

The Proposed New Standards and the IIA Certifications

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Agenda

- A. The IPPF Evolution project
- B. Structure of Proposed Standards
- C. Proposed Global Internal Audit Standards, with Noteworthy Changes
- D. Be Part of the Standards Setting Process

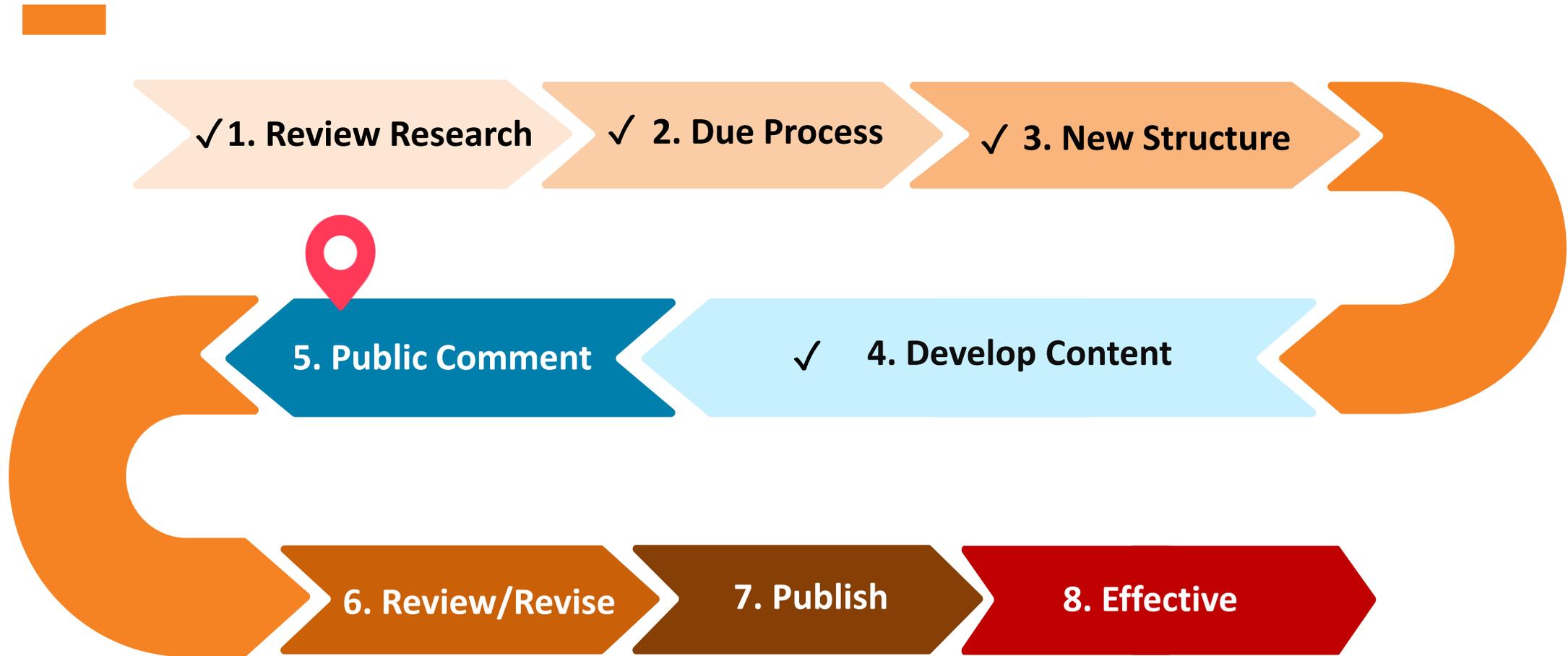
IPPF Evolution Project

The Value of Following Standards

- They set the bar that every auditor should comply with.
- They give you a reference guide for how to conduct yourself and your work.
- They lay the groundwork, but are not the ultimate goal.
- They give our customers peace of mind and confidence they're getting a quality product.
- **They help establish our credibility with our Stakeholders!**

The Standards elevate the Profession

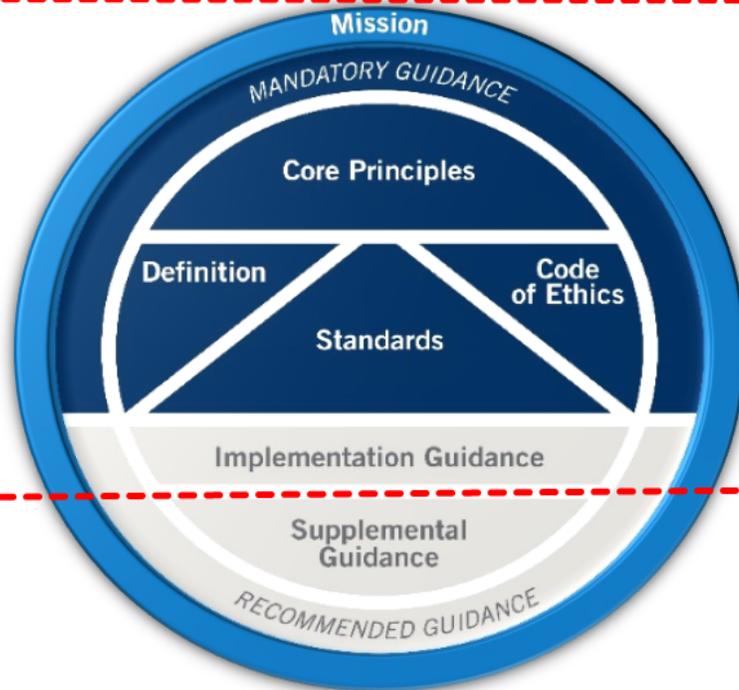
Progress (Standards Development)



Current and Proposed IPPF

Current

International Professional Practices Framework



Proposed

International Professional Practices Framework

Global Internal Audit Standards

Guidance will continue to be a recommended part of the framework.

Topical Requirements

A new mandatory element under early consideration but not yet developed.

If approved, Topical Requirements would cover governance, risk management, and control processes over specific audit subjects.

Structure of Proposed New IPPF and Standards

The New Structure

5 DOMAINS

15 Principles

53 Standards

- Requirements
- Considerations for Implementation
- Evidence of Conformance





Global Internal Audit Standards

Five Domains, 15 Principles

I. Purpose of Internal Auditing

II. Ethics and Professionalism

1. Demonstrate Integrity 2. Maintain Objectivity 3. Demonstrate Competency 4. Exercise Due Professional Care 5. Maintain Confidentiality

III. Governing the Internal Audit Function

- 6. Authorized by the Board
- 7. Positioned Independently
- 8. Overseen by the Board

IV. Managing the Internal Audit Function

- 9. Plans Strategically
- 10. Manages Resources
- 11. Communicates Effectively
- 12. Enhances Quality

V. Performing Internal Audit Services

- 13. Plan Engagements Effectively
- 14. Conduct Engagement Work
- 15. Communicate Engagement Conclusions and Monitor Action Plans

Noteworthy changes in the Glossary



Old Term or Concept (Changing)	New Term
consulting services →	advisory services
engagement opinion →	engagement conclusion
internal audit activity →	internal audit function
purpose, authority, responsibility →	internal audit mandate
policies and procedures (internal audit) →	methodologies

Not a comprehensive list. See the Glossary Disposition resource at theiia.org/IPPF Evolution.

Existing Terms With New Definitions
board
control processes
fraud
internal auditing
public sector
risk appetite
should

New to the Glossary				
assurance	finding	integrity	public sector	risk tolerance
competency	engagement planning	internal audit manual	residual risk	root cause
condition	engagement supervisor	internal audit plan	results of internal audit services	senior management
criteria	impact	likelihood	risk and control matrix	stakeholder
effect	inherent risk	may	risk assessment	workpapers

Proposed Global Internal Audit Standards

Domain I. Purpose of Internal Auditing

Internal auditing enhances the organization's success by providing the board and management with objective assurance and advice.

Internal auditing strengthens the organization's:

- Value creation, protection, and sustainability.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Internal auditing is most effective when:

- It is performed by qualified internal auditors in conformance with the Global Internal Audit Standards, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from bias and undue influence and committed to making objective assessments.

Domain II. Ethics and Professionalism

1. Demonstrate Integrity

Internal auditors demonstrate integrity in their work and behavior.

1.1 Honesty and Courage

1.2 Organization's Ethical Expectations

1.3 Legal and Professional Behavior

2. Maintain Objectivity

Internal auditors maintain an impartial and unbiased attitude when performing internal audit services and making decisions.

2.1 Individual Objectivity

2.2 Safeguarding Objectivity

2.3 Disclosing Impairments to Objectivity

3. Demonstrate Competency

Internal auditors apply the knowledge, skills, and abilities to fulfill their roles and responsibilities successfully.

3.1 Competency

3.2 Continuing Professional Development

4. Exercise Due Professional Care

Internal auditors apply due professional care in planning and performing internal audit services.

4.1 Conformance with Global Internal Audit Standards™

4.2 Due Professional Care

4.3 Professional Skepticism

5. Maintain Confidentiality

Internal auditors use and protect information appropriately.

5.1 Use of Information

5.2 Protection of Information

Domain III. Governing the Internal Audit Function

6. Authorized by the Board

The board establishes the authority, role, and responsibilities of the internal audit function.

6.1 Internal Audit Mandate

6.2 Board Support

7. Positioned Independently

The board establishes and protects the internal audit function's independence.

7.1 Organizational Independence

7.2 Chief Audit Executive Roles

7.3 Safeguards to Independence

8. Overseen by the Board

The board oversees the internal audit function to ensure the function's effectiveness.

8.1 Board Interaction

8.2 Resources

8.3 Quality

8.4 External Assessment of Conformance

Domain IV. Managing the Internal Audit Function

9. Plans Strategically

The chief audit executive plans strategically to ensure the internal audit function fulfills its mandate and is positioned for long-term success.

9.1 Understanding GRC Processes

9.2 Internal Audit Strategy

9.3 Internal Audit Charter

9.4 Methodologies

9.5 Internal Audit Plan

9.6 Coordination and Reliance

10. Manages Resources

The chief audit executive manages resources to implement the internal audit function's strategy, complete its plan, and achieve its mandate.

10.1 Financial Resource Management

10.2 Human Resource Management

10.3 Technological Resources

11. Communicates Effectively

The chief audit executive ensures the internal audit function communicates effectively with its stakeholders.

11.1 Building Relationships and Communicating with Stakeholders

11.2 Effective Communication

11.3 Communicating Results

11.4 Errors and Omissions

11.5 Communicating the Acceptance of Risks

12. Enhances Quality

The chief audit executive ensures conformance with the Global Internal Audit Standards™ and continuously improves the internal audit function's performance.

12.1 Internal Quality Assessment

12.2 Performance Measurement

12.3 Ensuring and Improving Engagement Performance

Domain V. Performing Internal Audit Services

13. Plan Engagements Effectively

Internal auditors plan each engagement using a systematic, disciplined approach.

13.1 Engagement Communication

13.2 Engagement Risk Assessment

13.3 Engagement Objectives and Scope

13.4 Evaluation Criteria

13.5 Engagement Resources

13.6 Work Program

14. Conducting Engagement Work

Internal auditors implement the engagement work program to achieve the engagement objectives.

14.1 Gathering Information for Analysis and Evaluation

14.2 Analyses and Potential Engagement Findings

14.3 Evaluation of Findings

14.4 Recommendations and Action Plans

14.5 Developing Engagement Conclusions

14.6 Documenting Engagements

15. Communicate Engagement Conclusions and Monitor Actions Plans

Internal auditors communicate the engagement findings and conclusions to the appropriate parties and monitor management's progress toward the completion of action plans.

15.1 Final Engagement Communication

15.2 Confirming the Implementation of Action Plans

The IIA Certifications

Why get Certified?

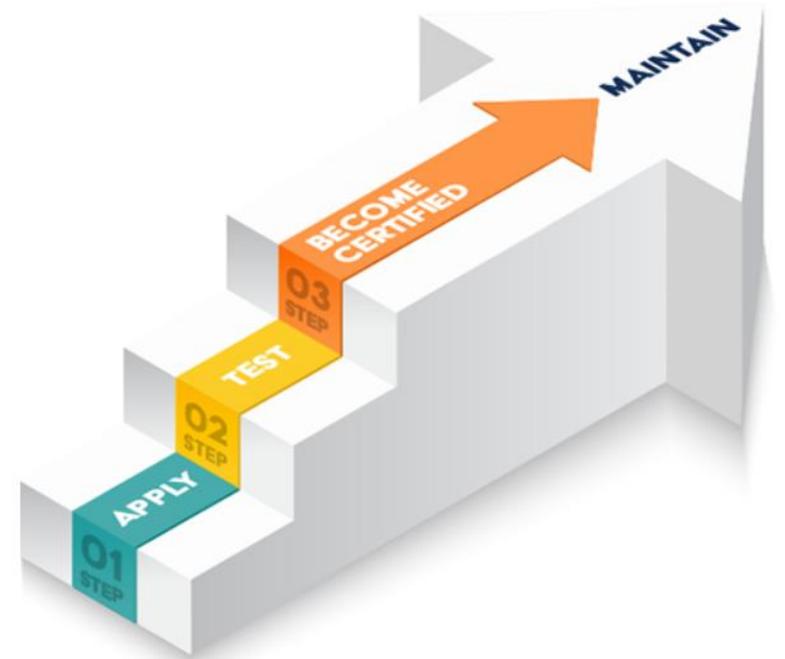
- Enhance credibility and respect.
- Sharpen skills and proficiencies.
- Increase advancement and earning potential.
- Demonstrate understanding and commitment.

Certifications



Steps to Certification

1. Apply via CCMS
2. Examinations
3. Maintain Designation



Certified Internal Auditors by region.

CIA GLOBAL FOOTPRINT

58,407
NORTH AMERICA

20,220
EUROPE

4,731
MIDDLE EAST

90,211
ASIA PACIFIC

4,716
AFRICA

1,849
CENTRAL/
SOUTH
AMERICA

5,033
INTERNATIONAL

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CIA Global Footprint

The Institute of Internal Auditors (IIA), established in 1941, is the internal audit profession's globally recognized advocate, educator, standard setter, and certifying body. The Certified Internal Auditor® (CIA®) designation, offered by The IIA since 1974, is the only globally recognized certification for internal auditors.

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Certified Internal Auditor Designations

900+

Testing Centers

150+

Countries

14

Languages in Which the CIA Exam Is Available

Ideal for....

- Beginner auditors
- Rotational auditors
- Those who do not have a traditional University degree
 - Active IAP holders can enter CIA within 3 years

1 - Essentials of Internal Auditing

- Foundation of IA
- Attributes of IA & IA activity
- GRC and fraud

2 - Practice of Internal Auditing

- Manage IA activity
- Plan engagement
- Conduct engagement
- Communicate results & monitor

3 - Business Knowledge for Internal Auditing

- Business acumen
- IT
- Information security
- Financial management

Strategic risks

Data analytics

Cyber security

Data privacy



Certification in Risk Management Assurance®

UPDATED CRMA EXAM

Exam Topics	I. Internal audit roles and responsibilities (20%) II. Risk management governance (25%) III. Risk management assurance (55%)
Seat Time	150 minutes
Length	120 questions
Question Types	Variety of question types
Language	English



The Institute of
Internal Auditors

Elevating Impact

