



Internal Audit Body of Knowledge Europe and Central Asia Internal Audit Community of Practice (IA CoP) 1st version

**23rd plenary meeting
April 22-24, 2013, Tbilisi - Georgia**

Content

- Starting point and concept overview
- History and integration
 - Konrad Knedler report (2008)
 - Frederic Report (2008)
 - IIA BoK
 - Internal Audit Capability Model
 - Training and Certification workshop - Oct 18-19, 2010 - Bled, Slovenia
 - 2nd PEM PAL Plenary Meeting Jan 26-28, 2011, Zagreb - Croatia
- BoK overview and use
- Next steps
 - discussion, comments, ideas for improving a tool



INTERNAL AUDIT

- 1.) TRAINING NEEDS ASSESSMENT (QUESTIONNAIRE)
- 2.) TRAINING, CURRICULUM PROGRAM
(MODULES + MIN. KNOWLEDGE LEVEL)
(STANDARDS, FMC, ETHICS, RISK, PERFORMANCE, ETC.)
 - a) INTRODUCTION
 - b) ADVANCED
 - c) CERTIFICATION (FRAMEWORK, - MINIMAL CRITERIA)
- 3.) LINK - ANALYSIS CGAP ↔ CIA ↔ ~~IS~~ THIS CERTIFICATION
- 4.) LOGISTICS TRAINERS
PREMISES
BUDGET - SPONSORS - DONORS
- 5.) TRAINERS
- 6.) BUDGET (SPONSORS, DONORS, ETC)
- 7.) ASSESSMENT OF TRAINING PROVIDERS IN DIFFERENT COUNTRIES

Start: 14/12/2006 - Ljubljana

1) IACR + STP1. EAM CERTIFICATION

СЕРТИФИЦИРОВАНИЕ ВН. АУДИТОРОВ

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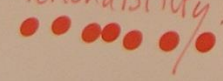
Обучение Внутренних Аудиторов Training of IA

- opportunities
- synergies, alliances
- internship
- ВОЗМОЖНОСТИ
- ОБЪЕДИНЕНИЕ НАПРАВЛЕНИЙ, ОБЩНОСТЬ ВОПРОСОВ
- СТАЖИРОВКА

Importance:



Actionability:



Yalta conclusion (May/2010)

- Members want more information and data about the **content of the modules** for public sector internal audit training and certification.
- The objective of the workshop in Bled (2010) was:
 - to develop **Body of knowledge (or content of internal auditors knowledge)** based on work already done (and new tool from IIA), experience and ideas of the members.



Body of Knowledge?

- **Body of Knowledge (BoK)**
 - represent the complete set of concepts, terms and activities
 - make up a professional domain
 - defined by the relevant professional association
- **Examples:**
 - **Project Management Body of Knowledge**
 - **Body of Knowledge in Quality**

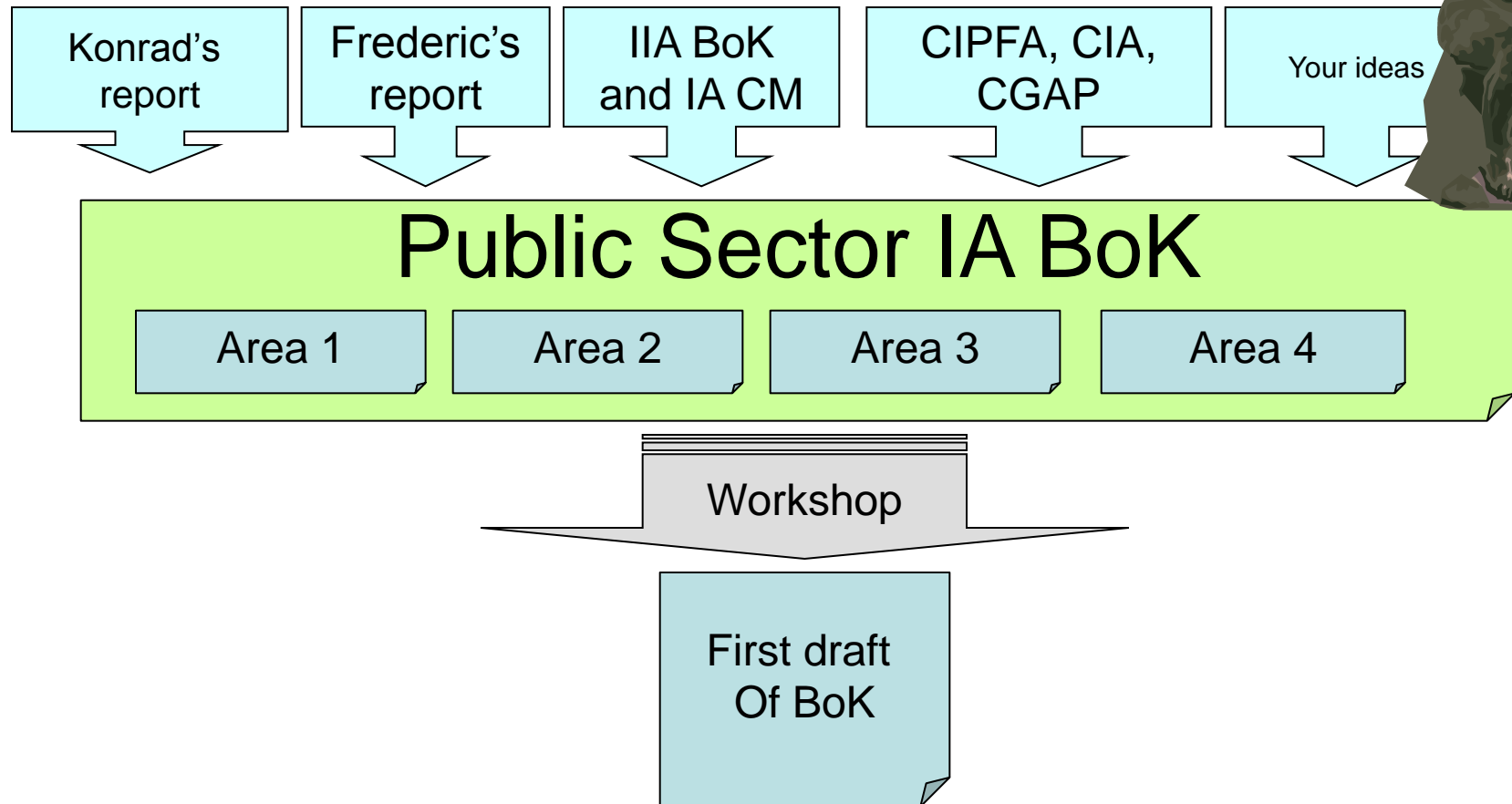


Internal Audit - IIA definition (CBOOK)

- Living reference that represents the collective knowledge of a profession.
- The key elements described within are referred to as
 - **Areas of Knowledge**, which reflect generally accepted practices within the profession.
 - associated activities,
 - tasks and skills necessary to be effective in their execution,
 - professional standards and guidance
 - The IIA's International Professional Practices Framework (IPPF),
 - » mandatory and
 - » strongly recommended guidance
- It correlates with and support PEM-PAL Good Practice IA Manual template



Our inputs and process...



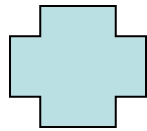
Internal Audit - Capability Model Matrix

	Services and Role of IA	People Management	Professional Practices	Performance Management and Accountability	Organizational Relationships and Culture	Governance Structures
Level 5 – Optimizing	IA Recognized as Key Agent of Change	Leadership Involvement with Professional Bodies Workforce Projection	Continuous Improvement in Professional Practices Strategic IA Planning	Public Reporting of IA Effectiveness	Effective and Ongoing Relationships	Independence, Power, and Authority of the IA Activity
Level 4 – Managed	Overall Assurance on Governance, Risk Management, and Control	IA Contributes to Management Development IA Activity Supports Professional Bodies Workforce Planning	Audit Strategy Leverages Organization's Management of Risk	Integration of Qualitative and Quantitative Performance Measures	CAE Advises and Influences Top-level Management	Independent Oversight of the IA Activity CAE Reports to Top-level Authority
Level 3 – Integrated	Advisory Services Performance/Value-for-Money Audits	Team Building and Competency Professionally Qualified Staff Workforce Coordination	Quality Management Framework Risk-based Audit Plans	Performance Measures Cost Information IA Management Reports	Coordination with Other Review Groups Integral Component of Management Team	Management Oversight of the IA Activity Funding Mechanisms
Level 2 – Infrastructure	Compliance Auditing	Individual Professional Development Skilled People Identified and Recruited	Professional Practices and Processes Framework Audit Plan Based on Management/ Stakeholder Priorities	IA Operating Budget IA Business Plan	Managing within the IA Activity	Full Access to the Organization's Information, Assets, and People Reporting Relationship Established
Level 1 – Initial	Ad hoc and unstructured; isolated single audits or reviews of documents and transactions for accuracy and compliance; outputs dependent upon the skills of specific individuals holding the position; no specific professional practices established other than those provided by professional associations; funding approved by management, as needed; absence of infrastructure; auditors likely part of a larger organizational unit; no established capabilities; therefore, no specific key process areas					

IA Quality formula

INDEPENDENCE

- Legal setup
- IPPF (attribute)
- Ethics
- Charter
- Organization decree

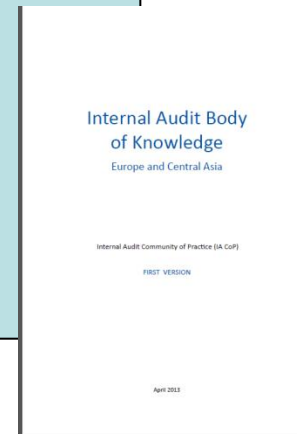
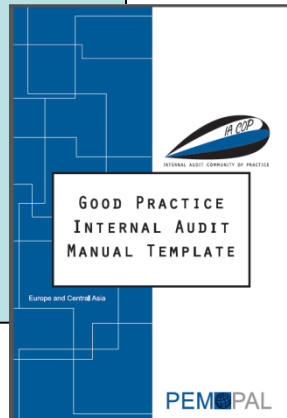


PROFESSIONALISM

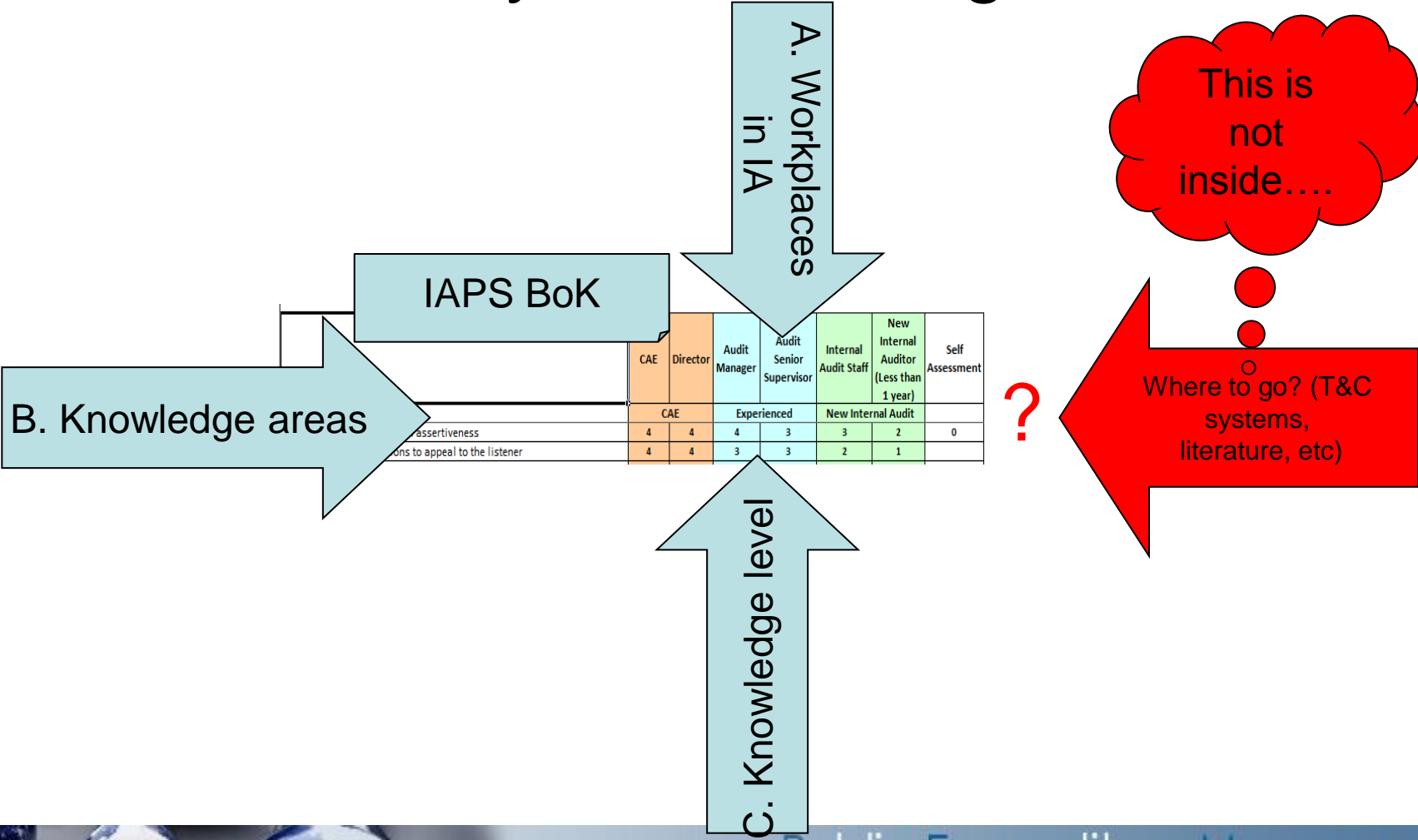
- IPPF (working standards)
- IA Manual
- Training and Certification
- Continuous Professional Development



QUALITY



Public Sector Internal Auditors Body of Knowledge



Work done...

- Workplaces
 - Junior IA, IA, Senior IA, CAE
- Knowledge areas
 - Reduced and updated to public sector environment and specifics
 - <http://pempaltec.wikispaces.com>



Legend

- Competence level
 - 1 = Awareness only
 - 2 = Basic competence and knowledge with support from others
 - 3 = Independently competent in routine situations
 - 4 = Independently competent in unique and complex situations
 - n/a = Not Applicable
 - E = Essential
 - N = Not Essential
 - NTH = Nice to Have



Competency framework

B. Knowledge areas



What to do with BoK...

- Check your training systems
- Check your personal knowledge
- Develop new modules
- Exchange materials with other countries
- Think on training modules in PEM-PAL



As conclusion (quotes from Bled)...

- "Elephants (in this case professional development) must be eaten by pieces" (Diana, Moldova)
- Our workshop was very productive, constructive and relaxed. We should be proud with the product developed. (unknown member)



More information on <http://pempaltec.wikispaces.com/>

The screenshot shows a Firefox browser window displaying the PEM-PAL Internal Audit COP Wikispaces page. The browser's address bar shows the URL <http://pempaltec.wikispaces.com/>. The page header includes the PEM-PAL logo and navigation tabs for home, page, discussion, history, and notify me. A sidebar on the left contains a search bar, a language selection dropdown, and a list of categories such as Countries, Indicators, T&C indicators, Members, Resolutions, IA Manual Group, and T&C Group. The main content area is divided into three columns. The left column is titled 'Training & Certification' and lists members including Countries, PEM-PAL Model, PEM-PAL T&C strat, and PEM-PAL BoK (in progress). The middle column is titled 'Working Groups on Training and Certification & Internal Audit Manual' and features a hot air balloon icon with the PEM-PAL logo. The right column is titled 'Internal Audit Manual' and lists members including Countries, Countries IA Manuals, IA Manuals model (in progress), and IA literature. Below these columns, there is a section for 'Forthcoming' events, including the 10th Plenary meeting, 11th IA Manual, and 12th Training and Certification. A 'Previous events' section lists several workshops and plenary meetings from 2009 to 2010. The browser's taskbar at the bottom shows various application icons and the system clock indicating 16:00 on 16.1.2011.