Isaac M. O'Bannon • Oct. 02, 2012

The Institute of Internal Auditors (IIA) has announced changes to the International Standards for the Professional Practice of Internal Auditing (Standards). The revised Standards, considered mandatory under The IIA's International Professional Practices Framework (IPPF), will go into effect Jan. 1, 2013.

In total, 18 revisions were made, which are intended to improve the professional practice of internal auditing worldwide.

"The revisions clarify the existing language in some of the standards to help ensure internal audit professionals can comply with the core tenets of internal audit professionalism," said Andy Dahle, chairman of the International Internal Audit Standards Board (IIASB).

"The changes will help internal audit focus on timely risks, stay aligned with exemplary practices, and maintain the appropriate stature. The standards must be continuously monitored and updated as our profession evolves."

The IIA will be hosting a global web broadcast on Oct. 23 and Oct. 24 to review the changes to the Standards. The broadcast is free to the public, but pre-registration is required. Interested parties can visit https://global.theiia.org/standards-guidance/mandatory-guidance/Pages/Standards.aspx to view the revised Standards and register for the global web broadcast.

Key changes to the Standards include:

- Clarifying the responsibilities of internal auditors, the chief audit executive (CAE), and the internal audit activity for conforming with the Standards.
- Increasing focus on the Quality Assurance and Improvement Program requirements and clarifying ways in which conformance may be achieved.

- Clarifying the CAE's role in communicating unacceptable risk.

After reviewing the 1,685 responses to the exposure draft from individuals and organizations around the world and refining the proposed changes where appropriate, and making appropriate adjustments, the IIASB approved the revisions.

The IIASB follows a standards-setting due process for developing, proposing, and exposing changes to the Standards. The process is guided by the IPPF Oversight Council, which is responsible for overseeing the process followed by The IIASB in providing authoritative guidance.

According to IPPF Oversight Council Chairman Jim Sylph, the guidance-setting due process is designed to ensure transparency, clarity, and timeliness.

"The Oversight Council considered and approved the due process followed by the IIASB in developing this guidance in developing this guidance," said Sylph, who represents the International Federation of Accountants on the Oversight Council (IFAC).

As indicated by its full name, the IIA's Standards are global in scope and applicability. Likewise, the IPPF Oversight Council reflects stakeholders, experience, and expertise from all around the world.

Independent organizations represented on the Oversight Council include the IFAC, the International Organization of Supreme Audit Institutions (INTOSAI), the National Association of Corporate Directors (NACD), the Organisation for Economic Co-operation and Development (OECD), and the World Bank.

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