

## TERM OF REFERENCE

### Development of Performance Audit Guidelines

#### I. Background

Level 3 of IA-CM (Internal Audit Capability Model) requires internal audit unit to implement performance audit. This technical assistance is intended to **develop performance audit guidelines** for AAIPI members to be able to do performance audit. Consistent implementation of performance audit practice will make internal audit practice in Indonesia qualify for level 3 of IA-CM (one of the criteria).

Currently, performance audit is not commonly practice by government internal audit unit in Indonesia as there is no guidelines available. Performance audits typically conducted to examine the effectiveness, economy or efficiency of a government program. Consultant will be hired to **develop performance audit guidelines**.

#### II. Objective

The objective is to develop performance audit guidelines for AAIPI members for implementation

#### III. Scope of Work

The task of the consultant will include the following:

- a. Compiling performance audit guidelines examples form many resources, including examples from other countries.
- b. Facilitate the development of the performance audit through series of workshops with AAIPI (Standard Audit Committee).
- c. Development of performance audit guidelines.
- d. Facilitate public hearing of the performance audit prepared
- e. Finalization of performance audit guidelines.

#### **IV. Deliverable**

The expected deliverables for the above mentioned activities will be the following:

- a. Performance audit guidelines, examples from many resources, including examples from other countries, related materials, and proposed agenda for the workshop;
- b. Series of workshops for Standard Audit Committee of AAIPI;
- c. Performance audit guidelines (technical standards for performance audits)

#### **V. Consultant's Qualifications**

The assignment needs at least 2 consultants with the following criteria:

- a. Familiar with performance audit guidelines and implementation in public sector
- b. Knowledge of public sector framework in Indonesia is preferable. Excellent spoken and written in dual language English and Bahasa Indonesia

#### **VI. Method of Consultant Selection**

Competitive selection of individual consultant and cost based selection for firms refer to the Guidelines for Selection and Employment of Consultants by Bank (Borrowers)

#### **VII. Monitoring Arrangements**

To monitor the progress of activity, there will be report prepared by the consultant to be submitted to AAIPI.

#### **VIII. Cost Estimate (In USD)**

Item	\$USD
Consultant fee	28,000
5 days' workshop (venue, meal and workshop kit)	4,800
<b>TOTAL</b>	<b>32,800</b>