Strategic Action Plan

FY2016-2017

Internal Audit Community of Practice

Our Mission

IACOP offers support to its member countries in establishing modern and effective Internal Audit system that meets international standards and best practices and is a key for good governance and accountability in the public sector.

Our Core Values

Professionalism, dedication to reforms, commitment to sharing knowledge and experience with the community (as professional family of peers), trust, unity and respect to diversity of 23 member countries.

IACOP Motto

unityINdiversity

IACOP Hymn and Family Spirit

FAMILY SPIRIT IN OUR TEAM

PEMPAL - my team, my dream, my love!

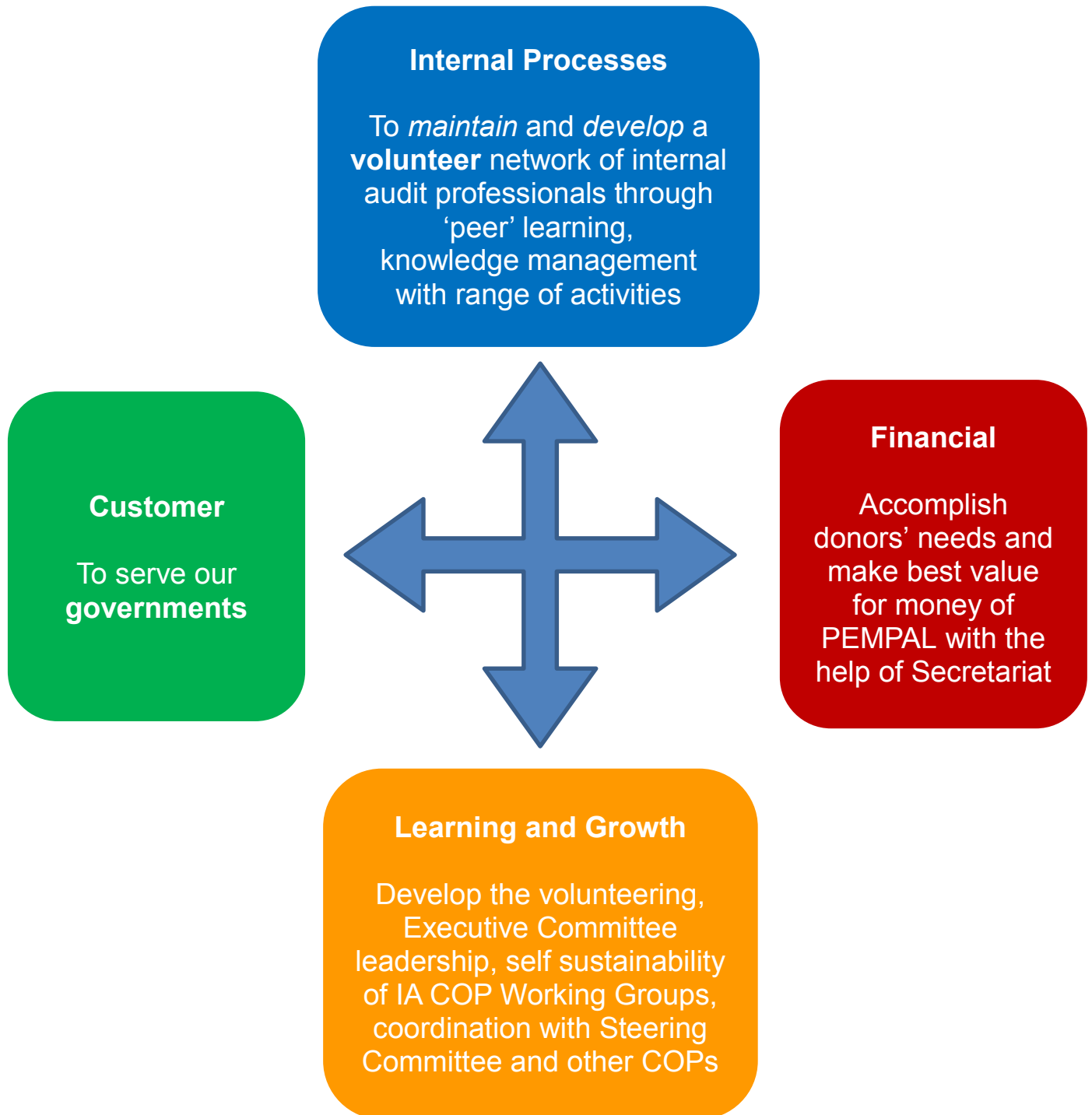You give me everything that drives!

PEMPAL my family forever,

you are the guiding star in all my life.

Hymn: about our team

http://www.youtube.com/watch?v=Rf50ZuzHICE&feature=youtu.be

IACOP Balanced Scorecard

IACOP's broader perspectives of our stakeholders and processes.

Internal Processes

To *maintain* and *develop* a **volunteer** network of internal audit professionals through 'peer' learning, knowledge management with range of activities

Customer

To serve our **governments**

Financial

Accomplish donors' needs and make best value for money of PEMPAL with the help of Secretariat

Learning and Growth

Develop the volunteering, Executive Committee leadership, self sustainability of IA COP Working Groups, coordination with Steering Committee and other COPs

IACOP Objectives

1. Addressing priorities of member countries and helping them to solve challenges in IACOP functional area[1].
2. Providing quality resources and sustainable network services to members, which are in line with relevant IA best practices and international standards. Promoting dedicated, sustainable and professional membership having a voice and influence and supported by appropriate leadership and communication technologies.
3. Ensuring financially sustainable network of IA professionals, supported by development partners and member countries' in-kind and financial contributions, and via other sources of income (e.g. generate revenue from sale of IACOP good practice products developed, participation in IACOP events, etc.)
4. Raising awareness of high government and political levels regarding the benefits and value of IACOP impact on reforms.

IACOP Priority Themes for 2016-2017

Priority themes for the FY 2016-2017, IA CoP will deal with the following:
- ✓ FMC implementation with emphasize on accountability and transparency (new working group)
- ✓ Relationship of Internal Audit with Financial Inspection and External Audit (RIFIX continuing working group)
- ✓ Practical implementation of audit cycle, different types and models of audits, including IT solutions (new working group)
- ✓ Central harmonization units' challenges at different stages of the reform
- ✓ Promotion of IACOP, including existing knowledge products and experience gained in ongoing and previous working groups: T&C, CPD, RA, QA, Body of knowledge

The format of events proposed:
- ✓ Plenary, working groups, thematic meetings, ex com members and leaders' meeting, study visits
- ✓ Promotion activities, including distribution of existing knowledge products (participation at national and international events)
- ✓ IACOP peers' advisory missions and reverse study visit (types of thematic meeting)
- ✓ Videoconferences, webinars (specifically for thematic meetings)

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[1] The IACOP defined its functional area:
http://pempalexec.wikispaces.com/file/view/ExCom_Meeting_Minutes_VC_February%202013%20final.pdf/413739118/ExCom_Meeting_Minutes_VC_February%202013%20final.pdf

IACOP Leadership Team and Operational Processes

The IACOP activities are directed by a well organized and result oriented Executive Committee (ExCom) team, comprised from nine members as follows: Edit Nemeth (Hungary), Chair; Ljerka Crnkovic (Croatia), Vice-Chair on Content; Cristina Scutelnic (Moldova), Vice-Chair on Operatoins; Maxim Timohin (Ukraine); Stanislav Bychkov (Russia); Zamira Omorova (Kyrgyz Republic); Svilena Simeonova (Bulgaria); Nini Elliashvili (Georgia); and Amela Muftic (Bosnia and Herzegovina). The leadership team is facilitated by the World Bank represented by Arman Vatyan (IACOP Coordinator and lead of the resource team) and Diana Grosu-Axenti (resource member), with contribution from other resource country members (recently The Netherlands, Poland, and RSA).

The ExCom meets at least quarterly to discuss the progress made with the Action Plan and IACOP activities related matters. The results of the post-events surveys regularly conducted among IACOP members help to assess the level of effectiveness and usefulness of IACOP activities. In addition, the Enabling Groups extensively used by the IACOP help to monitor the progress made with reforms in member countries and collect regular feedback from participants on the achievement of objectives of the events and on the demand on the members' side.

The ExCom team is also supported by the leaders of the Working Groups (WG) established in IACOP who direct the knowledge sharing and creation in the respective area.

There are several types of IACOP activities: face to face meetings through plenary meetings, WGs meetings, study visits, ExCom meetings, as well as video conferences using World Bank facilities, skype, Facebook, and virtual work in wikispaces. The IACOP events provide for very interactive activities, as a result different set of tools are used by IACOP resource team to keep all participants in focus and ensure their active engagement including fishbowl, world café, role plays, table debates, case studies, etc.

Once in every three years, surveys are conducted to monitor the progress of reform implementation and to assess the effect and impact of IACOP on internal audit reforms in the member countries. The last time it was performed before Cross COP Plenary meeting in Moscow in May 2014. The interactive voting and surveys are used to identify and establish member countries' priorities to shape IACOP activities. This is the input to the ExCom to draft the IACOP Strategic Action Plans, which goes through interactive consultative process before approval facilitated by the resource team. In addition, supplementary action plans of the WG established within the IACOP are developed and approved. The same level of scrutiny and engagement is applied for designing the agendas of all IACOP events. The resource team is leading the process of consolidating inputs and drafting of the event agendas.

Following IACOP plenary decision, five working/thematic groups have been established during the period since 2013, which offer additional opportunities for member countries to address the issues of their priority interest and where there is no clear international best practice established for the public sector IA. In 2012, the WG on Internal Audit Manual was closed with as a Good Practice Internal Audit Manual template developed and published as a result. The Good Practice knowledge products developed are product of extensive exchange of ideas, experience and knowledge on respective country practices among members. In average, a single Good Practice takes around two years to develop. Those Good Practices are used by member countries to inform their IA reforms and guide development of respective documents. Those are treated as a high value and unique knowledge products which are result of a collective work of policy makers and practitioners from 23 countries.

The IACOP also prepares Communiqués at the end of each plenary or thematic meeting to summarize key conclusions reached during the particular event. Those also represent a key reform guide for member countries.

In addition, there are more than 100 various knowledge products produced by the IACOP, which provide a general information on a specific country system or other reports and analysis conducted by individual member country participants or resource members (including consultants).

IACOP Enabling Groups

Agenda activists

Agenda Activists: to identify and prioritize the topics, themes and activities that will help shape future events.

Knowledge brokers: look for opportunities to bring people and knowledge together across CoPs and beyond.

Community Keepers: look for ways to promote sustainability of membership through ensuring high value for time.

External Messengers: prepare a communiques to bring people and knowledge together across CoPs and beyond.

Ohrid Communiqué:
✓ INTERNAL AUDIT MANUAL – to be used as a common reference
…
✓ RELATION BETWEEN FINANCIAL INSPECTION AND INTERNAL AUDIT - a need for mutual
..

Quality friends: reflect on what is working well during IACoP events and what is not, and how we could improve our activity.

Quality friends

Strong points

➤ High level experts
➤ Excellent logistic: hotel...
➤ Great hosts!!!

Weak points

➤ More time for free discussions
➤ More involvement of advanced countries

CRITICISM

SIDE EFFECTS MAY INCLUDE CRYING, HURLING OBSCENITIES, AND/OR SELF-DOUBT

Value Detectives: collect stories that show the value of IACOP activities for different stakeholders.

Value of PEMPAL documents

Used as basis for creating their own documents

Used for improving their already existing documents

LEADERSHIP ROLES DURING IACOP EVENTS

✓ **Social reporters:** collect memories from social events

Hard work:

Rehabilitation:

IACOP Good Practice Products

IACOP's unique Good Practice knowledge products developed by the community itself represent a reference of good practice globally. Those completed and under development are as follows:

1. Good Practice IA Manual Template (completed and published)
2. Good Practice CPD Manual Template (completed and published)
3. Internal Audit Body of Knowledge (completed and published)
4. Risk Assessment in Audit Planning (completed and published)
5. Concept Note on RIFIX (Relationship of Internal Audit with Financial Inspection and External Audit) (to be completed in October 2015)
6. Quality Assurance Guide (to be completed in October 2015)
7. Communiqués
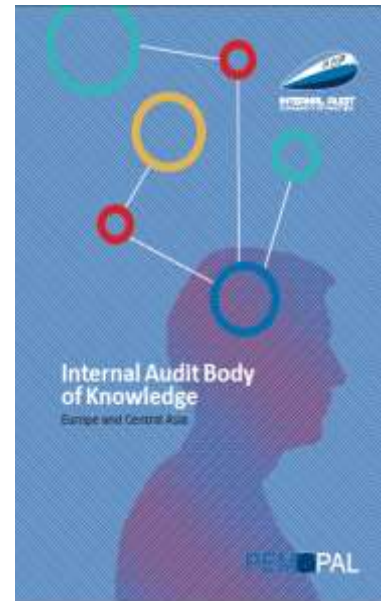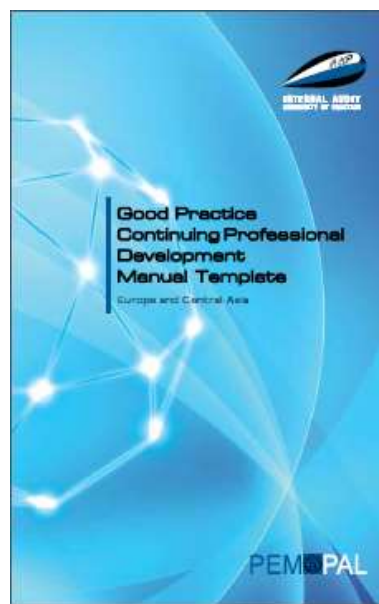
IACOP ACTION PLAN FOR FY 2015-2017

This two-year rolling COP action plans are aligned with the PEMPAL Strategy 2012-17 results framework. The current document (including Annexes) is prepared based on the inputs from Enabling Groups during the last three meetings during 2014: plenary meeting in early December in Bucharest[2], in September 2014 on WG meetings in Astana[3], and in May 2014 in cross COP meeting in Moscow[4]. Those inputs were elaborated during ExCom meeting in Kyrgyz Republic in June 2015, with the final document endorsed by the ExCom.

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[2] http://pempaltc.wikispaces.com/33rd+meeting+of+IACOP+-+Plenary+meeting+on+Audit+Committee+and+new++developments+of+PIFC+Bucharest%2C+2-4+of+December%2C+2014
[3] http://pempaltc.wikispaces.com/31st+meeting+IACOP+-+Working+session+on+RA+%28Astana%2C+24-25+of+September%2C+2014%29
[4] http://pempaltc.wikispaces.com/29th+meeting+-+PEM+PAL+Cross+CoPs+Plenary+%28Moscow%2C+27-29+May%2C+2014%29

Annexes

Annex 1: IACOP Activity Plan for FY2016-2017

Annex 2: PEMPAL Strategy objectives and

key performance indicators

IACOP Activity Plan for FY 2016-2017

Activity Plan for FY2016

#	Event	Indicative timing	Budget
	Events for July 2015- June 2016		USD
1	**Cross-CoP Executive Committee Meeting** on MTR of PEMPAL Strategy **+ Back-to-Back Meeting** of IACOP Executive Committee on IACOP Strategic Plan	July 15-17, 2015	**0**
2	**Thematic videoconference** on Accountability & FMC and RIFIX **(preparation of the next event in October)**	September 2015	**500**
3	**Three Back-to-Back working groups' Meetings** on ✓ RIFIX WG meeting (1.5 day) ✓ **ExCom and Leaders (only)** meeting: - QA WG meeting closing – (1.5 day) - Accountability & FMC - Establishing WG, (0.5 day) - Preparation of next events (0.5 day) Location: Yerevan	October 2015	**85,000**
4	**Meeting of the IA CoP Executive Committee and working groups' leaders for the preparation of Plenary and working groups meeting in Istanbul** (videoconference)	January 2016	**500**
5	**Plenary meeting (3 day)** + **FMC WG Meeting (1.5 day)** Location: Istanbul	March 2015	**120,000**
6	**Thematic videoconference** for the preparation of the next working group	May 2016	**500**
7	**WG and thematic Meetings** : ✓ FMC WG (1.5 day)	June 2016	**100,000**

#	Event	Indicative timing	Budget
	✓ RIFIX WG – closing (1 day) ✓ Central harmonization units' challenges at the different reform's stages, including IT solutions - Thematic meeting (1 day) Location: Prague		
9	**WG and ExCom Meetings** : ✓ FMC WG with emphasis on Public Internal Control (1.5 day) ✓ ExCom meeting – review the progress done during FY2015 under the Strategic Action Plan and plan for the next year events (1 day) Location: Croatia	September 2016 (To be combined with the next meeting)	**23,500 (FY16)** **90,000 (FY17)**

TOTAL EVENT BUDGET: 330,000 (for FY 2016)

Activity Plan for FY2017

#	Event	Indicative timing	Budget
	Events for July 2015- June 2016		USD
	Please refer to the event combined with the one in FY2016	September 2016	**90,000**
1	**Meeting of the IACOP Executive Committee and working groups' leaders for the preparation of the next events** (videoconference)	November 2016	**500**
2	**WG Meetings** : ✓ FMC WG (1.5 day) ✓ Practical implementation of audit cycle, different type and models of audits, including IT solutions WG (1.5 day) ✓ Meeting of the IACOP ExCom and WG leaders to evaluate the event and prepare the next event (1 day)	December 2016	**80,000**

#	Event	Indicative timing	Budget
	Location: Budapest		
3	**Meeting of the IACOP Executive Committee and working groups' leaders for the preparation of the next events** (videoconference)	February 2016	**500**
4	**WG Meetings** : ✓ FMC WG (1.5 day) ✓ Central harmonization units' challenges at the different reform's stages, including IT solutions - Thematic meeting (1.5 day) ✓ Meeting of the IACOP ExCom and WG leaders to evaluate the event and prepare the next event (1 day) Location: Germany	March 2017	**80,000**
5	**Plenary meeting (3 day) and ExCom meeting (0.5 day)** Location: South-East Europe (B&H, Serbia or Bulgaria)	June 2017	**79,000**

TOTAL EVENT BUDGET: 330,000 (for FY 2017)

PEMPAL STRATEGY OUTPUT OBJECTIVE 1 : PFM priorities of member governments are addressed by the PFM network platform

KEY PERFORMANCE INDICATORS: 1) COP Action plans approved by Steering Committee by February each year, 2) Number and type of cross COP exchanges,

3) Confirmation that reform areas identified are aligned with respective Government priority areas, 4) COP Action Plan budget and Plan versus actual

IA COP Objective 1: Addressing priorities of member countries and helping them to solve challenges in IACOP functional area

Action 1. Develop two year rolling IACOP action plans are aligned with COP specific strategic plans and the PEMPAL Strategy 2012-17 results framework

Priority theme	<u>Type</u> and *description of activity*
1.FMC implementation with emphasize on accountability and transparency	Working group meetings and work in between, videoconferences
2.Practical implementation of audit cycle, different type and models of audits	Working group meetings and work in between, videoconferences
3..Central harmonization units' challenges at the different reform's stages	Working group meetings & videoconferences
4.RIFIX	Working group meetings and work in between, videoconferences
Other activities	To improve tools of prioritization process. During the plenary meeting to collect the countries' reform priorities for the next 2 years To nominate a permanent agenda activist enabling group' s leader. On-line questionnaires Interactive assessment

Action 2. Implement COP Action plans, in accordance with budget management guidelines, that address PFM priorities

COP Action plans to be monitored by Steering Committee and by the IA CoP Executive Committees, Ministers/Heads of Organizations continue

to assign appropriate participants in line with Rule of Operation membership eligibility guidelines

Type and *description of activity*	
Ex com face to face meetings annually. To train the Ex Com members on the Rule of Operations, budget management guidelines and event checking list	
To include in the invitation letter template some rules of eligibility from Rule of Operation or from PEM PAL Strategy and to thank for supporting membership sustainability	

Action 3. Identify synergies and working projects between COPs

Priority theme	Type and *description of activity*	
Accountability, FMC implementation and other topics for common interest of all three CoPs	The new working group will approach the topics identified in Moscow and to involve Treasury and Budget CoPs .	
	Accept and seek invitations to TCOP and BCOP meetings where relevant. Share meeting minutes, presentations etc	

PEMPAL STRATEGY OUTPUT OBJECTIVE 2 : Quality resources and network services, supporting relevant PFM practices, are provided to members

KEY PERFORMANCE INDICATORS: Satisfaction of participants on the quality of PEMPAL products and services. Number of PFM thematic experts engaged to support events on specific topics. Value added by PFM thematic experts.
Quality and frequency of use of technology solutions facilitated, monitored, implemented. Feedback from members on usefulness of technology to facilitate communication and the service offered from the Secretariat in IT platform maintenance

Number of documents uploaded to Virtual Library (balance, new). PEM PAL website traffic analysis (No. of visits, no. of page views). PEM PAL wiki traffic analysis (No. of visits, no. of page views)

Number of events (plenary meetings, working group meetings, study visits)

Number and type of PEMPAL self-produced knowledge products or services developed or made available by different COPs

Value for money indicators (total event expenses: gross vs net, per event, per participant, per day, in USD and EUR)
Satisfaction of members with performance of Steering Committee, COP Executive Committees, Secretariat

Satisfaction of Executive Committees and Resource Teams with Secretariat performance

Number of study visits to PFM institutes supported. Number of advanced countries engaged.

IA COP Objective 2: Providing quality resources and sustainable network services to members, which are in line with relevant IA best practices and international standards. Promoting dedicated, sustainable and professional membership having a voice and influence and supported by appropriate leadership and communication technologies

KEY PERFORMANCE INDICATORS :

Action 5. Develop and share knowledge resources and products

Priority theme	Type and *description of activity*	
Promotion the IA CoP, including existing knowledge products and experience gained in past working groups.	Translation, printing of the knowledge products Further distribution on PEMPAL web page and wiki Distribution to the IA CoP's countries which expressed the interest	
	To participate on national and international IA CoP workshops to promote IA CoP results	
	To nominate a permanent responsible person for knowledge brokers, who will propose the needed actions and inform Ex Com on the progress.	

Action 6a. Facilitate access to IA operational area experts

Type and *description of activity*	
To identify appropriate international experts and to invite them to prepare materials and to contribute to IA CoP objectives	

Action 7. Differentiate services to cater for needs of countries at different reform levels

Involvement of countries at differing reform levels facilitated including advanced countries, Resources provided to cater for countries at different levels, More advanced countries are interested and available

Type and *description of activity*	
Plenary meeting with identification of the priority' s themes as indicated in the table nr.1) with assessment of the priorities for the next 2 years	
Working group, thematic meetings, ex com members and leaders' meeting	
Study visits	
IACOP peers' advisory missions and reverse study visit (types of thematic meeting)	
Promotion activities, including distribution and of existing knowledge products (participation at national and international conference)	
Webinars and videoconferences in between the meetings preparing the materials for the events approaching the priority' s themes as indicated in the table nr.1. The themes can be identified on the request of the countries' s members	

Action 8. Roles and responsibilities of key network actors as specified in the Rules of Operation are understood and followed

Type and *description of activity*	
To train and inform Ex Com members on the PEMPAL Rules (Operational guidelines, Guidelines of events and SV) IA COP"s document on the responsibilities of Ex Com members	
To finish, approve and apply the IA COP's document on the responsibilities of ex com member	
To better monitor and to inform Ex Com the fulfillment of PEMPAL Rules (Operational guidelines, Guidelines of events and SV) IA COP"s document on the responsibilities of ex com members.	

Action 9. Facilitate access to PFM Institutes through a) showcasing institutes at COP plenaries (eg Slovenia, Armenia, Kazakhstan, Russian Federation, Poland, Lithuania, UK) and b) support study visits for those countries interested in establishing such institutes

First cross-COP plenary (that includes PFM institutes) conducted by end 2013-14

PFM institutes are available and interested to participate in plenaries and host study visits

Type and *description of activity*
To improve collaboration with IIA and it's branch, PFM institutes involved in training and certification of IA in the members' countries and outside inviting their representatives
To organize a SV for Ex Com to such an institute

Action 10. Facilitate members working together in a geographically dispersed environment by adopting suitable technology solutions

Cost effective and sustainable communication technologies are available

Type and *description of activity*
To improve social communication, including facebook on IA COP group profile (https://www.facebook.com/groups/135557209854982/)
To update on wiki current status of internal audit development in each country and membership
To diversify info on PEM PAL web by posting content report and other info.
To remind people before each event by e-mail that there a information on the event on wiki, facebook goup's profile
To include in the agenda and to organize interactive trainings session for better using of available technologies of communication (wiki, facebook, webpage, viber)

PEMPAL STRATEGY OUTPUT OBJECTIVE 3 :A financially-viable network of public financial management professionals, committed to improving PFM practices in the Europe and Central Asia region, is built and maintained

Key performance indicators:
1) Number of Member Countries actively attending events in PEMPAL. Individual members by COP, by event, in total. 2) % of. returning vs. one off participants. 3) % from target MoF and other agencies, 4)% from target a) functional areas and b) job levels within agencies. Event participation (%, active, average, passive)

IA COP Objective 3:

Ensuring financially sustainable network of IA professionals, supported by development partners and member countries' in-kind and financial contributions, and via other sources of income (e.g. selling knowledge products, participation to IACOP events, etc.)

Action 11: COPs monitor and sustain quality membership.

Type and *description of activity*	
The sustainability of the active members who actively contribute will be kept by nomination in the invitation letter. In the same time the participation of high level officials (heads of CHU, political level heads such as deputy ministers) should be asked as desirable according to the PEMPAL Strategy. For this to revise the template invitation letter. To nominate an Ex Com member (Community Keepers leader) who will be responsible for the monitoring of the quality of participation	

Action 12: Seek co-financing and in-kind contributions from members, where possible.

Type and *description of activity*	
To encourage co-financing for hosting events and for delegation of the participants. To specially thanks this institutions when inviting the participants from the countries. For this to revise the template invitation letters	

Action 13: Implement targeted marketing to donors and professional associations.

Type and *description of activity*	
To improve the quality of the External Messengers' communiqué and to monitor the distribution to the target groups. To provide qualitative inputs to the reports prepared by PEMPAL (quarterly reports etc)	

PEMPAL STRATEGY OUTPUT OBJECTIVE 4 :Awareness of high government and political levels is raised regarding the benefits and value of engaging through PEMPAL

Key performance indicators:

1) Number of Ministers/Deputy Ministers and other high level officials attending or opening events   2)Awareness of high level officials of PEMPAL activities
3)Views of senior officials about value of engaging with PEMPAL to their country and its role in facilitating PFM change

IA COP Objective 4:

Raising awareness of high government and political levels regarding the benefits and value of IACOP impact on reforms

Type and *description of activity*	
To improve the quality of the External Messengers' communiqué and to monitor the distribution to the target groups. To provide qualitative inputs to the reports prepared by PEMPAL (quarterly reports etc)	