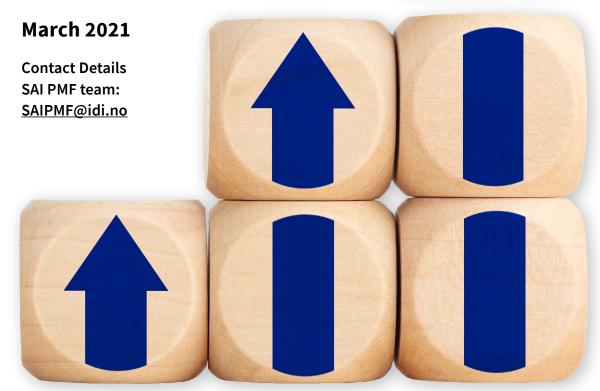


Supreme Audit Institutions Performance Measurement Framework

Guidance for Conducting a Repeat SAI PMF Assessment





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	Abbre	eviatio	ons	
	Calibration IDI IFPP INTOSAI ISSAIS PV SAI WGVBS SAI SAI PMF		Method of aggregating a score at a dimension level INTOSAI Development Initiative The Intosai Framework for Professional Pronouncements	
			International Organisation of Supreme Audit Institutions International Standards for Supreme Audit Institutions	
			SAI PMF pilot version	
			SAI Working Group on the Values and Benefits of SAIs	
:			Supreme Audit Institution	
:			SAI Performance Measurement Framework	
			SAI Performance Report	
	T∩R		Terms of Reference	

1. Background

The Supreme Audit Institutions Performance Measurement Framework (SAI PMF) was developed by the INTOSAI Working Group on the Value and Benefits of SAIs (WGVBS) following a decision at the INTOSAI Congress in South Africa in 2010. The 2016 version of the framework which is the newest version was approved at the XXII INTOSAI Congress in Abu Dhabi in December 2016.

The SAI PMF provides Supreme Audit Institutions (SAIs) with a comprehensive and holistic framework for voluntary assessments of their performance against the INTOSAI Framework for Professional

Pronouncements (IFPP) and other established international good practices for external public auditing. It is a voluntary tool and not intended to result in obligatory use in all or parts of the INTOSAI community. The SAI PMF is an excellent tool for comparing performance by conducting a repeat SAI PMF assessment. SAI PMF consists of several measurable indicators and criteria that enable an objective assessment of performance and comparison of performance over time.

The SAI PMF is an excellent tool for comparing performance by conducting a repeat SAI PMF assessment. SAI PMF consists of several measurable indicators and criteria that enable an objective assessment of performance and comparison of performance over time.

In the words of two SAIs who have conducted a repeat SAI PMF assessment:

"We have become stronger in enforcing government transparency and promoting efficiency in public services, generating savings that benefit our society and preventing corruption."

Ms. Marta Acosta Zúñiga, Auditor General of Costa Rica

"The repeat SAI PMF assessment reassured us that the targeted efforts to strengthen our office have had positive effects. We could clearly see performance improvements in key areas. Importantly the results have provided us with a direction on capacity gaps that still needs to be addressed moving forward."

Internal assessment team from the Royal Audit Authority of Bhutan (RAA)

2. Objective of this guidance

The objective of this guidance is to provide advice to assessment teams on how to conduct a repeat SAI PMF assessment and how to compare the results of two assessments to understand how performance has changed. We will present a general approach to comparing results which can be followed both when the same version of the SAI PMF framework has been used for the two assessments and when different versions have been used. Keep in mind that a repeat SAI PMF assessment should not be conducted too often. Our general advice would be around every 3-5 years since it takes time for changes to materialize. An increased number of SAIs conduct a SAI PMF assessment towards the end of their strategic planning period to evaluate the implementation of their strategic plan and to inform their new strategic plan.

Another objective of this guidance is to mitigate risks that are present when comparing the results of two assessments. If not done correctly there is a risk of arriving at the wrong conclusions about how the SAIs performance has changed, for instance by directly comparing scores when it is not appropriate. A change in score for an indicator or dimension may indicate that performance has changed but not always. The comparison will be more straightforward when comparing the

results of two assessments using the same version of the framework. Then it is possible to directly compare scores, although professional judgement must always be applied. The risks will be more pronounced when comparing between different versions. This entails that Another objective of this guidance is to mitigate risks that are present when comparing the results of two assessments.

assessors need to be more careful since a difference in score will in many cases not automatically entail that SAI performance has improved or worsened.

When conducting a repeat assessment, the general methodology is the same as for any other assessment. This guidance is limited to issues specifically related to conducting a repeat SAI PMF assessment and examining how performance has changed. For general guidance on how to conduct a SAI PMF assessment and how to understand the SAI PMF methodology, we refer you to other guidance material such as the SAI PMF framework document itself, frequently asked questions and the guidance for assessors.1

This guidance provides a general approach that is useful for all assessors conducting a repeat assessment. In addition, some specific guidance is given for repeat assessments that applied the

pilot version for the first assessment and the 2016 version for the repeat assessment. A detailed mapping between the indicators, dimensions and criteria in the 2016 version and the corresponding indicators, dimensions and criteria in the SAI PMF pilot version is provided in a separate excel, the link can be found in Annex 1. To date most assessments conducted have used these two versions. The table below gives you the overview of assessments that have used the different versions of the SALPMF framework

Table 1: Number of assessments that have used the different versions of the SAI PFM tool²

SAI PMF version	Number of assessments
2016 version	29
Version 3.2	2
Version 3.1	9
Pilot version	25
Version 2.0	3

The structure of this guidance is as follows:

- Chapter 3 sets out the key principles for conducting a SAI PMF assessment and specific aspects of those in the context of conducting a repeat assessment.
- Chapter 4 provides guidance on the process for conducting a repeat assessment.
- Chapter 5 provides guidance on how to compare the results between two SAI PMF assessments regardless of which versions of the SAI PMF framework that are being used.
- Chapter 6 provides an overview of a) the comparability between the pilot version and 2016 version of the framework and b) comparability between version 3.1 and the 2016 version of the framework.
- Chapter 7 gives an overview of the support IDI provides.
- Annex 1: provides the links to two excel-sheets that can be used to register scores and analyse performance change. Excel 1 provides a detailed mapping between the indicators, dimensions and criteria in the SAI PMF 2016 version and the corresponding indicators, dimensions and criteria in the SAI PMF pilot version. Excel 2 can be used to register and compare scores for a repeat assessment where the 2016 version is used for both assessments.

These can be found on the IDI website: https://www.idi.no/work-streams/well-governed-sais/sai-pmf/resources.

² The numbers are based on the data IDI has available per 1 November 2019. Finalised reports and are reports that have reached independent review stage have been included. There could be slight variations to the numbers.

3. Key principles for conducting a SAI PMF assessment

Before we go into the details of how to conduct a repeat assessment, it is important to recap on some of the key principles for conducting a SAI PMF assessment and specific aspects of these in the context of conducting a repeat assessment.

The assessment should: Be Use Be Evidenceprofessional **Objective** based judgement

- 1. The assessment should be evidence-based. When scoring the criteria met/not met it should be based on appropriate evidence. This is just as relevant for a repeat assessment. Assessors should not automatically assume that criteria are still met because they were scored met in the previous assessment.
- 2. Be objective. When conducting a repeat assessment there is a risk that you will expect performance to have improved. For instance, if you know that the SAI has put in place measures to close capacity gaps. This will not always be the case. There can be many reasons why capacity development initiatives do not provide the intended results. Assessors should remember to be objective and base the assessment on appropriate evidence.
- 3. Use professional judgement. As mentioned above a difference in score will not necessarily mean that you can conclude that performance has changed. Since there is always a qualitative element in play when conducting an assessment professional judgement must be applied in all cases. There can for example be performance changes you want to capture that is not reflected in a change of score. The need for applying professional judgement is even more crucial when you compare the results of two assessments that have used different versions of the framework.

Limitations

Keep in mind that the results of a repeat SAI PMF assessment are not able to provide a fully comprehensive analysis of why capacity development initiatives have provided/not provided the intended results. By conducting a repeat assessment, the SAI will get a good overview of how performance has changed which can be used as a basis for further analysis to identify the root causes.

4. The process for conducting a repeat SAI PMF assessment

There is already a well-established process for conducting a SAI PMF assessment that should be followed when conducting a repeat assessment.

We will now describe specific actions related to conducting a repeat assessment that should be considered in the four main stages of a SAI PMF assessment: 1) planning, 2) field work and report writing, 3) analyse and finalise draft report and 4) independent review. In illustration 1 below the three first stages include activities that should be conducted by the assessment team. The fourth stage includes activities that will be conducted by an independent reviewer.

Figure 1: specific activities related to conducting a repeat assessment



4.1 **Planning**

Regardless of whether the assessment is conducted as a self-, peer-, or external assessment the planning stage is a crucial step and lays the foundations for the rest of the SAI PMF assessment. The key output is the Terms of Reference (ToR) which is an agreement between the assessment team and the Head of SAI and sets out key decisions regarding the assessment such as scope of the assessment, timeline and responsibilities.

The Head of SAI needs to decide on the purpose of conducting the SAI PMF assessment. If examining performance change by conducting a repeat assessment is one of the purposes this needs to be described in the ToR.

In the planning phase we recommend that the assessment team conducting a repeat assessment conducts the following activities:

- - Was the report independently reviewed? If yes, the SAI PMF report would normally include an independent review statement. It is important to read the statement since These exceptions will be outlined within the statement itself.
 - Was a quality control of facts conducted? This would entail that a person who knows working papers of the assessment team to check whether the report is factually correct. This task will in most cases be conducted by a person/a team from the SAI. The methodology chapter will in some reports but not always, describe the main
 - ◆ The SAI PMF report will in some instances include a description of the assessment

You can also consult the IDI on this matter since IDI has a good overview of assessments and the assessment will be conducted as a first assessment.

Were specific capacity development projects initiated to close capacity gaps identified by the previous assessment? Were the results used to inform the SAI strategic plan?

4.2 Field work and report writing

This is the stage where the assessment team will collect the main body of evidence as a basis for scoring the indicators, dimensions and criteria. The data collection method will generally include a review of key documents, review of a sample of audit files and interviews with key staff etc. It is also recommended to start writing parts of the SAI PMF performance report including the write-up of chapter 4 in conjunction with assessing the indicators. Experience has demonstrated that this will in many cases lead to a more efficient assessment process.

We don't foresee additional activities in this phase, but we want to again emphasize the importance of applying the key principles set out in Chapter 3. Scoring the criteria met/not met should be based on appropriate evidence and the assessors should be objective and apply professional judgement.

4.3 Analyse and finalise draft report

Some degree of analysis and report writing will always happen already in the Field work and report writing stage. But in most cases, the main part of analysing the SAI PMF results will take place in this stage. In this stage the assessment team will analyse and describe how the SAI is performing in its

core functions when it comes to audit coverage, audit quality and audit results. And explain this performance by conducting a root cause analysis and putting the findings into context taking into consideration the country context and the environment the SAI is operating in.

The main work related to examining, analysing and reporting on how performance has changed will also be conducted in this stage. The key steps will be to:

- 1. Use the excel sheets, the links are provided in Annex 1, to plot the assessment results at

4.4 Independent Review and measures to ensure quality of assessment findings

Ensuring the quality and objectivity of assessments is fundamental to producing a SAI Performance Report which correctly describes the SAI and its activities, and which adds value to the development efforts of the SAI. Each individual assessment should consequently take measures to ensure a highquality product.

Independent review: It is strongly recommended that all SAI PMF reports are subject to an independent review of the report's adherence to SAI PMF methodology. IDI as the operational lead on SAI PMF coordinates the independent review function. This entails that someone that is independent/external to the SAI and the assessment team check whether the SAI PMF methodology has been adhered to including checking whether indicators and scores are applied correctly, that they are based on sufficient and appropriate evidence, and that these elements support a qualitative analysis leading to valid conclusions. This strongly contributes to the credibility of the report and ensures that the SAI bases its further work on a report that presents correct information.

The independent reviewer will check whether the comparison of results between two SAI PMF assessments follows a sound methodology and leads to valid conclusions.

Quality control: When a report reaches the independent review stage, the independent reviewer assumes that the report is factually correct. This entails that several layers of quality control should be put in place before the independent review stage. A recommended solution is that the assessment team leader is responsible for the first level of quality control during the assessment work. While the second level of quality control of the draft report is conducted by managers or staff in the SAI, and/ or potentially a donor organisation, who have not been part of the assessment team but knows the SAI well. Quality control arrangements should cover review of working papers, work of the team, supervision, and monitoring of progress.

It is important to ensure that the quality control arrangements also include the work done in relation to the comparison of results and monitoring of performance.

How to compare results between two SAI PMF assessments

To be able to monitor performance change over time and compare results it is important to first have a good understanding of what performance change entails in the context of a repeat SAI PMF assessment and the SAI PMF methodology. In this chapter we will first outline what we mean by performance change. Then we will provide more detailed guidance on how to conduct the three key steps in the analysing and report writing stage as outlined in chapter 4.3. This approach will enable the assessment teams to arrive at valid conclusions on how SAI performance has changed.

What is performance change? 5.1

SAI PMF assigns performance scores at three levels: at the criteria, the dimension and the indicator level. It is the comparison of these scores over time that facilitates the analysis of performance changes between SAI PMF assessments. The individual criteria are scored met or not met. This forms the basis for calculating the numerical score at the dimension and indicator level following specific rules outlined in the SAI PMF framework document. The numerical scores follow a scale from 0 to 4, where 0 is the lowest level, and 4 is the highest. The scoring levels 0-4 reflect the level of development for the different areas. The definition of the scoring levels as such has not changed substantially between the different version of the SAI PMF tool. But the underlying requirements to achieve the different scores at dimension and indicator level may have changed.

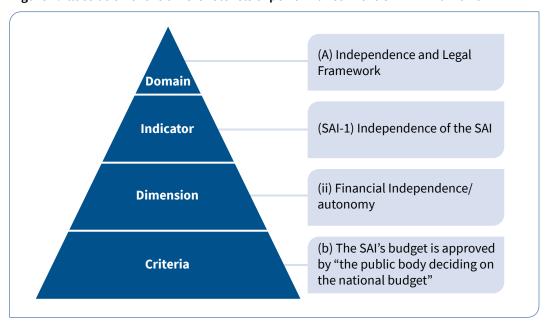


Figure 2: Illustration of the different levels of performance in the SAI PMF framework

When you compare two versions of the SAI PMF framework there are three main categories of changes that may have taken place and it is important to be aware of:.

- 1. Change in the actual content of the criteria between two versions of the SAI PMF framework, meaning that what is being assessed through the indicators, dimensions and criteria is not the same.
- 2. Restructuring of the indicators, dimensions and criteria. One example is that in the pilot version the assessment of audit coverage for the three main audit streams (financial, compliance and performance audits) were assessed in three different indicators. In the 2016 version audit coverage for the three audit streams as well as coverage of jurisdictional control is assessed in one indicator.
- 3. Change in calibration, meaning that the instructions for aggregating the scores at the dimension level and indicator level has changed.

How straightforward it is to compare the results of two SAI PMF assessments depends on the comparability between the versions of the SAI PMF framework used for the two assessments. To assist you we have identified three colour-codes (green, yellow and orange) based on the level of comparability. All criteria and all dimensions can be assigned one of these colour-codes.

5.1.1 **Green category**³

DEFINITION:

There is no change in content. If all criteria within a dimension are defined as green the dimension will by default be green and a direct comparison of scores at the dimension level can be made. If you use the same version of the SAI PMF framework for both assessments all criteria, dimensions and indicators will be green.

Example (using the pilot version for the first assessment and 2016 version for the repeat assessment):

2016 Version	Pilot version
Indicator	Indicator
SAI-3, dimension (i):	SAI-8, dimension (i):
Content of the	Content of the
strategic plan	strategic plan

As you can see there has been some structural change where indicator SAI-8, dimension (i) in the pilot version corresponds to indicator SAI-3, dimension (i) in the 2016 version. Despite these structural changes all the criteria within this dimension are still the same and defined as

green, and the dimension therefore falls into the green category. If the same criteria are still met in the repeat assessment you may conclude that performance remains the same. If more criteria are met in the repeat assessment you may conclude that performance has improved. And if less criteria are met in the repeat assessment you may conclude that performance has worsened.

³ There may be small changes in phrasing etc. but we regard those as minor changes that does not impact on what is being assessed meaning that a direct comparison can be made.

Yellow category 5.1.2

Example 1 (using the pilot version for the first assessment and 2016 version for the repeat assessment):

Pilot version	
Indicator	
SAI-14, dimension (i):	
Evaluating Audit	
Evidence, Concluding	
and Reporting in	
Compliance Audits	

All the criteria within this dimension are the same and defined as green, but there has been a change in calibration. It will not be possible to directly compare score at the dimension level but there is still a high degree of comparability and a qualitative comparison should be made.

Example 2 (using the pilot version for the first assessment and 2016 version for the repeat assessment):

2016 Version	Pilot version
Indicator	Indicator
SAI-4, dimension (i):	SAI-9, dimension (i):
Quality Control	Quality Control
System	System

Several of the criteria within this dimension is defined as green. But criterion f) in the pilot version has been removed in the 2016 version and there have been changes in calibration. It will not be possible to directly compare score at the dimension level but there is still a high degree of comparability and a qualitative comparison should be made.

5.1.3 **Orange category**

DEFINITION:

unlikely to be meaningful. Keep in mind that there could still be cases where you want to

Example (using the pilot version for the first assessment and 2016 version for the repeat assessment):

2016 Version	Pilot version
Indicator	-
SAI-18, dimension (i):	
Jurisdictional Control	
Standards and Policies	

This was a new dimension in the 2016 version and therefore comparison is unlikely to give any meaningful information.

Compare results between two assessments – three key steps 5.2

5.2.1 Step 1: Register the scores

Use the excel sheets, the links are provided in Annex 1 to this guidance, to plot the assessment results at the criterion, dimension, and indicator level. This needs to be done for both the first assessment and the repeat assessment. The criteria and dimensions are already colour-coded in the excel sheets based on our mapping of the level of comparability. How performance has changed will clearly materialize when you have registered the necessary information in the excel sheet:

- 1. Excel 1: can be used for repeat assessments where the pilot version of the framework was used for the first assessment and the 2016 version was used for the repeat assessment.
- 2. Excel 2: can be used for repeat assessments where the 2016 version was used for both assessments.

If you are conducting a repeat assessment using other versions of the framework which are not captured in the two excel sheets, please contact the SAI PMF team within IDI for further guidance.

Step 2: Analyse performance change

Analyse how performance has changed using the assessment results registered in the excel sheets (as mentioned under Step 1) as a basis. We also recommend that you in the same excel file, document your high-level analysis at the dimension and indicator level.

The colour-coding of the criteria and the dimensions will assist the assessment team in deciding where it is possible to directly compare numerical scores at the dimension level and where a qualitative comparison should be made.

Identifying performance change which is not reflected in a change in dimension score:

The assessors need to apply professional judgement to capture important aspects that are not reflected in a change of dimension score.

Example (using the pilot version for the first assessment and 2016 version for the repeat assessment):

2016 Version	Pilot version
Indicator	Indicator
SAI-17, dimension (i):	SAI-2, dimension (i):
Timely Submission	Timely Submission
of Compliance	of Compliance
Audit Results	Audit Results

This dimension is defined as green, meaning that a direct comparison of the score at the dimension level is possible. Note that there could be an improvement in the timeliness of submission of the SAI's compliance audit results to the appropriate authority from 8 months after the year-end to 7 months after the year-end (where no

legal timeframe is established). In this case, the SAI will still receive the score of 2 for this dimension, but performance has improved.

Step 3: Report on performance change in the SAI PMF performance report

The analysis conducted and documented under step 2 will now be used as a basis for reporting on performance change in the SAI PFM performance report. As mentioned in chapter 4.3, a SAI PMF reporting template for repeat assessments has been developed for this purpose and can be found on the IDI website.⁴ Specific guidance is provided within the template. Reporting on performance change should be done in the following chapters of the SAI PFM performance report:

⁴ A SAI PMF reporting template for a repeat assessment can be found on the IDI website: https://www.idi.no/work-streams/ well-governed-sais/sai-pmf/resources

- Annex 2a and 2b: a high-level summary per dimension and indicator should be included.
 - Use Annex 2a if the pilot version of the SAI PMF framework was used for the first assessment and the 2016 version of the framework was used for the repeat assessment.
 - Use Annex 2b if the 2016 version of the SAI PMF framework was used for both the first assessment and the repeat assessment.
- Section c) Key findings and Observations on the SAI's Performance and Impact: a description of the key findings from the previous assessment, what the SAI did to address those findings and how this is reflected in terms of performance improvements in the new assessment should be included in section (i) Integrated Assessment of SAI Performance. A description of how this has affected the SAIs ability to contribute to positive changes in the external environment of the SAI should be included in section (ii) The Value and Benefits of SAIs.
- Minor aspects related to conducting a repeat assessment should be included in the Introduction and Chapter 1: Assessment Methodology.
- Chapter 3: we don't envision including anything specific related to conducting a repeat assessment. Note that for this chapter you can most likely reuse information from the first SAI PMF performance report, but you need to ensure that all information is still relevant.
- Chapter 4: this should be written as a standard SAI PMF assessment and the assessors do not need to include anything specific related to conducting a repeat assessment and monitoring of performance.

6. Overview of main changes compared to the 2016-version

In this section we will briefly describe the comparability between the different versions of SAI PMF as compared to the 2016 version.

6.1 Comparability 2016 version and pilot version

Changes in content, calibration and structure have taken place for most indicators and dimensions. In most cases it is not possible to directly compare scores. Where this is not possible a meaningful qualitative analysis can be conducted for most indicators and dimensions.

The main changes are:

- A reduction from 7 to 6 domains. The indicators in the former domain A SAI Results have been moved to the new domain C on Audit Standards and Quality, linking the audit work and its outputs tighter together. The new domain B on Internal Governance and Ethics aims to measure the SAI's organisational processes and systems at a more holistic level. This has entailed some additions, and that some indicators and dimensions from other domains have been moved to the new domain.
- Extensive improvements were made to the jurisdictional indicators.
- Any issues with calibration scales, criteria, scoring, overlaps or consistency were addressed as far as possible

6.2 2016 version and version 3.1

Most of the changes listed in section 6.1 were reflected in version 3.1 and 3.2 of the framework. This entails that the 2016 version of the framework was developed with minimal changes compared to version 3.1 and 3.2. A summary of the main changes between the 2016 version and version 3.1:

- The dimension assessing the existence of a mechanism for following up on audit results was removed from indicator SAI-7 and merged with Domain C indicators.
- Extensive changes to indicators SAI-18 SAI 20 to harmonise the structure of the indicators with the structure for audit disciplines. A dimension on coverage of jurisdictional control (only relevant for SAIs with jurisdictional functions) was added as an additional dimension under the new indicator SAI-8.
- Domain A on SAI Independence and Legal Framework was slightly amended to correctly maintain the context of SAIs with different models.
- Any technical issues related to criteria, references and scoring raised through feedback and observed through piloting of version 3.1 was corrected as appropriate.

7. Support from IDI

To conduct a repeat assessment with the purpose of comparing performance will happen more frequently moving forward. For anyone who is planning to do this the SAI PMF team in IDI is happy to assist. The support IDI can provide includes:

- ✓ Individual orientation sessions
- ✓ Regular trainings in SAI PMF which can also include a component on how to conduct a repeat assessment
- ✓ General support to assessors/ad hoc matters
- ✓ Independent review of the draft Terms of Reference which can include a consultation on whether the results from the previous SAI PMF assessment can be relied on, refer to section 4.1.
- ✓ Independent review of the SAI PMF Performance Report

You can reach the IDI SAI PMF team on e-mail: **SAIPMF@idi.no**

Annex 1: Excel sheets that can be used to register scores and analyse performance change

In this annex you can find the link to the two excel sheets you can use to register the assessment results which will enable you to compare results and monitor performance change in a simple manner. Two excel sheets have been prepared:

1. **Excel 1:** can be used for repeat assessments where the pilot version of the framework was used for the first assessment and the 2016 version was used for the repeat assessment. The excel provides a detailed tracking between the indicators, dimensions and criteria between the pilot version and the corresponding indicators, dimensions and criteria in the 2016 version.

Link is provided here: SAI PMF Website - Resources

2. Excel 2: can be used for repeat assessments where the 2016 version was used for both assessments.

Link is provided here: SAI PMF Website - Resources

The worksheets in Arabic, French and Spanish can be found on the IDI Website in the section Repeat SAI PMF assessment -guidance and tools.

NOTE! If you are conducting a repeat assessment using other versions of the framework which are not captured in the two excel sheets, please contact the SAI PMF team within IDI for further guidance.



the SAI PMF team within IDI can be contacted on e-mail: saipmf@idi.no