

Part I - CIA Entry Level Exam

125 Questions: 2.5 Hours (150 minutes)

| Domain I | | Mandatory Guidance (35-45%) | Level of Difficulty |
|------------|---|--|---------------------|
| | A | Definition of Internal Auditing | P |
| | B | Code of Ethics | P |
| | C | International Standards | P |
| Domain II | | Internal Control / Risk (25-35%) | |
| | A | Types of controls (e.g., preventive, detective, input, output, etc.) | P |
| | B | Management control techniques | A |
| | C | Internal control framework characteristics & use (e.g. COSO, Cadbury) | A |
| | D | Alternative control frameworks | A |
| | E | Risk vocabulary and concepts | A |
| | F | Fraud risk awareness | A |
| | | 1. Types of fraud | A |
| | | 2. Fraud red flags | A |
| Domain III | | Conducting Internal Audit Engagements - Audit Tools & Techniques (28-38%) | Level of Difficulty |
| | A | Data Gathering: | |
| | | 1. Review prior audit reports and other relevant documentation as part of a preliminary survey of the engagement area | P |
| | | 2. Develop checklists/internal control questionnaires as part of a preliminary survey of the engagement area | P |
| | | 3. Conduct interviews as part of a preliminary survey of the engagement area | P |
| | | 4. Use observation to gather data | P |
| | | 5. Conduct engagement to assure identification of key risks & controls | P |
| | | 6. Use nonstatistical (judgmental) sampling method | P |
| | B | Data Analysis & Interpretation: | |
| | | 1. Use computerized audit tools and techniques (e.g., data mining and extraction, continuous monitoring) | P |
| | | 2. Conduct spreadsheet analysis | P |
| | | 3. Use analytical review techniques (e.g., ratio estimation, variance analysis, budget vs. actual, trend analysis, other reasonableness tests) | P |
| | | 4. Draw conclusions | P |
| | C | Data Reporting | |
| | | 1. Report test results to auditor in charge | P |
| | D | Documentation / Work Papers | |
| | | 1 Develop workpapers | P |
| | E | Process Mapping | P |
| | F | Evaluate relevance, sufficiency, & competence of evidence | P |
| | | 1. Identify potential sources of evidence | P |

Part II - CIA Exam Practice
100 Questions: 2 hours (120 minutes)

| Domain I | | Managing the Internal Audit Function (40-50%) | Level of Difficulty |
|----------|---|---|---------------------|
| | A | Strategic Role of Internal Audit | |
| | | 1. Initiate, manage, be a change catalyst, and cope with change | P |
| | | 2. Build and maintain networking with other organization executives and the audit committee | P |
| | | 3. Organize and lead a team in mapping, analysis, and business process improvement | P |
| | | 4. Assess and foster the ethical climate of the board and management | P |
| | | 5. Educate senior management and the board on best practices in governance, risk management, control, and compliance | P |
| | | 6. Communicate internal audit key performance indicators to senior management and the board on a regular basis | P |
| | | 7. Coordinate IA efforts with external auditor, regulatory oversight bodies and other internal assurance functions. | P |
| | B | Operational Role of IA | |
| | | 1. Formulate policies and procedures for the planning, organizing, directing, and monitoring of internal audit operations | P |
| | | 2. Review the role of the internal audit function within the risk management framework | P |
| | | 3. Direct administrative activities (e.g., budgeting, human resources) of the internal audit department | P |
| | | 4. Interview candidates for internal audit positions | P |
| | | 5. Report on the effectiveness of corporate risk management processes to senior management and the board | P |
| | | 6. Report on the effectiveness of the internal control and risk management frameworks | P |
| | | Maintain effective Quality Assurance Improvement Program | P |
| | C | Establish Risk-Based IA Plan | |
| | | 1. Use market, product, and industry knowledge to identify new internal audit engagement opportunities | P |
| | | 2. Use a risk framework to identify sources of potential engagements (e.g., audit universe, audit cycle requirements, management requests, regulatory mandates) | P |
| | | 3. Establish a framework for assessing risk | P |
| | | 4. Rank and validate risk priorities to prioritize engagements in the audit plan | P |
| | | 5. Identify internal audit resource requirements for annual IA plan | P |
| | | 6. Communicate areas of significant risk and obtain approval from the board for the annual engagement plan | P |

| Domain II | | Managing Individual Engagements (40-50%) | Level of Difficulty |
|------------|---|--|---------------------|
| | A | Plan Engagements | P |
| | | 1. Establish engagement objectives/criteria and finalize the scope of the engagement | P |
| | | 2. Plan engagement to assure identification of key risks & controls | P |
| | | 3. Complete a detailed risk assessment of each audit area (prioritize or evaluate risk/control factors) | P |
| | | 4. Determine engagement procedures and prepare engagement work program | P |
| | | 5. Determine the level of staff and resources needed for the engagement | P |
| | | 6. Construct audit staff schedule for effective use of time | P |
| | B | Supervise Engagement | P |
| | | 1. Direct / supervise individual engagements | P |
| | | 2. Nurture instrumental relations, build bonds, and work with others toward shared goals | P |
| | | 3. Coordinate work assignments among audit team members when serving as the auditor-in-charge of a project | P |
| | | 4. Review workpapers | P |
| | | 5. Conduct exit conference | P |
| | | 6. Complete performance appraisals of engagement staff | P |
| | C | Communicate Engagement Results | |
| | | 1. Initiate preliminary communication with engagement clients | P |
| | | 2. Communicate interim progress | P |
| | | 3. Develop recommendations when appropriate | P |
| | | 4. Prepare report or other communication | P |
| | | 5. Approve engagement report | P |
| | | 6. Determine distribution of the report | P |
| | | 7. Obtain management response to the report | P |
| | | 8. Report outcomes to appropriate parties | P |
| | D | Monitor Engagement Outcomes | |
| | | 1. Identify appropriate method to monitor engagement outcomes | P |
| | | 2. Monitor engagement outcomes and conduct appropriate follow-up by the internal audit activity | P |
| | | 3. Conduct follow-up and report on management's response to internal audit recommendations | P |
| | | 4. Report significant audit issues to senior management and the board periodically | P |
| Domain III | | Fraud Risks and Controls (5-15%) | Level of Difficulty |
| | A | Consider the potential for fraud risks and identify common types of fraud associated with the engagement area during the engagement planning process | P |

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| | B | Determine if fraud risks require special consideration when conducting an engagement | P |
| | C | Determine if any suspected fraud merits investigation | P |
| | D | Complete a process review to improve controls to prevent fraud and recommend changes | P |
| | E | Employ audit tests to detect fraud | P |
| | F | Support a culture of fraud awareness and encourage the reporting of improprieties | P |
| | G | Interrogation/investigative techniques | A |
| | H | Forensic auditing | A |

Part III - Internal Audit Knowledge Elements 100 Questions: 2 hours (120 minutes)

| Domain I | | Governance / Business Ethics (5-15%) | Level of Difficulty |
|------------|---|---|---------------------|
| | A | Corporate/organizational governance principles | A |
| | B | Environmental and social safeguards | A |
| | C | Corporate social responsibility | A |
| Domain II | | Risk Management (10-20%) | Level of Difficulty |
| | A | Risk management techniques | A |
| | B | Organizational use of risk frameworks | A |
| Domain III | | Organizational Structure/ Business Processes & Risks (15-25%) | Level of Difficulty |
| | A | Risk/control implications of different organizational structures | A |
| | B | Structure (e.g., centralized/decentralized) | A |
| | C | Typical schemes in various business cycles (e.g., procurement, sales, knowledge, supply-chain management) | A |
| | D | Business process analysis (e.g., workflow analysis and bottleneck management, theory of constraints) | A |
| | E | Inventory management techniques and concepts | A |
| | F | Electronic funds transfer (EFT)/Electronic data interchange (EDI) | A |
| | G | Business development life cycles | A |
| | H | The International Organization for Standardization (ISO) framework | A |
| | I | Outsourcing business processes | A |
| Domain IV | | Communication (5-10%) | Level of Difficulty |
| | A | Communication (e.g., the process, organizational dynamics, impact of computerization) | A |
| | B | Stakeholder relationships | A |
| Domain V | | Management / Leadership Principles (10-20%) | Level of Difficulty |

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|------------------|---|---|----------------------------|
| | A | Strategic Management | |
| | | 1. Forecasting | A |
| | | 2. Quality management (e.g., TQM, Six sigma) | A |
| | | 3. Decision analysis | A |
| | B | Organizational Behavior | |
| | | 1. Organizational Theory | A |
| | | 2. Organizational behavior (e.g., motivation, impact of job design, rewards, schedules) | A |
| | | 3. Group dynamics (e.g., traits, development stages, organizational politics, effectiveness) | A |
| | | 4. Knowledge of human resource processes (e.g., individual performance management, supervision, personnel sourcing/staffing, staff development) | A |
| | | 4. Risk/control implications of different leadership styles | A |
| | C | Management Skills | |
| | | 1. Lead, inspire, and guide people, building organizational commitment and entrepreneurial orientation | A |
| | | 2. Create group synergy in pursuing collective goals | A |
| | D | Conflict Management | |
| | | 1. Conflict resolution (e.g., competitive, cooperative, and compromise) | A |
| | | 2. Negotiation skills | A |
| | | 3. Conflict management | A |
| | | 4. Added-value negotiating | A |
| | E | Project Management / Change Management | |
| | | 1. Change management | A |
| | | 2. Project management techniques | A |
| Domain VI | | IT / Business Continuity (15-25%) | Level of Difficulty |
| | A | Security | |
| | | 1. System security (e.g., firewalls, access control) | A |
| | | 2. Information protection (e.g., viruses, privacy) | A |
| | | 3. Application authentication | A |
| | | 4. Encryption | A |
| | B | Application Development | |
| | | 1. End-user computing | A |
| | | 2. Change control | A |
| | | 3. Systems development methodology | A |
| | | 4. Application development | A |
| | | 5. Information systems development | A |
| | C | System Infrastructure | |
| | | 1. Workstations | A |

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|--------------------|---|--|----------------------------|
| | | 2. Databases | A |
| | | 3. IT control frameworks (e.g., eSAC, COBIT) | A |
| | | 4. Functional areas of IT operations (e.g., data center operations) | A |
| | | 4. Enterprisewide resource planning (ERP) software (e.g., SAP R/3) | A |
| | | 5. Data and network communications/connections (e.g., LAN, VAN, and WAN) | A |
| | | 6. Server | A |
| | | 7. Software licensing | A |
| | | 8. Mainframe | A |
| | | 9. Operating systems | A |
| | D | Business Continuity | |
| | | 1. IT contingency planning | A |
| Domain VII | | Financial Management (13-23%) | Level of Difficulty |
| | A | Financial Accounting & Finance | |
| | | 1. Basic concepts and underlying principles of financial accounting (e.g., statements, terminology, relationships) | A |
| | | 2. Intermediate concepts of financial accounting (e.g., bonds, leases, pensions, intangible assets, R&D) | A |
| | | 3. Advanced concepts of financial accounting (e.g., consolidation, partnerships, foreign currency transactions) | A |
| | | 4. Financial statement analysis (e.g., ratios) | A |
| | | 5. Types of debt and equity | A |
| | | 6. Financial instruments (e.g., derivatives) | A |
| | | 7. Cash management (e.g., treasury functions) | A |
| | | 8. Valuation models | A |
| | | 9. Business valuation | A |
| | | 10. Inventory valuation | A |
| | | 11. Capital budgeting (e.g., cost of capital evaluation) | A |
| | | 12. Taxation schemes (e.g., tax shelters, VAT) | A |
| | B | Managerial Accounting | |
| | | 1. Managerial accounting: general concepts | A |
| | | 2. Costing systems (e.g., activity-based, standard) | A |
| | | 3. Cost concepts (e.g., absorption, variable, fixed) | A |
| | | 4. Relevant cost | A |
| | | 5. Cost-volume-profit analysis | A |
| | | 6. Transfer pricing | A |
| | | 7. Responsibility accounting | A |
| | | 8. Operating budget | A |
| Domain VIII | | Global Business Environment (0-10%) | Level of Difficulty |

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| | A | Economic / financial environments | A |
| | B | Cultural / political environments | A |
| | C | Legal and economics — general concepts (e.g., contracts) | A |
| | D | Impact of government legislation and regulation on business (e.g., trade legislation) | A |