

Introducing the New Internal Audit Standards

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The Institute of
**Internal
Auditors**



Understanding the key changes of the global internal audit standards

Purpose:

This document explores the new set of the Global Internal Audit Standards. The document will cover the new IIA standards structure, key changes to the standards, and how the standards impact organisations. It is imperative for Internal Audit professionals around the world to understand the proposed standards as will come into effect from January 2025.

Introduction:

The Institute of Internal Auditors (IIA) released the 2024 Global Internal Audit Standards (Standards) on 09 January 2024. The Standards will be effective from 09 January 2025. The previous version, the International Standards for the Professional Practice of Internal Auditing, released in 2017 (2017 Standards), remains in use during the one-year transition period. As we go through this transition period, internal audit leaders need to understand the foundational themes, key changes, and the steps necessary for a seamless transition into the new framework.

The Global Internal Audit standards are organized into five domains including Purpose of Internal Auditing; Ethics and Professionalism; Governing the Internal Audit Function; Managing the Internal Audit Function; and Performing Internal Audit Services.

Definition of internal audit:

According to the Definition of Internal Auditing in The IIA's International Professional Practices Framework (IPPF), "Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes". (www.globaliia.org).

What are the Standards?

Standards are principle-focused and provide a framework for performing and promoting internal auditing. The Standards are mandatory requirements consisting of:

- Statements of basic requirements for the professional practice of internal auditing and for evaluating the effectiveness of its performance. The requirements are internationally applicable at organizational and individual levels.
- Interpretations, which clarify terms or concepts within the statements.
- Glossary terms.

Consideration is needed to both the statements and their interpretations in order to understand and implement the Standards appropriately. The Standards employ terms that have been given specific meanings as noted in the Glossary, which is also part of the Standards. (www.globaliia.org).

The Global Internal Audit Standards Structure

The Institute of Internal Auditor' Global Internal Audit Standards guide the worldwide professional practice of internal auditing and serve as a basis for evaluating and elevating the quality of the internal audit function. The Standards are divided into 5 domains which have 15 guiding principles and 53 standards that creating a new purpose for internal auditing. The standards contain requirements, considerations for implementation, and examples of evidence of conformance. Together, these elements enable internal auditors achieve the principles and fulfill the Purpose of Internal Auditing.

2017



International Professional Practices Framework



2024



International Professional Practices Framework® (IPPF)

Extract from Standards (theiia.org)

The proposed Standards are organized into five domains:

- Domain I: Purpose of Internal Auditing.
- Domain II: Ethics and Professionalism.
- Domain III: Governing the Internal Audit Function.
- Domain IV: Managing the Internal Audit Function.
- Domain V: Performing Internal Audit Services.

Domains I through V contain the following elements:

- Principles: broad descriptions of a related group of requirements and considerations. –
- Standards, which include:
 - Requirements: mandatory practices for internal auditing
 - Considerations for Implementation: common and preferred practices to consider when implementing the requirements.
 - Examples of Evidence of Conformance: ways to demonstrate that the requirements of the Standards have been implemented.

Summary of updates to global internal audit standards

More Flexibility and Relevance

The proposed standards include specific guidance for public sector audits and smaller audit functions, ensuring adaptability to different global contexts. Chief Audit Executives (CAEs) now have more flexibility in how they execute the Standards as many of the “must” have aspects from the draft 2023 Standards have been moved to the “Considerations for Implementation” portions of the Standards.

Development of an internal audit strategy

Standard 9.2 Internal Audit Strategy The chief audit executive must develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board, senior management, and other key stakeholders. The internal audit strategy must include a vision, strategic objectives, and supporting initiatives for the internal audit function. The chief audit executive must review the internal audit strategy with the board and senior management periodically.

Enhanced reporting including ratings/rankings considerations

The Proposed Standards require IA departments to issue a rating or ranking, or other indication of priority/significance, for individual findings as well as the overall audit. Currently the IA function can provide opinions where and how they deem appropriate, but it is not a requirement for the function to provide a rating, ranking, or other indication of priority/significance.

Active board involvement

Internal auditing is most effective when the internal audit function is directly accountable to the board (also known as “functionally reporting to the board”), rather than directly accountable to management for the activities over which it provides assurance and advice. A direct reporting relationship between the board and the chief audit executive enables the internal audit function to perform internal audit services and communicate engagement results without interference or undue limitations. **Standard 6.3 Board and Senior Management Support** requires the chief audit executive to coordinate the board communications with senior management to champion the internal audit function to enable it to fulfil the Purpose of Internal Auditing and pursue its strategy and objectives.

New QAR requirements

Consistent with the 2017 Standards, the proposed Standards require an external quality assessment to be performed every five years which can be accomplished via self-assessment with independent validation, if desired. Further, the proposed standards require the assessment team to meet certain requirements, including being independent from the organization, having the appropriate IA experience and including at least one individual with an active CIA certification.

Relationships with stakeholders

Standard 11.1 The CAE must develop an approach to build relationships with key stakeholders and promote communication.

Leveraging Technological Resources

The Proposed Standards state that the chief audit executive must strive to ensure that the internal audit function has technology to support the internal audit process. The chief audit executive must regularly evaluate the technology used by the internal audit function and pursue opportunities to improve effectiveness and efficiency. When implementing new technology, the chief audit executive must implement appropriate training for internal auditors in the effective use of technological resources. The chief audit executive must collaborate with the organization's information technology and information security functions to implement technological resources properly. The chief audit executive must communicate the impact of technology limitations on the effectiveness or efficiency of the internal audit function to the board and senior management.

Requirement for 20 hours of Professional development

The proposed standards require auditors to complete a minimum of 20 hours of CPE annually. Of these 20 hours, at least two should be related to ethics. Internal auditors should pay attention to emerging topics, trends, risks and changes that may have an impact on the organization for which they operate this will enable the IA profession to improve their proficiency and quality of services. This requirement suggests that IA functions should keep track of their team's education (e.g., record training completed by employees in the IA function).

Internal Audit Performance Measurement

Standard 12.2 The CAE must establish performance objectives, i.e., key performance indicators (KPI), which are designed to evaluate the IA function's performance. Further, the CAE must develop an action plan to address issues and opportunities for improvement when key performance indicators are not achieved.

What are the next steps that organisations can take:

The new standards will require some consideration and adaptation to ensure that the Internal Audit function meets the new requirements. The Internal Audit function as well as lines of business should collaborate to ensure efficient and effective transition. Here are some of the things that organisations can do:

- **Gap Analysis** – Conduct an analysis between the 2017 Standards to the 2024 Global Internal Audit Standards to understand the extent of change that might affect the organisation.
- **IA team training** – Develop a process, timeline and roll out plan for training the IA function so they understand the new requirements of the standards.
- **Organisation awareness** – Engage with Lines of business leaders and their teams to provide them an understanding of the impact of the new Standards, as well as possible changes to the IA function going forward.
- **Audit methodology** – Review current audit processes and practices including policies and charter to confirm alignment with the Global Internal Audit Standards.

Conclusion:

The Standards are a global guide for the professional practice of internal auditing and are a foundational component of an efficient and effective internal audit function. By embracing these changes, internal audit functions can improve their strategic value, strengthen governance frameworks and contribute more effectively to organizational processes, risk management and internal controls. The task ahead for internal audit departments is the time needed to review and comprehend the changes to the proposed set of standards in order to bring up-to-date corresponding policies, procedures and charters. CAEs and boards should be asking, "Is our organization equipped enough to adopt the new Global Internal Audit standards?". The new Standards are not just relevant to IA function they impact the whole organisation. This means the Board and lines of business need collaborate to ensure a successful transition to the new standards.

Relevant references

The Global Internal Audit Standards.

<https://www.theiia.org/en/standards/2024-standards/global-internal-audit-standards/>

Internal Audit Competency Framework

<https://www.theiia.org/en/resources/>

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Comparison of the international standards for the professional practice of internal auditing of 2017 to the global internal audit standards effective 09 January 2025

The Global Internal Audit standards are divided into 5 domains, 15 principles, and detailed standards. The comparison of the standards is as follows:

Domain I: Purpose Statement: Internal auditing strengthens the organization's ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight

Domain II: Ethics and Professionalism: The principles and standards in the Ethics and Professionalism set behavioural expectations for internal auditors regarding integrity, objectivity, competency, care, and confidentiality. This domain of the Global Internal Audit Standards replaces the IIA's former Code of Ethics and outline the behavioral expectations for professional internal auditors.

International Standards for The Professional Practice of Internal Auditing of 2017		Global Internal Audit Standards effective 09 January 2025	
		Principle 1: Demonstrate Integrity	
Code of ethics	Summarized interpretation	Standard	Summarized Interpretation
Integrity: The integrity of internal auditors establishes trust and thus provides the basis for reliance on their judgement	Internal auditors shall perform their work with honesty, diligence, and responsibility; shall observe the law and make disclosures expected by the law and the profession.	Standard 1.1: Acting Honestly and Courageously	<ul style="list-style-type: none"> Requires truthful, accurate, open and respectful conduct and communication without omission or concealment of findings. Requires the CAE to support internal auditors expressing unfavorable evidence-based results. Requires exhibiting courage by acting appropriately even when difficult.
	Internal auditors shall respect and contribute to the legitimate and ethical objectives of the organisation.	Standard 1.2: Organizational Ethical Expectations	<ul style="list-style-type: none"> Requires understanding, meeting and promoting the organization's ethical expectations. Requires reporting behavior within the organization that is inconsistent with the organization's ethical expectations according to applicable policies and procedures.
	Internal auditors shall not knowingly be a party to any illegal activity or engage in acts that are discreditable to the profession of internal auditing or to the organisation.	Standard 1.3: Legal and ethical behaviour	<ul style="list-style-type: none"> Prohibits engagement in or being party to any discreditable or illegal acts. Requires reporting of legal or regulatory violations to individuals or entities that have the authority to take appropriate action, as specified in laws, regulations, and applicable policies and procedures.

		Principle 2: Maintain Objectivity	
Code of ethics	Summarized interpretation	Standard	Summarized Interpretation
Objectivity: Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgements.	Internal auditors shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may conflict with the interests of the organisation.	Standard 2.1: Individual Objectivity	<ul style="list-style-type: none"> Requires internal auditors to apply an impartial and unbiased mindset and make judgments based on balanced assessments of all relevant circumstances. Requires awareness and management of potential biases that may influence judgement and decisions.
	Internal auditors shall not accept anything that may impair or be presumed to impair their professional judgement.	Standard 2.2: Safeguarding Objectivity	<ul style="list-style-type: none"> Requires recognizing and mitigating actual, potential and perceived impairments to objectivity. Requires internal audit function's methodologies to specify the expectations and requirements for internal auditors related to: Receiving gifts, favors, and rewards.
	Internal auditors shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.	Standard 2.3: Disclosing Impairment to Objectivity	<ul style="list-style-type: none"> Requires internal auditors to be aware of impairments that may affect their objectivity and disclosure of the impairment to the chief audit executive or a designated supervisor. Requires prompt disclosure of details on any impairment of objectivity by the CAE to the board, senior management, and/or other affected stakeholders and determine the appropriate actions to resolve the situation.
		Principle 3: Demonstrate Competency	
Code of ethics	Summarized Interpretation	Standard	Summarized Interpretation
Competency: Internal Auditors apply the knowledge, skills, and experience needed in the performance of internal audit services	Internal auditors shall engage only in those services for which they have the necessary knowledge, skills, and experience. Internal auditors shall perform internal audit services in accordance with the International Standards for the Professional Practices of Internal Auditing.	Standard 3.1: Competency	<ul style="list-style-type: none"> Requires the chief audit executive to ensure that the internal audit function collectively possesses the competencies to perform the internal audit services described in the internal audit charter or must obtain the necessary competencies.
	Internal auditors shall continually improve their proficiency and the effectiveness and quality of their services.	Standard 3.2: Continuing Professional Development	<ul style="list-style-type: none"> Requires practicing internal auditors who have attained professional internal audit certifications to follow the continuing professional education policies and fulfill the requirements applicable to their certifications.

		Principle 4: Exercise Due Professional care	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 2430 – Use of “Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing” Indicating that engagements are “conducted in conformance with the International Standards for the Professional Practice of Internal Auditing”	Use of “Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing” Indicating that engagements are “conducted in conformance with the International Standards for the Professional Practice of Internal Auditing” only if supported by the results of the quality assurance and improvement program.	Standard 4.1: Conformance with Global Internal Audit Standards	<ul style="list-style-type: none"> Requires Internal auditors to follow the Standards and the internal audit function’s methodologies when planning and performing internal audit services and communicating results. When internal auditors are unable to conform with a requirement, the chief audit executive must document and communicate a description of the circumstance, alternative actions taken, the impact of the actions, and the rationale.
Standard 2431 – Engagement Disclosure of Nonconformance	When nonconformance with the Code of Ethics or the Standards impacts a specific engagement, communication of the results must disclose the: Principle(s) or rule(s) of conduct of the Code of Ethics or the Standard(s) with which full conformance was not achieved. Reason(s) for nonconformance. Impact of nonconformance on the engagement and the communicated engagement results		
Standard 1220 – Due Professional Care	Internal auditors must apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility	Standard 4.2: Due Professional care	Requires Internal auditors to exercise due professional care by assessing the nature, circumstances, and requirements of the services to be provided
		Standard 4.3: Professional Skepticism	Requires an attitude of inquisitiveness, critical assessment of information reliability and seeking additional evidence when needed. ***The importance of professional skepticism has been emphasized in the new standards, Internal Auditors are required to maintain a questioning mindset, be honest, critically assess information and seek additional evidence to form a judgement.

Principle 5: Maintain Confidentiality			
Code of ethics	Summarized Interpretation	Standard	Summarized Interpretation
Confidentiality: Internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.	Internal auditors shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation.	Standard 5.1: Use of information	<ul style="list-style-type: none"> Requires following policies, procedures, laws and regulations when using information. Prohibits personal use of information or use detrimental to legitimate objectives.
	Internal auditors shall be prudent in the use and protection of information acquired in the course of their duties.	Standard 5.2: Protection of information	<ul style="list-style-type: none"> Requires protecting confidentiality, privacy and ownership of acquired information. Outlines considerations for information access, custody, retention and disposal. Requires the chief audit executive to ensure that the internal audit function and individuals assisting the internal audit function adhere to the same protection requirements.

Domain III: Governing the Function: This domain includes “essential conditions” for an effective internal audit function by setting requirements for positioning and overseeing functions through collaboration between the chief audit executive (CAE), the board, and management.

Principle 6: Authorized by the Board			
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 1000 – Purpose, Authority, and Responsibility The purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards, and the Definition of Internal Auditing). The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval.	Requires the chief audit executive to document the internal audit activity's purpose, authority, and responsibility in the internal audit charter, which is approved by the board	Standard 6.1: Internal Audit Mandate	<ul style="list-style-type: none"> Requires the chief audit executive to document or reference the mandate in the internal audit charter, which is approved by the board. Requires the chief audit executive to coordinate with other internal and external assurance providers to gain an understanding of each other's roles and responsibilities. Requires the chief audit executive to periodically assess whether changes in circumstances justify a discussion with the board and senior management about the internal audit mandate.
	1000.A1 – The nature of assurance services provided to the organization must be defined in the internal audit charter. If assurances are to be provided to parties outside the organization, the nature of these assurances must also be defined in the internal audit charter. 1000.C1 – The nature of consulting services must be defined in the internal audit charter	Standard 6.2: Internal Audit Charter	<ul style="list-style-type: none"> Lists minimum charter components including purpose, adherence to standards, mandate, independence, scope and types of audit services. Requires the chief audit executive must discuss the proposed charter with the board and senior management to confirm that it accurately reflects their understanding and expectations of the internal audit function. Requires periodic review of the charter with the board.

	1010 – Recognizing Mandatory Guidance in the Internal Audit Charter The mandatory nature of the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards, and the Definition of Internal Auditing must be recognized in the internal audit charter. The chief audit executive should discuss the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework with senior management and the board	Standard 6.3: Board and Senior Management support	Requires the chief audit executive to provide the board and senior management with the information needed to support and promote recognition of the internal audit function throughout the organization.
		Principle 7: Organizational Independence	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 1110 – Organizational Independence: The chief audit executive must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities. The chief audit executive must confirm to the board, at least annually, the organizational independence of the internal audit activity	Organizational independence is effectively achieved when the chief audit executive reports functionally to the board. The internal audit activity must be free from interference in determining the scope of internal auditing, performing work, and communicating results. The chief audit executive must disclose such interference to the board and discuss the implications	Standard 7.1: Organizational Independence	<ul style="list-style-type: none">Requires an annual confirmation to the board on independence.Requires chief audit executive to document in the internal audit charter the reporting relationships and organizational positioning of the internal audit function, as determined by the board.Requires the chief audit executive to discuss with the board and senior management any existing or proposed roles and responsibilities that have the potential to impair the internal audit function’s independence, either in fact or appearance.
		Standard 7.2: Chief Audit Executive Qualifications (New)	Requires the chief audit executive to help the board understand the qualifications and competencies of a chief audit executive that are necessary to manage the internal audit function.
		Principle 8: Overseen by the board	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 1111 – Direct Interaction with the Board	Requires the chief audit executive to communicate and interact directly with the board.	Standard 8.1: Board Interaction	<ul style="list-style-type: none">Requires informing the board to support its oversight duties.Lists specific mandatory board reporting items.Addresses handling of disagreements with management or stakeholders.
Standard 2030 – Resource Management	The chief audit executive must ensure that internal audit resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.	Standard 8.2: Resources	<ul style="list-style-type: none">Requires assessing the sufficiency of resources to fulfill the audit mandate and plan.
Standard 1300 – Quality Assurance and Improvement Program	Requires the chief audit executive to develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity.	Standard 8.3: Quality	<ul style="list-style-type: none">Requires developing and maintaining a quality program with internal and external assessments.Outlines regular internal assessment communications and external assessment reporting requirements to the board.

Standard 1312 – External Assessments	External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The chief audit executive must discuss with the board: The form and frequency of external assessment. The qualifications and independence of the external assessor or assessment team, including any potential conflict of interest.	Standard 8.4: External quality Assessment	<ul style="list-style-type: none"> Requires developing a plan for periodic independent external assessments. Outlines board responsibilities for reviewing the plan, results and action plans. <p>***When selecting the independent assessor or assessment team, the chief audit executive must ensure at least one person holds an active Certified Internal Auditor designation.</p>
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Domain IV: Managing the Function: sets standards for the CAE on managing the function specifically by focusing on strategy, resourcing, communication, and ensuring performance.

		Principle 9: Plan Strategically	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 2100 – Nature of Work	The internal audit activity must evaluate and contribute to the improvement of the organization's governance, risk management, and control processes using a systematic, disciplined, and risk-based approach. Internal audit credibility and value are enhanced when auditors are proactive and their evaluations offer new insights and consider future impact.	Standard 9.1: Understanding Governance, Risk management and Control Processes	Requires developing effective audit strategies and plans informed by understanding the organization's governance, risk management and control processes.
2000 – Managing the Internal Audit Activity	The chief audit executive must effectively manage the internal audit activity to ensure it adds value to the organization.	Standard 9.2: Internal Audit Strategy	Requires the chief audit executive to develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board, senior management, and other key stakeholders
Standard 2040 – Policies and Procedures	The chief audit executive must establish policies and procedures to guide the internal audit activity.	Standard 9.3: Methodologies	Requires documented methodologies guiding the Internal Audit function's activities in a systematic and disciplined manner.
Standard 2010 – Planning	The chief audit executive must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals.	Standard 9.4: Internal Audit Plan	Requires the chief audit executive to create an internal audit plan that supports the achievement of the organization's objectives. The chief audit executive must base the internal audit plan on a documented assessment of the organization's strategies, objectives, and risks. This assessment must be informed by input from the board and senior management as well as the chief audit executive's understanding of the organization's governance, risk management, and control processes

Standard 2050 – Coordination and Reliance	Requires the chief audit executive to share information, coordinate activities, and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimize duplication of efforts.	Standard 9.5: Coordination and Reliance	<ul style="list-style-type: none">Requires coordination with other assurance providers to optimize coverage and minimize duplication.Permits reliance upon the work of other providers but requires retaining responsibility for conclusions.
		Principle 10: Manage Resource	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 2230 – Engagement Resource Allocation	IA must determine an appropriate and sufficient resources to achieve engagement objectives based on the nature and complexity of each engagement, time constraints and available resources	Standard 10.1: Financial Resource Management	<ul style="list-style-type: none">Requires the chief audit executive to manage the internal audit function’s financial resources by developing a budget that enables the successful implementation of the internal audit strategy and achievement of the plan.
		Standard 10.2: Human Resource Management	<ul style="list-style-type: none">Requires a talent management approach ensuring competent resources can successfully implement audit strategies and plans.Addresses collaboration with HR, competency assessments, training, development and communication regarding resource constraints.
		Standard 10.3: Technological resources	<ul style="list-style-type: none">Requires appropriate technology to support effective performance.Addresses periodic evaluations pursuing opportunities enabled by technology and related training.Requires reporting limitations that impact capabilities to the board.
		Principle 11: Communicate effectively	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 2020 – Communication and Approval	The chief audit executive must communicate the internal audit activity’s plans and resource requirements, including significant interim changes, to senior management and the board for review and approval. The chief audit executive must also communicate the impact of resource limitations.	Standard 11.1: Building Relationships and communicating with stakeholders (new)	Requires the chief audit executive to develop an approach for the internal audit function to build relationships and trust with key stakeholders, including the board, senior management, operational management, regulators, and internal and external assurance providers and other consultants.
Standard 2420 – Quality of Communications	Communications must be accurate, objective, clear, concise, constructive, complete, and timely	Standard 11.2: Effective communication	Requires the Chief Audit Executive to establish and implement methodologies promoting accurate, objective, clear, concise, constructive, complete and timely communications.
Standard 2400 – Communicating Results	Internal auditors must communicate the results of engagements. Communications must include the engagement’s objectives, scope, and results.	Standard 11.3: Communicating Results	<ul style="list-style-type: none">Requires communicating audit conclusions, findings, recommendations and results to the board and management periodically and as appropriate.Allows summarizing themes and patterns identified across audit results (**this is a change to communicating results, this theme recognizes that findings and conclusions from multiple engagements can reveal patterns or trends, including root causes, and should be communicated along with other findings)Enables overall conclusions on governance, risk management or control processes and outlines required disclosures.

Standard 2421 – Errors and Omissions	If a final communication contains a significant error or omission, the chief audit executive must communicate corrected information to all parties who received the original communication	Standard 11.4: Errors and omissions	<ul style="list-style-type: none"> Requires promptly communicating any significant corrected information from a final engagement communication to all original recipients. Requires working with the board on determining level of significance and handling protocols.
Standard 2600 – Communicating the Acceptance of Risks.	When the chief audit executive concludes that management has accepted a level of risk that may be unacceptable to the organization, the chief audit executive must discuss the matter with senior management. If the chief audit executive determines that the matter has not been resolved, the chief audit executive must communicate the matter to the board	Standard 11.5: Communicating the acceptance of risks	Requires communicating unacceptable levels of risk to senior management and the board if unresolved.
Principle 12: Enhance Quality			
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 1311 – Internal Assessments	Internal assessments must include: Ongoing monitoring of the performance of the internal audit activity. Periodic self-assessments or assessments by other persons within the organization with sufficient knowledge of internal audit practices.	Standard 12.1: Internal Quality Assessment	<ul style="list-style-type: none"> Requires developing and conducting internal assessments against standards and performance objectives. Outlines methodology elements including ongoing monitoring, periodic self-assessments, internal communication requirements and impact disclosures.
Standard 2300 – Planning the engagement	IA must identify, evaluate, analyse, and document sufficient information to achieve the engagement's objectives	Standard 12.2: Performance Management	<ul style="list-style-type: none"> Requires performance objectives aligned to principles, charter and audit strategy expectations. Addresses target setting, accuracy validation and action planning elements. Requires soliciting periodic board feedback.
Standard 2340 – Engagement supervision	Engagement must be properly supervised to ensure objectives, quality is assured, and staff is developed	Standard 12.3: Oversee and Improve engagement performance	Requires establishing methodologies ensuring adequate supervision for standards alignment, work quality and developmental feedback.

Domain V: Performing Services covers planning and conducting engagements, communicating results, and monitoring implementation of recommendations.

		Principle 13: Plan Engagements Effectively (NEW)	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 2020 – Communicating and approval	CAE must communicate the IIA's plans and resource requirement, including significant interim changes, to the management and the board for reviews and approval. CAE must also communicate the impact of resources limitations	Standard 13.1: Engagement Communication	<ul style="list-style-type: none"> Requires communicating objectives, scope, timing and subsequent changes effectively with management throughout the engagement Addresses handling of disagreements on engagement results. <p>***At the end of an engagement, if internal auditors and management do not agree on the engagement results, internal auditors must discuss and try to reach a mutual understanding of the issue with the management of the activity under review. If a mutual understanding cannot be reached, internal auditors must not be obligated to change any portion of the engagement results unless there is a valid reason to do so. Internal auditors must follow an established methodology to allow both parties to express their positions regarding the content of the final engagement communication and the reasons for any differences of opinion regarding the engagement results.</p>
Standard 2120 – Risk management	IA must evaluate the effectiveness and contribute to the improvement of risk management process	Standard 13.2: Engagement Risk assessment	<ul style="list-style-type: none"> Details information required to adequately identify and assess risks relevant for the activity under review. Allows reference to previous risk assessments when risks were already identified for the same activity.
Standard 2210 – Engagement Objectives Standard 2220 – Engagement Scope	<p>Objectives must be established for each engagement. Internal auditors must consider the probability of significant errors, fraud, noncompliance, and other exposures when developing the engagement objectives.</p> <p>The established scope must be sufficient to achieve the objectives of the engagement</p>	Standard 13.3: Establishing objectives and scope	<ul style="list-style-type: none"> Requires documented, approved engagement objectives and scope tailored to provide the specific assurance or advisory services intended. Addresses considerations to determine whether services are assurance or advisory. Requires communicating scope limitations and potential impact to the board. Allows flexibility to adjust objectives and scope as the engagement necessitates.
Standard 2210 – Engagement Objectives	Internal auditors must conduct a preliminary assessment of the risks relevant to the activity under review. Engagement objectives must reflect the results of this assessment.	Standard 13.4: Evaluation Criteria	Requires identifying relevant and adequate criteria to evaluate governance, risk management and control processes within the established objectives and scope.
Standard 2230 – Engagement Resource Allocation	Internal auditors must determine appropriate and sufficient resources to achieve engagement objectives based on an evaluation of the nature and complexity of each engagement, time constraints, and available resources	Standard 13.5: Assigning Resources	Requires identifying appropriate and sufficient resources to achieve objectives considering time frames and complexity.

Standard 2240 – Engagement Work Program	Internal auditors must develop and document work programs that achieve the engagement objectives. Work programs must include the procedures for identifying, analysing, evaluating, and documenting information during the engagement. The work program must be approved prior to its implementation, and any adjustments approved promptly.	Standard 13.6: Work program	Requires a documented, approved work program identifying information needed to accomplish the engagement objectives
Principle 14: Conduct Engagement work			
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 2310 – Identifying Information	Internal auditors must identify sufficient, reliable, relevant, and useful information to achieve the engagement's objectives.	Standard 14.1: Gathering information for analyses and evaluation	<ul style="list-style-type: none"> • Outlines attributes and considerations regarding the relevance, reliability and sufficiency of information gathered for analyses. • Requires determining whether additional information gathering is necessary to support engagement findings and conclusions.
Standard 2320 – Analysis and Evaluation	Internal auditors must base conclusions and engagement results on appropriate analyses and evaluations.	Standard 14.2: Analyses and potential engagement findings	<ul style="list-style-type: none"> • Requires analysing relevant, reliable and sufficient information to identify differences between criteria and condition. • Clarifies that no identified differences require providing assurance on effectiveness.
Standard 2450 – Overall opinions	When an overall opinion is issued, it must consider the strategies, objectives, and risks of the organisation, and the expectation of senior management, the board, and other stakeholders. The overall opinion must be supported by sufficient, reliable, relevant, and useful information.	Standard 14.3: Evaluation of findings	<ul style="list-style-type: none"> • Requires assessing root cause, significance and prioritization for each potential finding. • Requires collaboration with management when possible to explore underlying issues. • Specifies criteria for reporting findings based on exposure to significant risk.
Standard 2410– Criteria for Communicating	Communications must include the engagement's objectives, scope, and results.	Standard 14.4: Recommendations and action plans (New)	<ul style="list-style-type: none"> • Requires discussing recommendations with management and resolving any disagreements using an established methodology. • Clarifies management has responsibility for addressing findings even when collaborative action planning occurred.
Standard 2600 – Communicating the acceptance of risks	CAE concludes and management accepts the risks, the CAE must discuss the matter with senior management. If the matter is not resolved, the CAE must take the matter to the board.	Standard 14.5: Engagement Conclusions	<ul style="list-style-type: none"> • Requires Internal auditors to develop an engagement conclusion that summarizes the engagement results relative to the engagement objectives and management's objectives. <p>***Assurance engagement conclusions must include the internal auditors' judgment regarding the effectiveness of the governance, risk management, and/or control processes of the activity under review, including an acknowledgment of when processes are effective.</p>
Standard 2330 – Documenting Information	Internal auditors must document sufficient, reliable, relevant, and useful information to support the engagement results and conclusions.	Standard 14.6: Engagement Documentation	<ul style="list-style-type: none"> • Outlines information and evidence retention requirements to enable reperformance of work and support engagement results. • Addresses supervisory reviews, accuracy and secure storage considerations.

		Principle 15: Communicate Engagement Conclusions and Monitor Actions Plans	
Standard	Summarized Interpretation	Standard	Summarized Interpretation
Standard 2440 – Disseminating Results	The chief audit executive must communicate results to the appropriate parties. The chief audit executive is responsible for reviewing and approving the final engagement communication before issuance and for deciding to whom and how it will be disseminated. When the chief audit executive delegates these duties, he or she retains overall responsibility.	Standard 15.1: Final Engagement communication	<ul style="list-style-type: none"> Indicates specific content requirements that should be included for final written and oral communications tailored to engagement type. Requires reviews, approval and dissemination enabling consideration of results by capable stakeholders. Requires ensuring final communications exhibit established quality attributes.
Standard 2500 – Monitoring Progress	The chief audit executive must establish and maintain a system to monitor the disposition of results communicated to management.	Standard 15.2: Confirming Implementation of Recommendations and Action Plans	<ul style="list-style-type: none"> Requires creating methodologies to confirm implementation of recommendations and action plans based on risk prioritization. Clarifies processes as well as tracking status of completion and escalating inadequate progress on significant findings.



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