

The impact of the new Global Internal Audit Standards on public sector IA training, certification and CPD

Budapest, 29 October 2024

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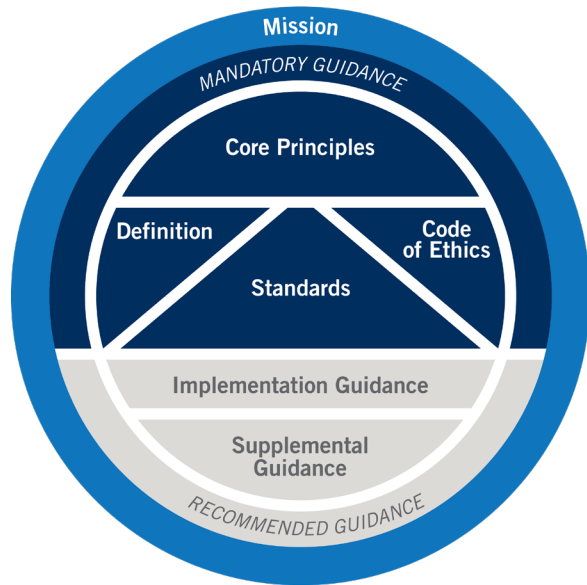
Standards & Guidance Update

Topical Requirements: A New Part of the IPPF

2017



International Professional Practices Framework



2024



International Professional Practices Framework® (IPPF)

Global Standards

Topical Requirements ✓

Global Guidance

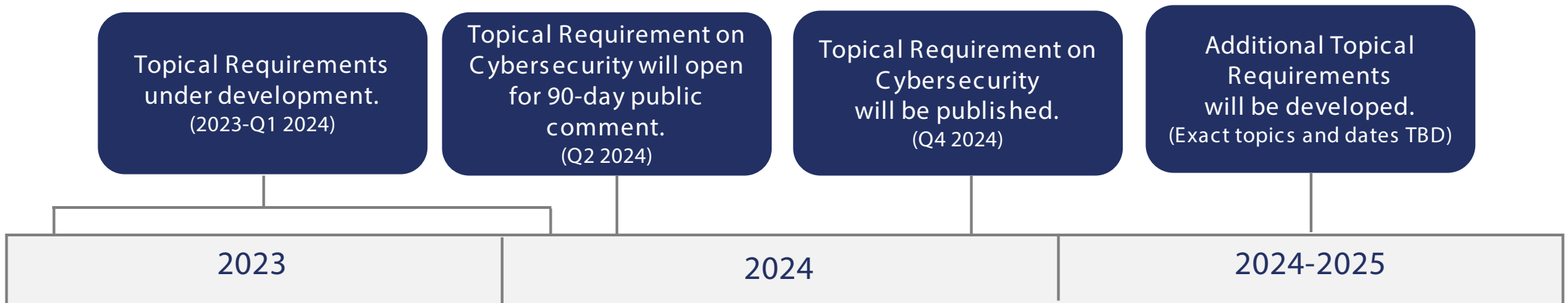
Topics and Timeline

Topics Approved by Global Guidance Council (March 2024)

1. Cybersecurity (in process – pilot project)
2. Third-party Risk Management
3. Culture
4. Business Resiliency
5. Anti-Corruption/Bribery*
6. People Management*
7. Fraud Risk Management*
8. Sustainability: ESG*

Timeline

**scope to be refined*



Quality Assessment

Important Impacting Requirements

● Performance Perspective ● Essential Conditions

The chief audit executive must communicate the results of the internal and the external quality assessments to the board and senior management. Such communications include the internal audit function's conformance with the Standards and **achievement of performance objectives.**

The CAE must discuss the essential conditions with the board and senior management. The discussions must be documented, including **potential disagreements.**

● Inability to Comply in the Fundamentals Section

Internal auditors occasionally may be unable to conform with a requirement **yet still achieve the intent of the standard.**

Alternative actions should be implemented and documented with the rationale of the deviation.

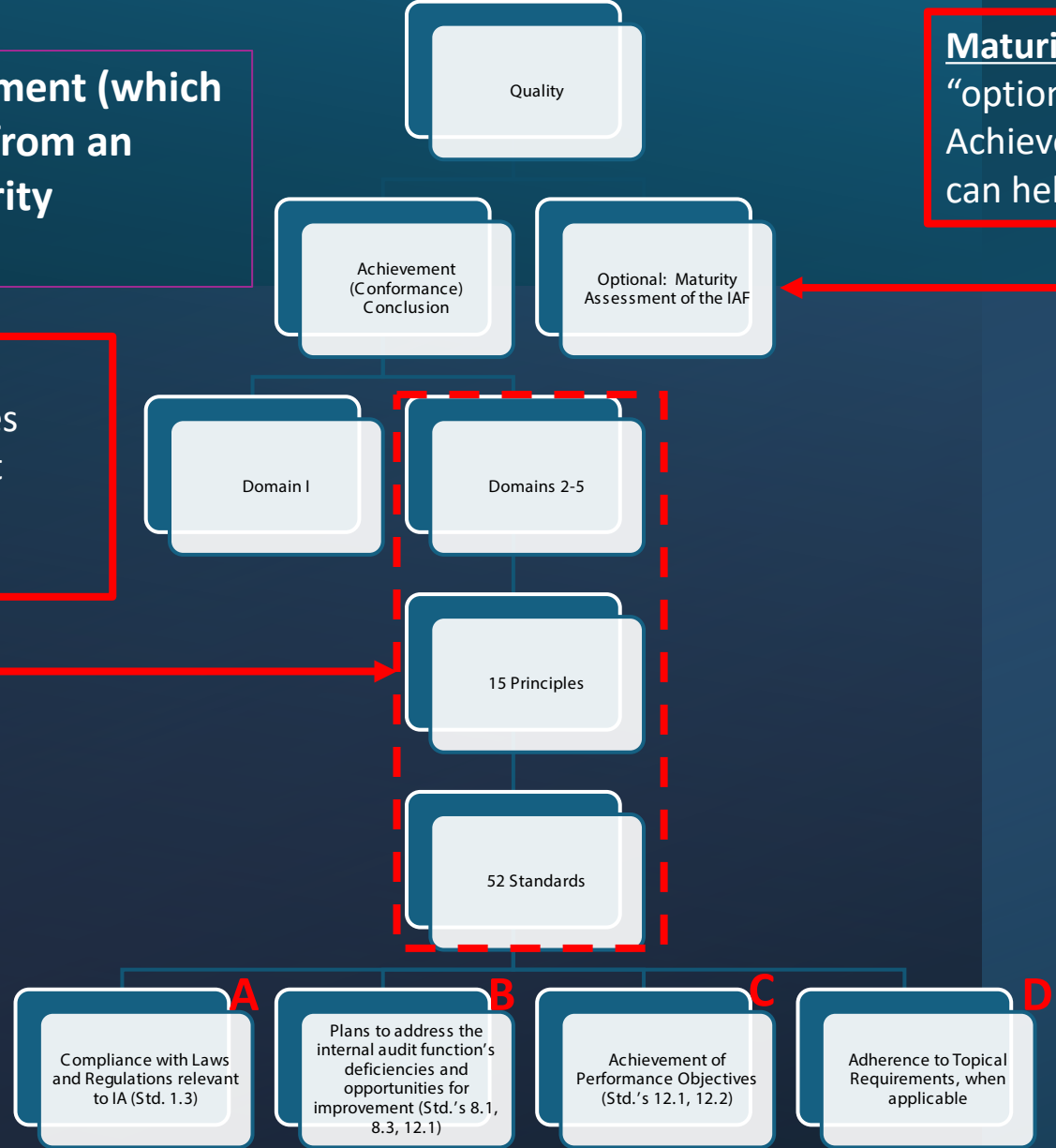
● Nonmandatory Considerations and Examples of Conformance

Considerations for Implementation are **common and preferred practices** and Examples of Evidence of Conformance are ways to demonstrate that the requirements of the Standards have been implemented.

Quality Conclusion Model: Achievement (which includes Conformance) is separate from an optional (but recommended) Maturity Assessment

Conformance with the Standards must be reported, and achievement of the Principles should be reported. Domain I Achievement rating will be included in the Overall Achievement conclusion.

“Specific communications” A-D are considered part of Achievement (Conformance).



Maturity assessment is “optional” and separate from Achievement, but the insights can help improve Quality.

QA Manual – 4 pt Achievement (Conformance) Rating Model



Achievement Rating	For Overall Achievement Conclusion	For Principle-level Achievement Conclusions	For Standard-level Conformance Conclusions
Full Achievement (or Conformance)	The internal audit function (IAF) is Fully Achieving all 15 Principles and the Purpose of Internal Auditing.	The IAF is Fully Conforming with all the Principle’s related standards and the intent of the Principle.	The IAF is Fully Conforming with all the standard’s related requirements and the intent of the standard.
General Achievement (or Conformance)	The IAF is below Full Achievement on at least one Principle or aspect of Domain I; however, the IAF is achieving the Purpose of Internal Auditing.	The IAF is below Full Conformance on at least one standard; however, the IAF is achieving the intent of the Principle.	The IAF is below Full Conformance on at least one requirement; however, the IAF is achieving the intent of the standard.
Partial Achievement (or Conformance)	The IAF is below Full Achievement on at least one Principle or aspect of Domain I, and the impact is significant enough to rate the Overall Achievement as partially achieving. The CAE may not include in final reports that engagements were performed in conformance with the Standards if the Overall Achievement Conclusion is Partial Achievement.	The IAF is below Full Conformance on at least one standard and the impact is significant enough to rate the IAF as Partially Achieving the Principle.	The IAF is below Full Conformance on at least one requirement and the impact is significant enough to rate conformance with the Standard as partially conforming.
Non-Achievement (or Conformance)	The IAF is below Full Achievement on at least one Principle and the impact is significant enough to rate the Overall Achievement as not achieving.	The IAF is below Full Conformance on at least one standard and the impact is significant enough to rate the IAF as not achieving the intent of the Principle.	The IAF is below Full Conformance on at least one requirement and the impact is significant enough to rate the IAF as not achieving the intent of the Standard.

Project Milestones

Milestone	Completed Date	Target Date
GGC approves project charter	2/7/24	
GGC approves Quality “scoring/conclusion” model	4/22/24	
First compiled draft sent to GGC and IIASB for review and feedback	5/15/24 (5/22/24)	
Second draft sent to GGC for Yes/No and IIASB for Consistency Check	6/14/24	
Finalized draft sent for executive review (Benito/Javier)	7/1/24	
Approved final layout (in Word) sent to publishing vendor	8/15/24	
eBook published		9/26/24 (*)

(*) print version – end of October

Global Certifications

Certification Updates

- CRMA
 - August 2024, changes were made to the **CRMA eligibility requirements** – the CIA is no longer required for the CRMA
- IAP
 - The Professional Certifications Board (PCB) has approved the **adoption of CIA Part 1 exam** for the IAP
 - Certification will be permanent
- CIA
 - Updated the syllabus
 - Exam will launch with new content May 2025

CIA Candidate

The CIA syllabus topics and exam are developed for the Minimally Competent Practitioner (MCP)



The target MCP CIA candidate:

Has about two years of experience

Knows the Standards well

Can perform an engagement with minimal supervision

CIA Content Update

- Three-part exam:
 - Part 1 – Internal Audit Fundamentals
 - Part 2 – Internal Audit Engagement
 - Part 3 – Internal Audit Function
- Expanded Test Specifications
 - Expanded details added beneath each syllabus topic
 - Greater transparency, clarity
- Existing Part 3 concepts (business acumen, IT, and accounting) will be tested with the context of conducting an engagement and managing the internal audit function in the 2025 syllabus.
 - Concepts will no longer be assessed in isolation
 - Raises the rigor with which concepts are assessed
 - Less focus on candidates' ability to define concepts and more focus on how they use these concepts within their practice



2025 CIA Syllabus: Exam Parts and Sections

CIA 2025	
Exam Part	Section
CIA Part 1 Internal Audit Fundamentals	A. Foundations of Internal Auditing
	B. Ethics and Professionalism
	C. Governance, Risk Management and Control
	D. Fraud Risks
CIA Part 2 Internal Audit Engagement	A. Engagement Planning
	B. Information Gathering, Analysis & Evaluation
	C. Engagement Supervision and Communication
CIA Part 3 Internal Audit Function	A. Internal Audit Operations
	B. Internal Audit Plan
	C. Quality of the Internal Audit Function
	D. Engagement Results and Monitoring
Business acumen, IT, accounting	

CIA Part 3 Syllabus - 2019

I. Business Acumen

2. Organizational Structure and Business Processes

C. Identify **project management techniques** (project plan and scope, time/team/resources/cost management, change management, etc.)

CIA Part 2 Syllabus - 2025

Section A. Engagement Planning

4. Determine the appropriate approach for an engagement

May include but is not limited to:

a. Evaluate various approaches such as agile, traditional, integrated, and remote auditing to determine the most suitable approach

b. Describe **project management concepts** as they relate to planning and conducting an engagement



Questions?

THANK YOU!

