EIDGENÖSSISCHE FINANZKONTROLLE
CONTRÔLE FÉDÉRAL DES FINANCES
CONTROLLO FEDERALE DELLE FINANZE
SWISS FEDERAL AUDIT OFFICE
WWW.EFK.ADMIN.CH

INTOSAI

EUROSAI
IT Working Group

SUB-COMMITTEE ON PEER REVIEWS
Bratislava 2018
Motivating and equipping SAIs to carry out peer reviews

IT(A)SA in Peer Review Mode

Motivating and equipping SAIs to carry out peer reviews

Bernhard Hamberger
Head of Competence Center IT Audit
Swiss Federal Audit Office

Agenda

- IT(A)SA in ISSAI 5600
- What is an IT(A)SA?
- Why is an IT(A)SA important for a SAI?
- How does an IT(A)SA work?
- Conclusion

IT(A)SA is part of ISSAI 5600

Peer Review and Self Assessment

- *3.18. Due to the nature of the peer review process and the likely publicity given to its findings, the SAI could consider preceding the peer review with a self-assessment and initiate remedial actions before the review takes place. There are different self-assessment tools available (see table). A self-assessment can also be a useful means to help the SAI determine the focus of the proposed peer review. The peer review can then include an assessment of the adequacy of the corrective action being taken following the self-assessment.*
- *3.19. A SAI can also refer to the results of recently completed internal assessments, inspections and control measures it has undertaken to monitor progress and implementation, or for quality control purposes. The results of these assessments can provide additional relevant input for use when defining the focus and scope of the peer review.*

ITSA & ITASA in Peer Review Mode

Examples of tools that can be used for self-assessment and as a basis for peer reviews by SAIs:

IT Self-Assessment (ITSA)

The IT self-assessment tool (developed by EUROSAI IT Working Group) aims to:

- contribute to the work of SAIs by ensuring the quality and performance of the SAI's own information technology (IT) environment and by promoting awareness of IT governance;
- develop the capacity of SAIs to meet their strategic goals through the use of IT (e.g. in relation to internal management, through more effective audits and by developing the skills of staff).

Refer to www.eurosai-it.org

IT Audit Self-Assessment (ITASA)

- The ITASA (also developed by EUROSAI IT Working Group) assesses the current and future maturity of the IT audit function in the form of a workshop setting. ITASA is not a performance evaluation though it provides an efficient evaluation of the current and desired *status quo* of IT audit as perceived by participants.

Refer to www.eurosai-it.org

Essence of IT(A)SA

- Set of simple and standard actions to identify improvements according to needs of the SAI
- Focused, pragmatic and impact-oriented approach
- Moderated Self-assessment
- Developed by EUROSAI ITWG

Why a Self-assessment?

- It allows for «proximity»
  The evaluation is carried out by people:
  - who know the subject
  - who are interested in solving the problems
- It is confidential
- The organisation is in control of the results of the evaluation and their distribution. A self-assessment is not an audit or a peer review
- The external moderation encourages participants (members of staff) to express themselves freely

EIDGENÖSSISCHE FINANZKONTROLLE
CONTRÔLE FÉDÉRAL DES FINANCES
CONTROLLO FEDERALE DELLE FINANZE
SWISS FEDERAL AUDIT OFFICE
WWW.EFK.ADMIN.CH

EUROSAI
IT Working Group

ITSA

IT Self-assessment - Approach

Bernhard Hamberger
Head of Competence Center IT Audit
Swiss Federal Audit Office

WHAT IS AN ITSA

The objectives of an ITSA

- Give preliminary answers to these questions:
  - How can the use of IT support the capacity of your SAI to meet its strategic goals?
  - Does the SAI have the required level of IT to support audit business?
  - How can we improve the level of IT audit support?

Potential outcome

- Provide Management with insight about the current state of the IT support for their business processes
- Helps positioning IT for the challenges ahead
- Offers a platform for enabling close contact between users and IT specialists of a SAI
- Identify cultural and organisational obstacles to achieve standardisation of business processes and applications

WHY IS AN ITSA IMPORTANT

An ITSA helps you to …

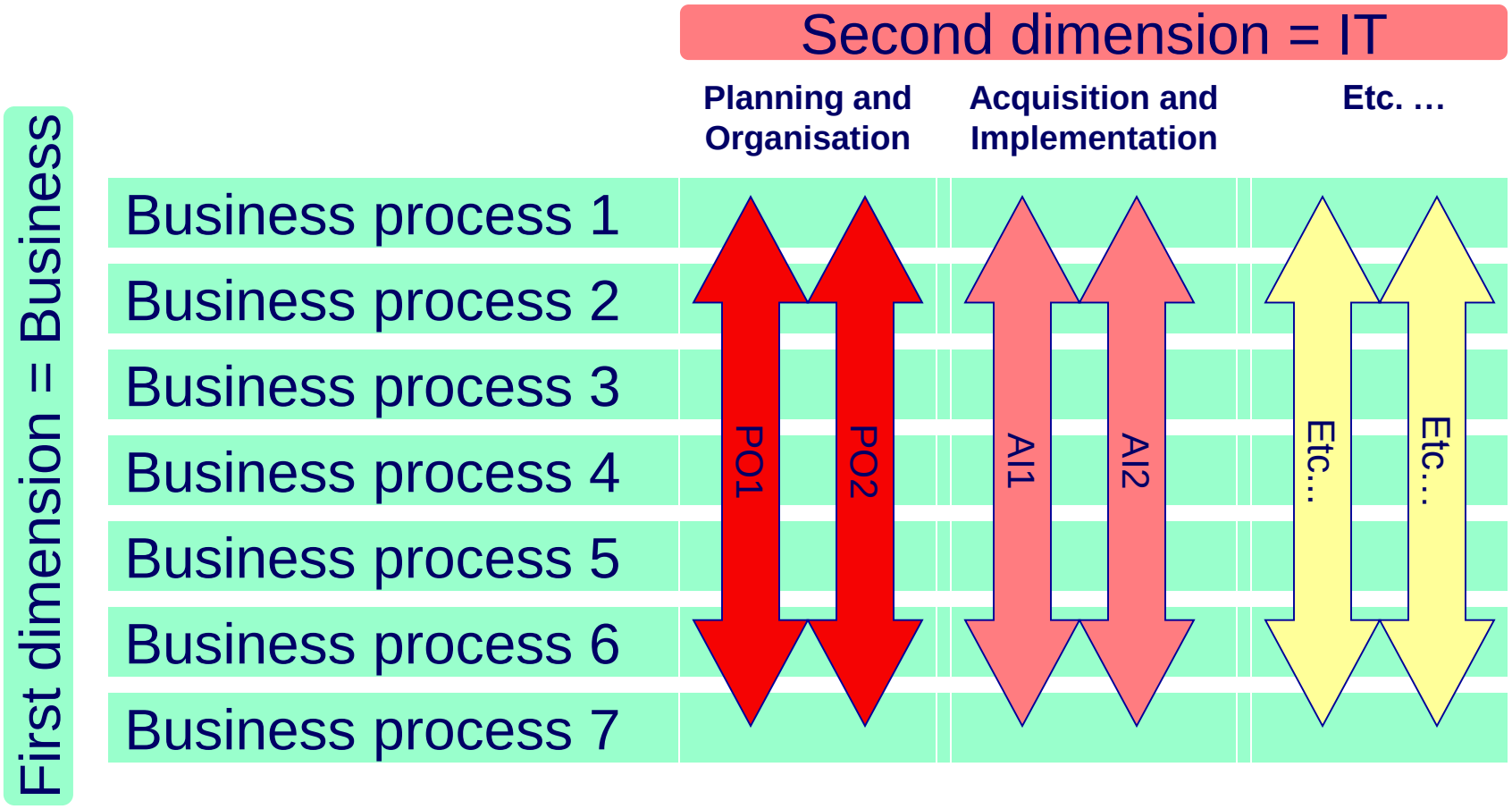
- be an example for your auditees
- work effectively and efficiently
- not to waste money

HOW DOES AN ITSA WORK

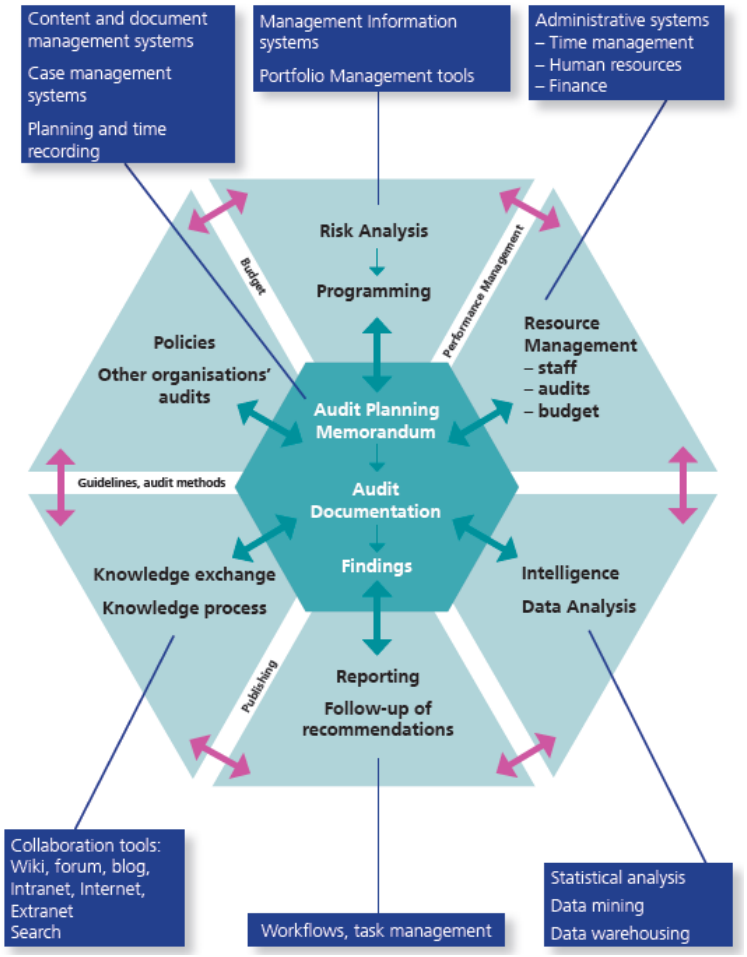
Steps

- Participants assess the maturity of the IT contribution to achieve the SAI‘s strategic goals
  - Most important business processes and how they are supported by IT
  - Most important IT processes and their maturity
- «Gaps» are converted into actions
- The suggested action plan is presented and submitted to the Executive Management of the SAI
- Re-performance of the ITSA after 3 years

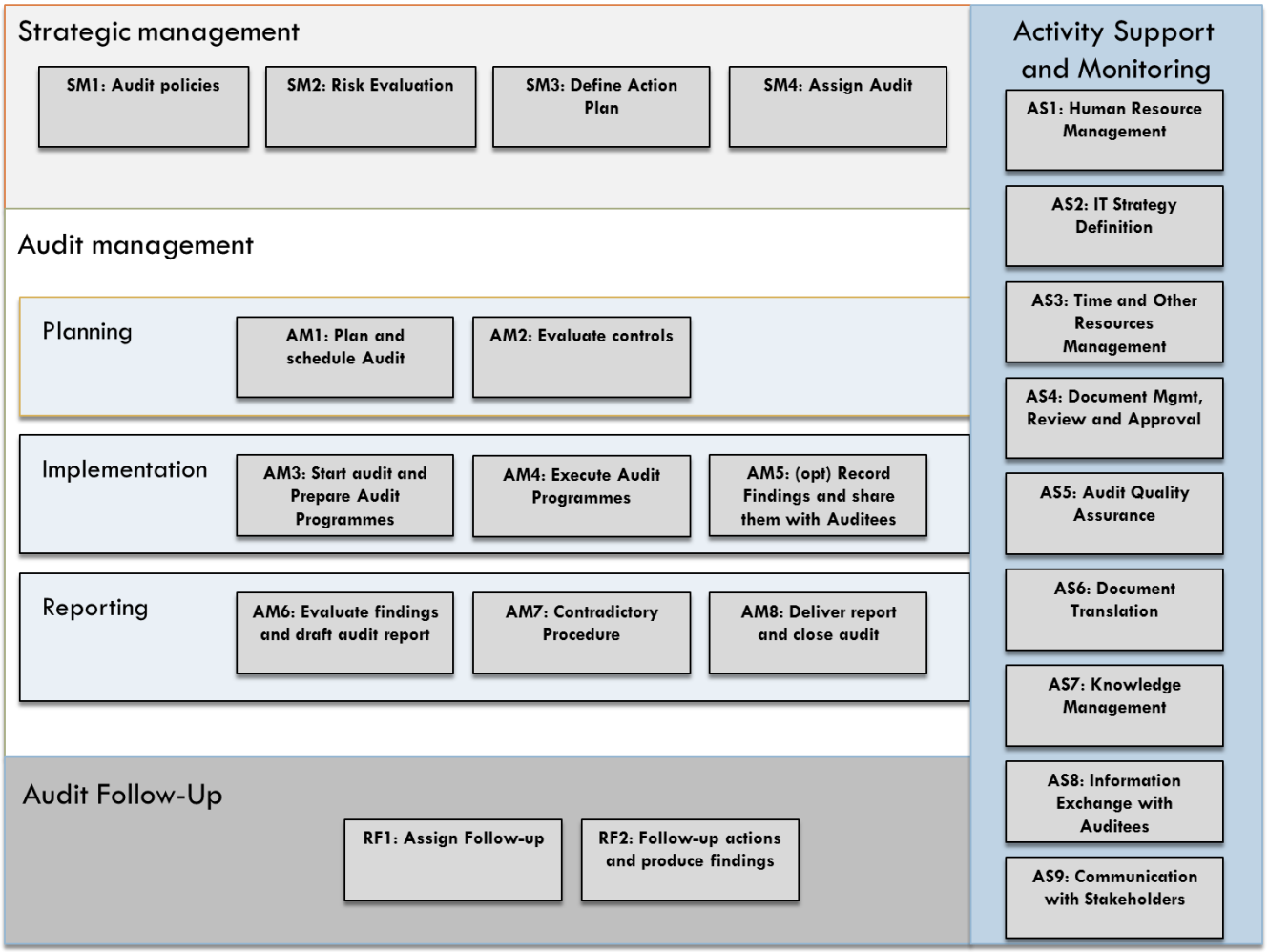
Two dimensions considered



Business areas covered by ITSA



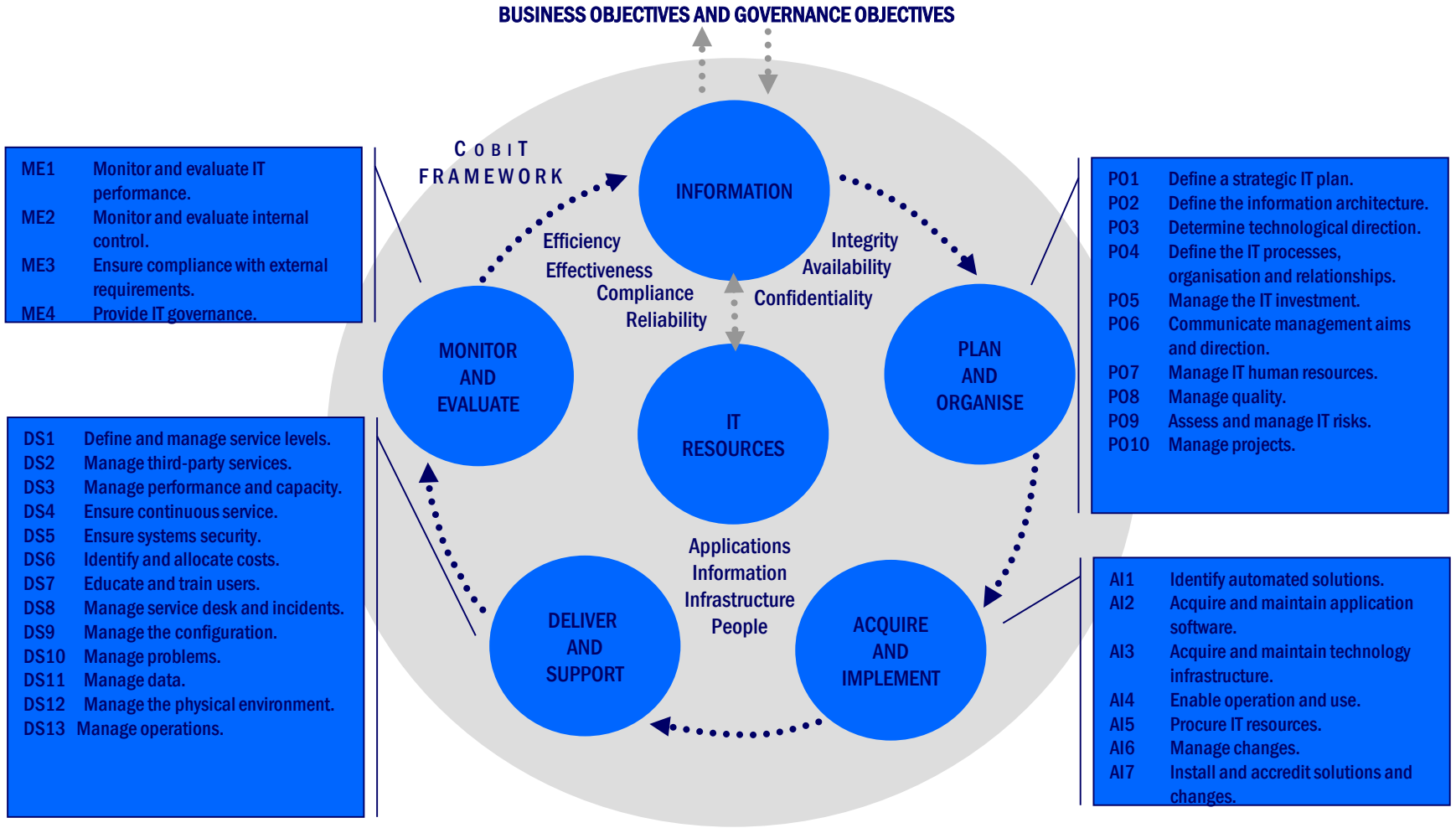
…or in terms of ISSAP



Business dimension questionnaire

What is the importance of the current IT systems for this business process?						What is the importance of the future IT systems for this business process?						**Business added-value chain (BVC) Form 1. Does the IT help to achieve the SAI's strategic goals?** **ECA 2006** version 2.1		What is the quality of the current IT systems ?						In which IT-process (see in Form 2) is the problem (especially if quality level = 0 or 1)?
no application software (0)	low (1)	importance level (2)	importance level (3)	importance level (4)	high (5)	no application software (0)	low (1)	importance level (2)	importance level (3)	importance level (4)	high (5)			very low (0)	quality level (1)	quality level (2)	quality level (3)	quality level (4)	very high (5)	
												B1	Planifications annuelle (programme de travail annuel ECA, Fiches A à E) et pluriannuelle des missions (collecte et priorisation des idées) (Word et EXCEL sauf fiche C de ASSYST)							
												B2	Organise the missions, Audit planing memorandum (APM), programme de travail, validation de la mission, ressources, notes de travail, projets de rapports (ASSYST)							
												B3	CAATs (ACL, EXCEL, Access, SQL+XL, Visio, SAS, IDEA, BO, etc.)							
												B4	Production du rapport (entre Draft ASSYST du GA et rapport DEC; ECAP)							
												B5	Contradictory Procedure (y compris sauvegarde de tous les documents issus dans le cadre de la procédure); éventuellement avec CIRCA							
												B6	Production des rapports (jusqu'à publication dans le Journal officiel)							
												B7	Suivi de la mise en œuvre des recommandations, track the implementation of the recommandations							

IT dimension covered



IT dimension questionnaire

Importance of the process						CobiT Form 2: What is the maturity level of the IT-processes? version 2.1		current maturity level of the process						desired maturity level of the process?						
not sure	not important (1)	importance level (2)	importance level (3)	importance level (4)	very important (5)	**ECA 2006**		non-existent (0)	initial / ad hoc (1)	repeatable but intuitive (2)	defined process (3)	managed and measurable (4)	optimised (5)	non-existent (0)	initial / ad hoc (1)	repeatable but intuitive (2)	defined process (3)	managed and measurable (4)	optimised (5)	Which business processes (see in Form 1) are affected by this problem (especially if level = 0 or 1)?
						CobiT's Domains and Processes														
Planning and Organisation																				
						PO1	Define a Strategic IT Plan; IT strategy meeting													
						PO2	Define the information architecture													
						PO3	Determine the technological direction													
						PO4	Define the IT Organisation and Relationships; system ownership; responsables d'application;													
						PO9	Assess risks													
						PO10	Manage projects													
Acquisition and Implementation																				
						AI2	Acquire and maintain application SW													
						AI4	Develop and maintain procedures													
						AI6	Manage changes													
Delivery and Support																				
						DS3	Manage performance and capacity; project Storage Management													
						DS4	Ensure continuous service; disaster recovery site (IT&T)													
						DS5	Ensure system security; project Corporate IT Security policy; projet Remote Access													
						DS7	Educate and train users													
						DS8	Assist and advise customers													
						DS10	Manage problems and incidents													

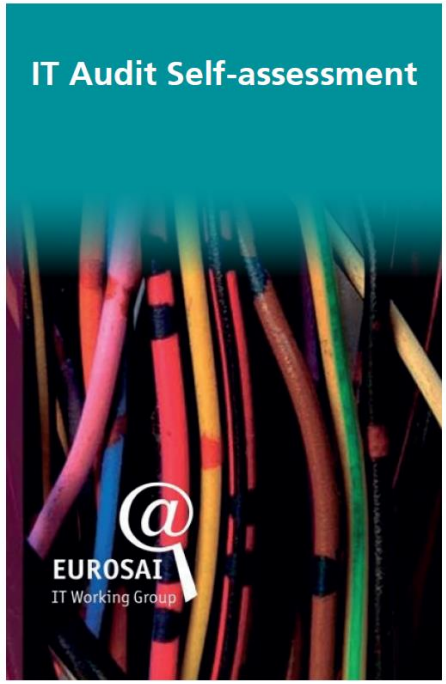
Workshop Structure

- Workshop with a group of up to 20 persons from different disciplines within a SAI
- IT and users represented
  - Different people from IT
    (CIO, helpdesk, development, IT project manager)
  - Users from all business areas and from different levels of hierarchy
- Investment: 1 ½ - 2 days
- (Co-)Moderators from other SAIs

EIDGENÖSSISCHE FINANZKONTROLLE
CONTRÔLE FÉDÉRAL DES FINANCES
CONTROLLO FEDERALE DELLE FINANZE
SWISS FEDERAL AUDIT OFFICE
WWW.EFK.ADMIN.CH

EUROSAI
IT Working Group

ITASA



IT Audit Self-assessment - Approach

Bernhard Hamberger
Head of Competence Center IT Audit
Swiss Federal Audit Office

WHAT IS AN ITASA

The objectives of an ITASA

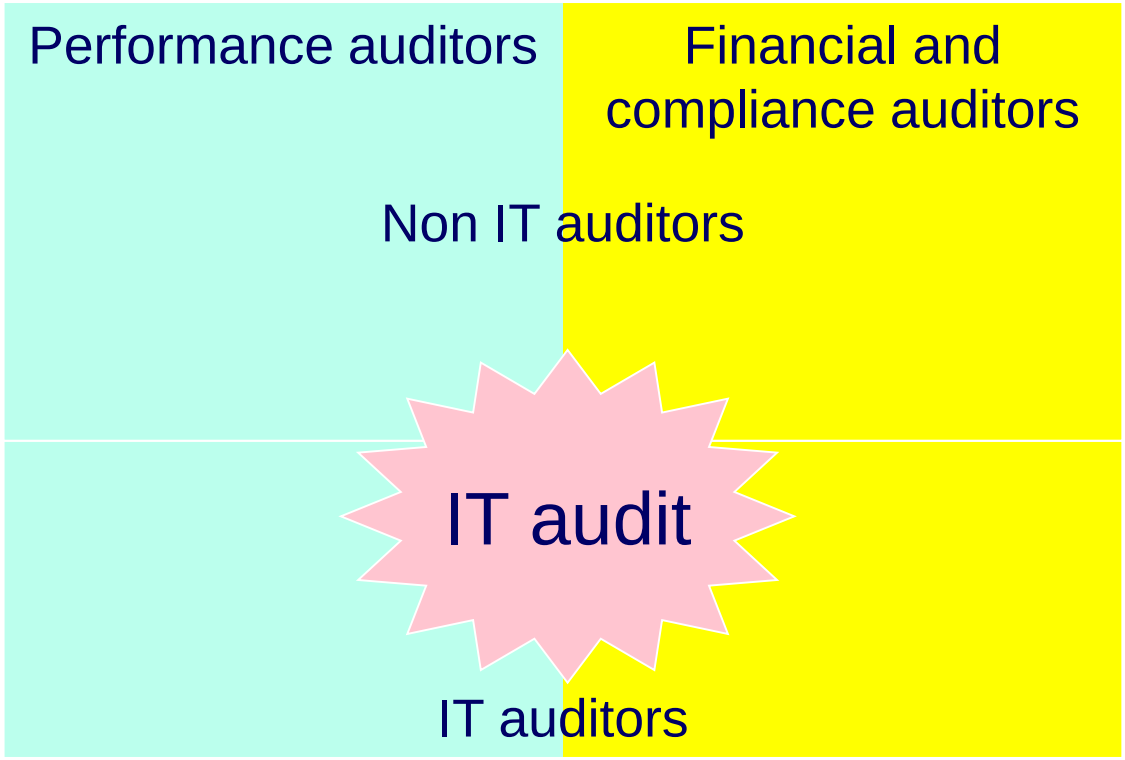
- Preliminary answer to two questions
  - Does the SAI have the required level of IT audit?
  - How can we improve the level of IT audit?
- Additional objectives
  - Define the appropriate level of IT audit according to the audit strategy of the SAI and its mission
  - Increase the awareness of management and auditors of IT audit
  - Identify potential improvements and set up an action plan

Potential outcome

- Suggested volume, extent and alignment with traditional audit activities
- Advice on methodology, current and expected competence of IT auditors and their training
- Strategies for embedding IT Audit into existing organisational structures of a SAI

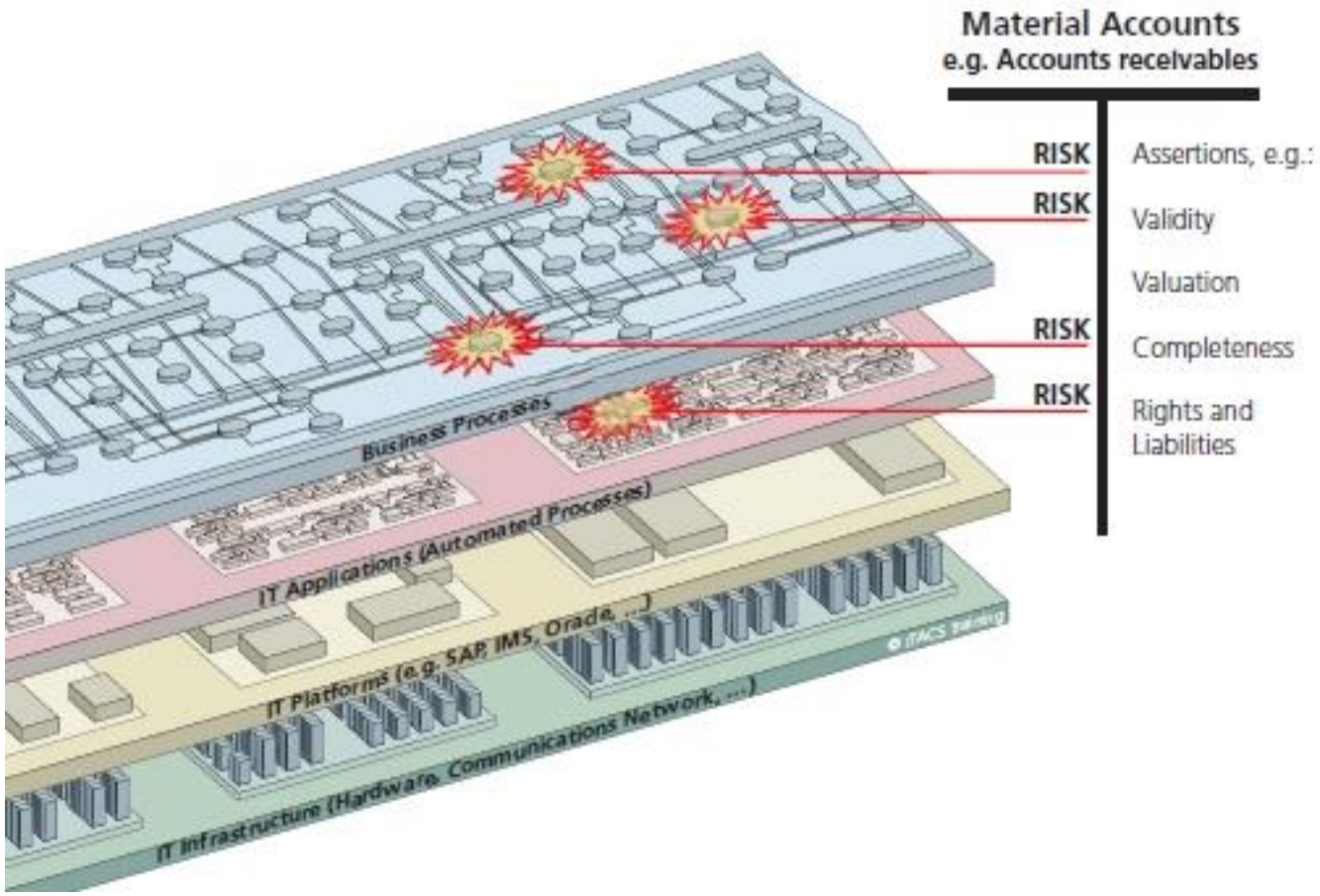
WHY IS AN ITASA IMPORTANT

IT Audit is an element of all audit types



Financial Audit

(according to ISA 315,330 and ISSAI 1315, 1330)



Performance Audit

(ISSAI 300)

- Business case for IT projects
- Evaluation of the need for an IT investment
- Strategic alignment of an IT investment
- Implementation of Open Source software
- User satisfaction with application or services
- IT procurement strategy
- Costs and quality of service for different sourcing models
- IT Architecture governance
- IT Strategy development
- …

Compliance audits

(ISSAI 400)

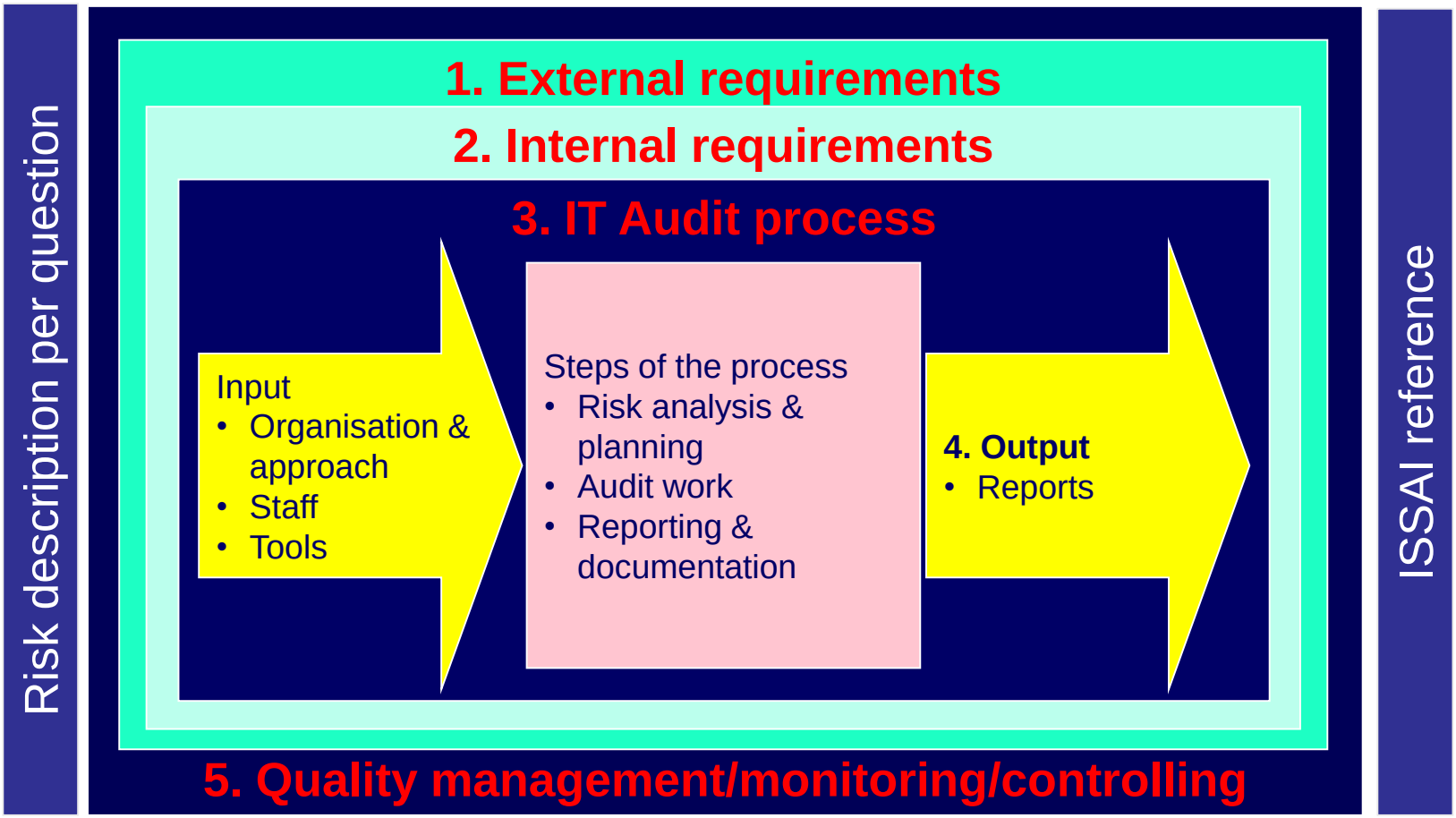
- IT Governance, IT Operations
- Compliance with project management guidelines
- IT Procurement compliance
- Cyber Security compliance
- Business Continuity Management
- Data Protection compliance
- Archiving laws
- Compliance with laws, policies, procedures,…
- …

HOW DOES AN ITASA WORK

Steps

- Participants assess current and future maturity of the IT Audit function
- «Gaps» are converted into actions
- The suggested action plan is presented and submitted to the Executive Management of the SAI
- Re-performance of the ITASA after 3 years

Five areas to assess



Workshop Structure

- Workshop with a group of 15-20 staff members from different disciplines within a SAI
- Investment: 1-1 ½ days
- (Co-)Moderators from other SAIs

CONCLUSION

Conclusion

- SAI could consider preceding a peer review with a self-assessment and initiate remedial actions before the review takes place

- Through an IT(A)SA measurable improvements can be achieved in IT Support for a SAI or in IT Audit Capability

And

… an IT(A)SA is only the beginning – not the end

Contacts

Chair of EUROSAI IT Working Group (ITWG): Supreme Audit Office nik.gov.pl, Poland
Piotr Prokopczyk (Chairman), Director of the Department of Science, Education and National Heritage
Secretariat: Beata Stephenson, eurosaiwgit@nik.gov.pl, Senior Inspector at the Department of Science, Education and National Heritage, phone +48 22 444 50 83

Website: www.eurosai-it.org

Lead of ITSA and ITASA Subgroups: Swiss Federal Audit Office (SFAO)
Bernhard Hamberger, Head of Competence Center IT Audit,
bernhard.hamberger@efk.admin.ch,

IT(A)SA Backoffice:
Emmanuel Hofmann, IT Auditor,
emmanuel.hofmann@efk.admin.ch,