

INTOSAI-Donor Cooperation
Global Call for Proposals
Concept Note

1.1 Applicant	SAI of Peru - Office of the Comptroller General (OCG) of the Republic Application authorized by: Mr. Nelson Shack Yalta, Comptroller General of the Republic
1.2 Legal Applicant	SAI of Peru - Office of the Comptroller General of the Republic
1.3 Contact Details	Rubén Fernando Ortega Cadillo, Subdirector de Posgrado, Escuela Nacional de Control Tel: +01 3303000, Ext. 5536, e-mail: e-mail: fortega@contraloria.gob.pe
1.4 Title and Duration	Professional Certification Program for Government Auditors
1.5 Project Purpose	The SAIs in the Region to have in place an international government auditor certification program that enables these institutions to implement programs for the development and assurance of professional capacities, in line with their requirements and based on the International Standards of the Supreme Audit Institutions.
1.6 Project Outcome	<p>Upon implementation of the project, to rely on a progressively increasing number of officially-accredited Government Auditors, whose professional competences are aligned with the applicable international standards, and have the skills required for delivering their government control duties in accordance with the following premise:</p> <ol style="list-style-type: none"> 1. Optimum planning of supervisory services. 2. Timeliness and effectiveness in the identification of risks present in the processes under supervision, with adequate planning skills in anticipation of such risks. 3. Formulating recommendations that have a positive, verifiable impact on the performance of the entities under supervision. 4. Adequate identification of government officers' liabilities resulting from acts of corruption or functional misconduct. 5. Clarity and precision in communicating outcomes to the various stakeholders. 6. Issuance of control reports that are clear, simple and easy to understand. 7. Knowledge about and mastery of the International Standards of the Supreme Audit Institutions (ISSAI).
1.7 Problem Analysis	<p>The Performance Assessment Report based on the Methodology - Performance Measurement Framework (PMF) of the INTOSAI (2016) identifies a number of shortcomings and deficiencies in the corresponding supervision and assessment reports. This is consistent with the low levels of specialized training exhibited by the OCG auditors.</p> <p>The workshops, interviews and surveys conducted for the upgrade of the Institutional Strategic Plan 2018-2024, in cooperation with the managerial and operational staff of the National Control System, enabled the identification of the following gaps:</p> <ul style="list-style-type: none"> - Inadequate planning of supervisory services, without sufficient analysis of the risks to the processes to be supervised and the audit processes. - Inadequate public management knowledge for an optimal delivery of the supervisory services on the part of the audit personnel. - Deficiencies in the characterization and identification of functional misconduct and acts of corruption. - Deficient recommendations on the outcomes of supervisory services, which results in scant value for the entities concerned. - Limited use of information technologies in the delivery of supervisory services, negatively affecting timeliness and efficiency.

<p>1.8 Beneficiaries</p>	<p>The design proposed, based on international standards, will enable its application in those SAIs across the Caribbean and Latin American that are interested in moving toward the implementation of international standards such as the ISSAIs.</p> <p>The proposal further contemplates the inclusion of modules customized to the specific requirements of each SAI, so as to ensure their applicability to the respective regulatory control frameworks of each country.</p> <p>Finally, this modular design will enable SAIs to share certification components, thus achieving regional synergies that will favor the certification program. In this regard, it should be pointed out that the Office of the Comptroller General (OCG) is legally authorized to grant national-level certifications to those professionals who have taken the Government Auditors course as a second specialization. This accreditation may be officially recognized by other countries in the region, as well as by those our country has valid treaties with.</p>												
<p>1.9 Financing Sought</p>	<p>The estimated financing amount for the execution of the project is about USD 500,000, as per the following detail:</p> <p style="text-align: center;">Table 1: Approximate estimate of expenses</p> <table border="1" data-bbox="427 920 1442 1077"> <thead> <tr> <th>STAGE</th> <th>ESTIMATED EXPENSES</th> </tr> </thead> <tbody> <tr> <td>Program Design</td> <td>US\$ 75,000</td> </tr> <tr> <td>Instrument Development</td> <td>US\$ 150,000</td> </tr> <tr> <td>Implementation of educational services and exam application</td> <td>US\$ 250,000</td> </tr> <tr> <td>Evaluation</td> <td>US\$ 25,000</td> </tr> <tr> <td>TOTAL</td> <td>US\$ 500,000</td> </tr> </tbody> </table>	STAGE	ESTIMATED EXPENSES	Program Design	US\$ 75,000	Instrument Development	US\$ 150,000	Implementation of educational services and exam application	US\$ 250,000	Evaluation	US\$ 25,000	TOTAL	US\$ 500,000
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<p>1.10 Implementation Partner(s)</p>	<p>The SAI of Mexico has been implementing a certification program the objective, design and operation of which match the proposal contained in this document. As a result, coordinated actions were taken with a view to sharing experiences, documents and good practices, so as to include these in the design, development and implementation of the international certification program.</p> <p>Due to the complexity and strategic nature of this type of initiatives, it is essential to draw on the experience of other SAIs as part of the project development. In this regard, the experience contributed by the SAI of Mexico, coupled with the experience achieved by the SAI of Peru through the implementation of the project, will considerably reduce the risks faced by other SAIs during the implementation process.</p>												
<p>1.11 Delivery Approach</p>	<p>The execution of the project will involve the following stages:</p> <ol style="list-style-type: none"> DESIGN STAGE. <p>Includes the development of the work plan, conceptual design and general schedule for the development of professional capacities. The SAI of Peru, in conjunction with the SAI of Mexico, conduct the document preparation process (curricular design, objectives, auditor profile, etc.). The documents forwarded to other SAIs in the region whose feedback will be considered in the design.</p> <p>This is the stage where the requirements for obtaining the Government Auditor Certification are defined in terms of experience, knowledge, skills and competences.</p>												

2. DEVELOPMENT STAGE.

This is the stage where the instruments for application to the professional certification process are developed. These instruments include: syllabus and course material; professional competence evaluation tools; manuals and handbooks; communication pieces; and other items required for the implementation of the program.

Additionally, during this stage, formal proceedings are brought before the authorities responsible for, among other things, authorizing and registering this type of certifications. This includes the national and international agreements dealing with the validation or issuance of national- or international-level certifications.

3. IMPLEMENTATION STAGE

This stage includes the project launch, organization of courses, scheduling of competence exams and certification of the auditors who have met the above-mentioned requirements. Following are the stages displayed on a 6-month interval timeline, that can be used also for determining the periods for the disbursement of the requested financing:

Table 2: General schedule of activities:

	Year 0	Year 1	Year 2	Year 3	Year 4
Activity					
Design					
Launch					
Course scheduling					
Competence exam administration					
Evaluation					
Sharing within the region					

4. EVALUATION STAGE.

This activity takes place as shown on Table 2, at the end of year 2, as an intermediate evaluation, and at the end of year 4, by way of conclusion of the first version of the Program.

It is the objective of the evaluation to recommend actions aimed at ensuring the alignment of the requirements in terms of professional auditor performance with:

- the outcomes achieved or competences developed as a result the academic activities and
- the result of the administration of competence exams.

Upon completion of the first evaluation, the result sharing and dissemination process would be started on a regional level, for other SAIs to use the materials and resources available for implementation.

As for the sustainability of this Project, account should be taken of the fact that, regarding the SAI of Peru, the Program forms part of a broader-mission process, which includes career progression management and performance assessments by the Human Capital Management Office, as well as internal training management by the National School of Supervision, as organic units of this SAI. Both processes underway would be integrated into the Program. This would result in a standardization of the criteria for the selection, development, promotion and training of auditors, with all these factors forming part of the institutional career line.

1.12 Alignment with Recent or Ongoing Support Projects	<p>The SAI of Mexico drew on international funding for implementing its auditor certification program. Furthermore, in the context of the OLACEFS, international certification proposals have been developed with the Mexican Institute of Internal Auditors.</p> <p>Additionally, conversations have been held with IDI officers, both directly with the General Comptroller, Mr. Nelson Schack, and with members of the GCO teams, the aim of these conversations being the realization of synergies in all training and research instances, which increases the feasibility of using this initiative from the OCG of Peru as part of the PESA pilots in Spanish.</p>												
1.13 Existence of SAI-Donor Coordination Mechanism	<p>To date, coordinated experience-sharing actions have been started with the SAI of Mexico.</p>												
1.14 Risk assessment of project	<p>The main risks to the project and their rating are shown in Table No. 3:</p> <p style="text-align: center;">Table No. 3: Risk matrix</p> <table border="1" data-bbox="604 763 1295 987"> <thead> <tr> <th>RISKS</th> <th>PROBABILITY</th> <th>IMPACT</th> </tr> </thead> <tbody> <tr> <td>1. Unavailability of resources during the design/development stage</td> <td>Medium</td> <td>High</td> </tr> <tr> <td>2. Change in institutional priorities</td> <td>Low</td> <td>High</td> </tr> <tr> <td>3. Unavailability of resources during the implementation stage</td> <td>Low</td> <td>High</td> </tr> </tbody> </table> <p>Among the risks identified, a shortage of resources during the initial stages would affect the Project's performance, as the conceptualization and development of the applicable instruments require the participation of international experts and resource persons.</p>	RISKS	PROBABILITY	IMPACT	1. Unavailability of resources during the design/development stage	Medium	High	2. Change in institutional priorities	Low	High	3. Unavailability of resources during the implementation stage	Low	High
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1.15 Monitoring of the Project	<p>The monitoring of the Project would be the responsibility of the National School of Supervision.</p>												

Project Design

2.1 Please indicate the tangible outputs to be obtained from the project proposed.

The following would be the first tangible outputs:

1. Government auditor skills profile on three levels.
2. Skills manual for each profile.
3. Professional competence standards for each profile (requirements)
4. Tests applicable to each profile for evaluating professional competence on each level.
5. Manual and guide for the administration of the certification (process mapping and documentation).
6. Agreements proposed on a national / international level.
7. Documents required in accordance with national and international standards.
8. Curriculum for each level.
9. Syllabus, evaluation criteria and materials for each course in the curriculum.
10. Instruments for evaluating the consistency and quality of the program.

2.2 Set of activities proposed for producing tangible outputs.

The set of activities includes:

1. Proposal design, instruments, curriculum and work plan.
2. Development of materials, evaluations and regulatory instruments.
3. Implementation of project activities.
4. Intermediate and final project evaluations.

2.3 The roles of the applicant and the implementation partners in the project proposed.

- The Directorate General of the National School of Supervision will be the Project Owner in charge of supervising and monitoring the Project.
- The Under Directorate General of Postgraduate Studies will be the Project Manager in charge of managing activities, producing deliverables, and supervising third-party activities.
- The Office of the Assistance Manager for Cooperation and International Relations will manage relations with other entities and stakeholders.

2.4 Inputs

For its development, the Project will require the contribution of:

1. Instructional designers
2. Specialized instructors
3. Professional certification experts
4. Competence profile design experts
5. Experts on international standard-based project management

Additionally, the National School of Supervision will provide the administrative support, equipment and space for carrying out the relevant activities.

2.5 Budget

The estimated funding amount for this project is about US\$ 500,000, to be disbursed as per the schedule contained in Item 3 of Section 1.11.