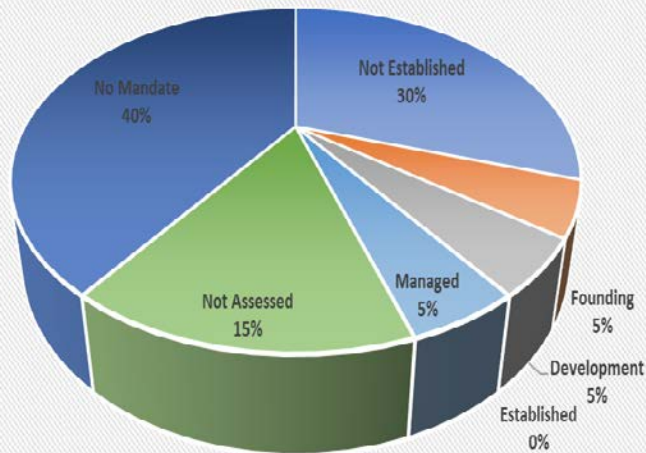
SAI 15 Results - Dimensions 1, 2 & 3

Compliance Audit Standards & Policies – Dimension 1

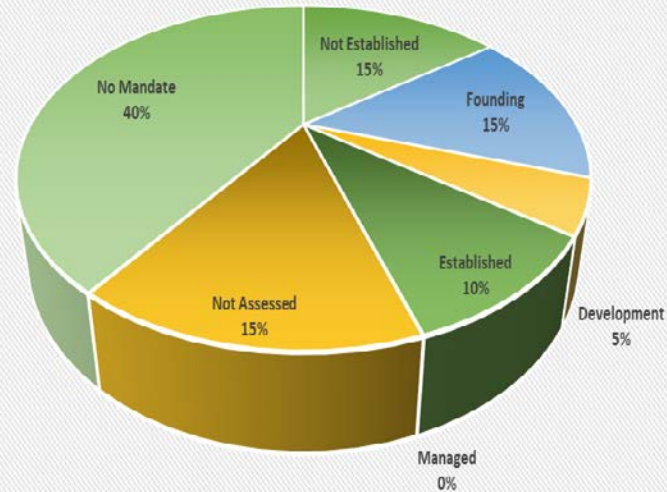
Compliance Audit Team Management & Skills – Dimension 2

Quality Control in Compliance Audit- Dimension 3

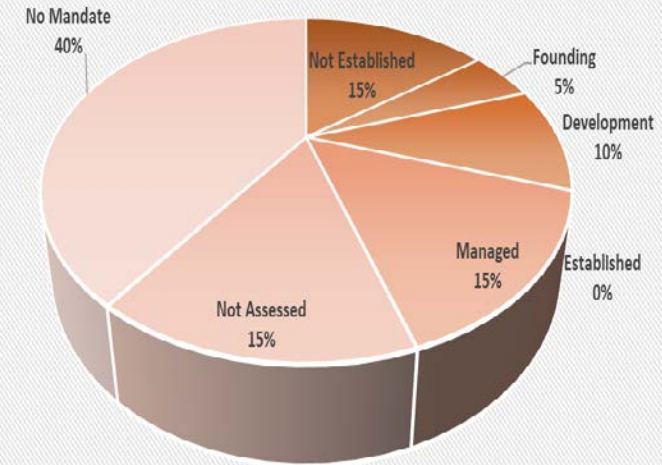
Compliance Audit Standards & Policies - Dimension 1



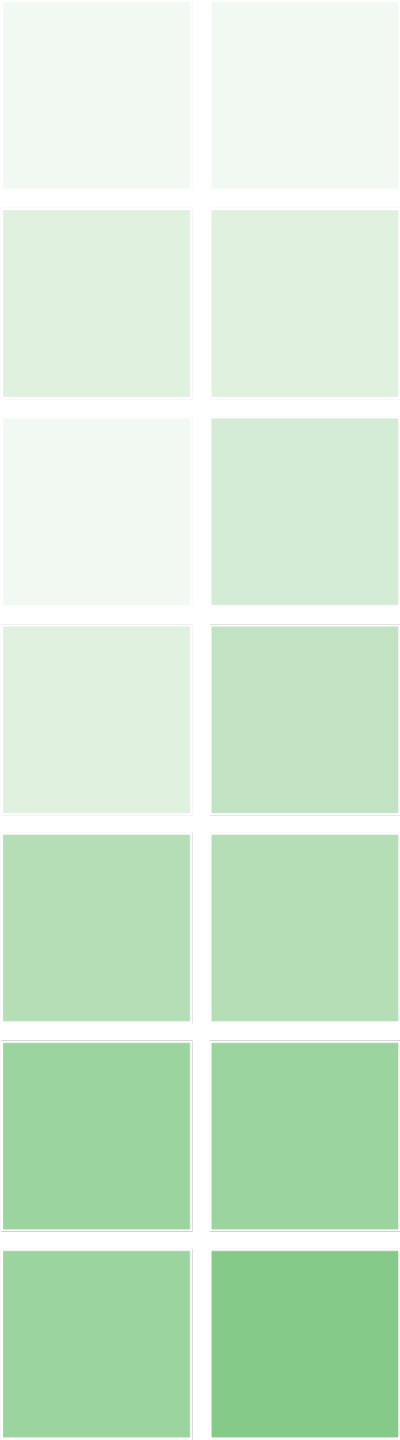
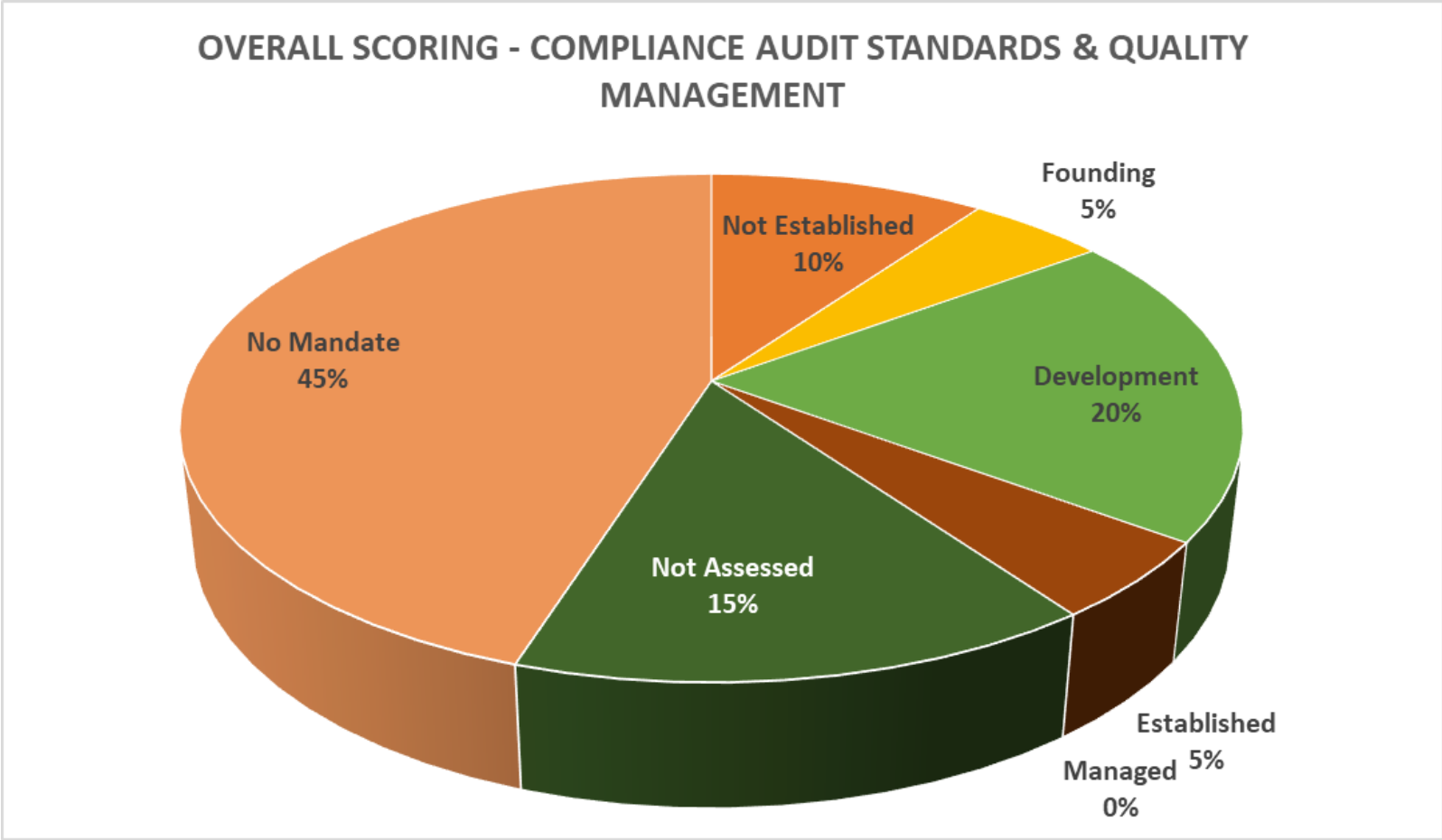
Compliance Audit Team Management & Skills - Dimension 2



Quality Control in Compliance Audit - Dimension 3



SAI 15 – Overall Scoring - Compliance Audit Standards & Quality Management



In summary

- Talked briefly about PASAI
- Defined 'quality'
- Discussed the quality parameters of the Performance Management Framework (PMF) & Quality
- To discuss the PMF Results on Quality Audit & Quality Assurance

What can be done to HIT THE MARK on 'quality' ?



Break

