THE IIA'S GLOBAL MODEL INTERNAL AUDIT CURRICULUM

The IIA's Global Model Internal Audit Curriculum (Curriculum) has been created by a subcommittee of The IIA Academic Relations Committee (ARC) and validated by the full ARC. The Curriculum was developed using The IIA's CBOK study, The IIA's Competency Framework, CIA® syllabus, and educator and practitioner input.

The Academic Relations Committee (ARC) recognizes that colleges and universities have varying degrees of commitment to internal audit education. Commitment is likely to be influenced by the school, the resources available and the demand from potential employers. This commitment ranges from providing the student population with little or no awareness of Internal Auditing as a profession to a minor, major or degree in internal auditing. Therefore, this Curriculum is provided for those who want to develop and teach internal audit courses at any point along the *Internal Audit Academic Awareness Continuum* including assisting in determining course expectations for those considering application to The IIA's Internal Auditing Education Partnership (IAEP) program.

The *Principles of Internal Auditing* is a required course for the IAEP program. All other courses the IAEP Coordinator wishes to include in the program will be reviewed and approved through the IAEP application process. Any changes to courses once the school is approved as an IAEP program school will also be reviewed by ARC.

This document is intended to be inclusive and flexible. ARC recognizes that a program such as this cannot and should not be a "one size fits all" program. It must be tailored to each school while ensuring the internal auditing education curriculum conforms to The IIA's International Professional Practices Framework and the best practices for the profession.

The table below is designed to assist those interested in preparing to apply to the IAEP program. (Please also review the IAEP Framework below requesting an application) Course suggestions are found on page 2 of this document followed by sample syllabi.

IAEP Framework	Minimum Course Expectations
Internal Audit Foundation	▪ Two core course equivalents per year (one of the two must be Principles of Internal Auditing)*
Comprehensive Internal Auditing	▪ Principles of internal auditing AND ▪ Two additional courses, one of which must be a core course • For an internship to be considered as a course, it must be tracked, evaluated and granted university credit
Center for Internal Auditing Excellence	▪ Internal audit track/concentration/diploma incorporated into a degree program OR ▪ Internal audit major/degree • For an internship to be considered as a course, it must be tracked, evaluated and granted university credit
	* *The course complement will be reviewed by the ARC as part of their endorsement of any program.*

Recommended Curriculum

Note: The curriculum can be adapted for undergraduate/baccalaureate or graduate/post graduate degrees. The following pages contain a sample syllabus for each of the courses listed below.

Course # Title	Core =C / Supplemental=S	Recommended Course Order
Principles of Internal Auditing	C	1
Ethics and Organizational Governance	C	2
Fraud and Forensics	C	3
Information Technology (IT) Auditing	C	4
Business Communication Skills for Internal Auditors	C	Any order after 1
Internship and/or Case Studies/Internal Audit Projects	C	Ideally after or at the end of course work or as co-op time
Advanced Internal Auditing	S	5
Developing and Managing an Internal Audit Function	S	6
Risk Management	S	Any order after 1
Advanced Organizational Governance	S	Any order after 2
Advanced IT Systems and Auditing	S	Any order after 4
Internal Auditing Topics	S	Any order after 1

 # - A course for purposes of The IIA Academic Programs is defined as a total of 30 to 45 classroom hours of topics related to a general topic (which can be all in the classroom or a combination of classroom and student team projects such as case studies). For example, *Principles of Internal Auditing* is a course.

The courses listed above could be structured to assist in preparing students for the Certified Internal Auditor (CIA®) examination.

IAEP Curriculum Guidance for Current IAEP Program Schools

The Internal Audit Foundation Program must consist of two core courses within a university degree program. One course must be the *Principles of Internal Auditing* and the other course must be a core courses listed above.

The Comprehensive Internal Audit Program must consist of at least three courses within a university degree program. One course must be the *Principles of Internal Auditing. T*he second course and any subsequent courses may be any of the courses listed above or agreed to by the ARC. The third course must be an *Internship, Co-op or Case Studies/Internal Audit Projects* course or a course accepted by the ARC.

The Center for Internal Audit Program must consist of at least four courses and be recognized as a concentration, minor or major within a university degree program. One course must be the *Principles of Internal Auditing* and the second may be selected from any of the core courses listed above. The third core course must be an *Internship, Co-op or Case Studies/Internal Audit Projects* course or a course agreed to by the ARC. The fourth course and any subsequent courses may be any from the list above or agreed to by the ARC.

Principles of Internal Auditing

Degree Level:

Undergraduate/baccalaureate or (post) graduate

Course Description:

This course introduces students to the internal audit profession and the internal audit process. Topics that will be included in this course are: the definition of internal auditing, The IIA's International Professional Practices Framework (IPPF), risk, governance and control issues, conducting internal audit engagements, and more.

Sample Overall Learning Objectives:

1. Understand the definition of internal auditing and the purpose of internal auditing.
2. Understand the use of the IPPF and be able to apply it in any given situation.
3. Understand and be able to apply the internal audit process during an engagement as well as write a report on the outcome.
4. Understand the various organizational governance systems, the selected business applications such as enterprise risk management (ERM), internal control identification, design and evaluation.
5. Understand how ethics and fraud issues reflect on an organization.

General Topic	Content Recommendations
Introduction to the course	- Definition of internal auditing - Overview of internal auditor's roles and responsibilities - Overview of the relationships of the internal auditor: - Board of directors - Senior management - Audit committee - Types of engagements: - Assurance - Consulting - Types of audits: - Operational - Financial - Compliance

Principles of Internal Auditing - continued

General Topic	Content Recommendations
IPPF	• Definition of internal auditing • Code of Ethics • Standards (overall concepts and principles) • Implementing IPPF in an audit situation
Engagement process	• Engagement plan (considerations, objectives, scope, risk-based internal audit engagements) • Engagement resource allocation • Developing the work program • Various tools and techniques • Performing the engagement • Communicating the results • Evaluating the audit performed
Organizational governance	• Corporate governance principles • Various frameworks, codes and legislation • The role of the audit committee and internal auditing
Understanding risks and controls	• ERM, methods, processes and structures • Relationship between internal audit and risk management • Various risk assessment processes (models and differences) • Overall risk management methodologies (risk management framework) • Control frameworks and procedures

Reporting	• Identifying and communicating reportable items
	• Communicating results:
	    o Criteria(methods, add value, attributes of effective reporting, key summary reporting)
	    o Quality
	• Disclosing noncompliance issues
	• Use of the term "conducted in accordance with…"
	• Follow-up (e.g. monitoring results, monitoring corrective action)

Ethics and fraud overview	• General understanding of organizational ethics and the role of internal auditing • General understanding of internal auditing's role regarding fraud prevention, detection and investigation

Ethics and Organizational Governance

Degree Level:

Undergraduate/baccalaureate or (post) graduate

Course Description:

This course introduces students to aspects of good organizational governance principles and frameworks, key concepts of proper ethical behavior as well as the role internal auditors should undertake in supporting their organizations. Topics that will be included in this course are the definition of ethics as it relates to business, governance strategies and best practices in business, and more.

Sample Overall Learning Objectives:

1. Understand the concept of ethics and organizational governance.
2. Understand the steps to develop business ethics programs and policies and the role of internal auditing.
3. Understand basic organizational dynamics (including governance) and be aware of selected country specific governance principles and frameworks.
4. Understand the role of internal auditing in its organization's governance process and program.

General Topic	Content Recommendations

Introduction to course	• Definition of ethics and organizational governance
	• Overview of internal auditor's responsibilities
	• Categories of ethics:
	    ○ Personal ethics
	    ○ Professional ethics
	    ○ Business ethics
	• Applicable IIA Standards

Business ethics	• Management's role in developing an ethics policy • Class exercises evaluating strong and weak governance and management ethical behavior
Role of internal auditing in ethical activities	• Code of conduct • Organizational ethical culture • Advisory versus assurance duties
Organizational behavior and dynamics overview	• Management's responsibility in ensuring good governance • Organizing, organizational structure and delegation • Supervision, management and group dynamics • Leadership, change and conflict management • Performance management
Internal auditing and the organization's governance policy and program	• Applicable country specific or industry governance best practices (e.g. organizational structure and culture) • Case study or class exercises providing scenarios of strong and weak governance and ethical behavior

Fraud and Forensics

Degree Level:

Undergraduate/baccalaureate or (post) graduate

Course Description:

This course provides an overview of forensic auditing and fraud examination. Students will develop an understanding of fraud in business, the circumstances in which it arises, techniques for detecting, measuring and preventing fraud, and the skills necessary to resolve fraud once discovered. The students will work through examples of the role of internal auditing in the fraud detection and investigative process as well as their role in fraud prevention.

Sample Overall Learning Objectives:

1. Understand the definition of fraud, including fraud within the organization and fraud against the organization.
2. Use the IPPF and other guidance documents to understand the internal auditor's responsibilities related to fraud detection, investigation and prevention.
3. Identify common fraud schemes and indicators.
4. Understand and learn how to identify potential fraudulent situations.

General Topic	Content Recommendations
Introduction to fraud detection	• Elements of fraud • Fraud theory • Fraud symptoms • Fraud red flags
Internal auditors' responsibilities for fraud identification	• IIA Standards • IIA Practice Guides (such as IIA GTAG & two specifically on Fraud) • Applicable country specific guidance
Fraud prevention	• Fraud prevention policies and procedures • Fraud risk assessment

Fraud and Forensics - continued

General Topic	Content Recommendations
Fraud investigation	• Planning and conducting a fraud investigation • Investigative interviewing and interrogation • Profiling white collar criminals
Electronic fraud investigation techniques	• The use of analytics as fraud detection tool • Fraud detection software
Accounting principles and fraud / Fraudulent financial statement schemes	• Detecting fraud in a financial statement audit • Applicable country specific guidance and IPPF • Revenue and inventory related financial statement fraud • Liability, asset and disclosure fraud
Non-financial statement fraud schemes	• Detecting fraud within the organization other than in a financial statement • Indicators of process fraud

Fraud schemes – misappropriation of assets	• Typical schemes in various business cycles:
	  o Procurement
	  o Sales
	  o Accounting
	  o Payroll
	  o Fixed assets
	  o Knowledge
	• Class exercises and short cases

Fraud schemes – against organizations	• Consumer fraud • Bankruptcy, divorce and tax fraud • Class exercises to gain practical fraud identification
Fraud reporting	• Responsibilities for reporting fraud • Reporting channels • When and to whom should suspected fraud be reported • Audit Committee responsibilities for fraud • Fraud examiner's role in civil and criminal litigation
Ethics in the context of fraud prevention	• Tone at the top • Code of ethics • Principles of ethics • Whistleblowing

IT Auditing

Degree Level:

Undergraduate/baccalaureate or (post) graduate

Course Description:

This course covers management's role in controlling information technology and addressing the major risks related to technology. Topics include information security, contingency planning, desktop computer controls, systems development controls, computer center operation controls, assurance of information related to on-line, client-server, web-based, internet, and other advanced computer systems. Students will learn approaches to evaluating and addressing technology risk throughout the organization from the perspective of internal and external auditing in addition to the view of every end user.

Sample Overall Learning Objectives:

1. Understand and identify key information technology risks and how to mitigate those risks.
2. Understand and develop a control checklist and key audit steps related to technology risks.
3. Understand and apply applicable IIA, AICPA and ISACA standards.
4. Understand the process for auditing application controls.
5. Understand risks in an e-business environment.
6. Understand how to adapt audit coverage to areas of advanced and emerging technologies.

General Topics	Content Recommendations
Introduction to the course	• Definition of IT auditing • Definition of common terms used • General controls versus application controls
Information systems strategies, plans and budgets	• Development and integration of corporate strategy within IT strategy and distribution • Understand IT department knowledge, skills, experience and the value of continuing education

Program development and program change to prevent unauthorized changes to systems and applications	• System development life cycle (SDLC) methodology and other program/system change policies and procedures
	• Formal change management procedures:
	    ○ Program changes
	    ○ System changes
	    ○ Maintenance (including patches or changes to system software)

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IT Auditing – continued

General Topics	Content Recommendations
Information security processes to prevent unauthorized access to programs and data (accessibility, confidentiality and integrity of data)	- Data access policy development and maintenance of that access, extraction, usage, maintenance and transport, including personal information - System and application authentication and access mechanisms - Access rights on financial reporting (and other) systems - Application software and data storage systems configurations - Segregation of duties in network, operating and application system - Identifying and handling significant IT events or failures, e.g., security breaches, major system failures or regulatory failures - Physical access controls and authentication - Firewalls, intrusion detection and vulnerability assessments
IT infrastructure (computer operations) provides reliable and effective support to key business processes	- Data and program ownership responsibilities - Monitoring performance and capacity levels of the systems and network - Problem management tracking and resolution system - Backup of data and programs - Determining the effectiveness of the restoration process and the quality of backup media - Understanding the importance and need for standard procedures for IT operations, including scheduling, managing, monitoring and responding to processing events
Auditing and management skills	- Recognizing legislation, rules and regulations related to information systems auditing - Analyzing the unique risks of information technology and related data - Practicing decision-making skills in a small group setting. - Acquiring experience with audit software (e.g. ACL, IDEA), test application controls in accounting software (e.g., Pastell, Peachtree), flow charting (e.g., Visio, AllClear, SmartDraw, Pacestar), and software to manage the internal audit engagement (e.g., Team Mate, GRC Paisley, Autoaudit) – **These examples do not constitute an endorsement of any products by The IIA.** - Developing written communications by writing audit reports for the computer assignments

Business Communication Skills for Internal Auditors

Degree Level:

Undergraduate/baccalaureate or (post) graduate

Course Description:

This course acquaints the student with the most important business communication aspects that an internal auditor will have to be familiar with in the business environment and includes aspects that cover both verbal and written communication.

Behavioral skills should be part of each course. In this course, there should be the strongest focus on behavioral skills in the oral communication portion of the course as it is as much how something is said as it is the words used.

Sample Overall Learning Objectives:

1. Understand the process of effective communication in the business environment.
2. Understand the concept of interpersonal communication.
3. Understand how to perform interviews and be able to perform an interview with individuals on various levels of the organization.
4. Understand and apply the concept of effective oral communication, business writing and graphic communication.

General Topic	Content Recommendations
Introduction to the course	• Introduction to business communication • The process of communication • Communication in organizations (various levels)
Elements of effective communication	• Intercultural communication • Cross generational communication • Group and individual communication • Effective communication in groups, leadership and problem-solving, negotiating, etc • The conduct of meetings

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Business Communication Skills for Internal Auditors - continued

General Topic	Content Recommendations
Interpersonal communication skills	• Self-awareness • Assertiveness • Perception • Listening and non-verbal communication • Emotional intelligence • Brain preferences
Performing interviews	• Interview skills • Setting the environment • Conducting the interview • Sending clear and convincing messages • Effective listening skills
Principles of preparing, organizing and presenting oral and written communication	• The rhetorical situation • Planning and organizing messages • Choosing an effective vocabulary • Style, tone and jargon • Elements of readability • Grammar

Oral communication	• The principles of effective oral communication:
	    o Preparing a talk
	    o Formats for talks
	    o Effective audio-visual aids
	• Using the telephone effectively
	• Presentation skills

Business writing	• The principles of effective written messages:
	    o Formats of a range of messages
	    o Layout of the document
	    o Grammar and punctuation
	• Creating and using appropriate questionnaire and surveys

Graphic communication	• The effective use of:
	    o Tables
	    o Graphs

Practical application	• Case study:
	    o Written assignment
	    o Presentation
	    o Work in groups

Internship and/or Case Studies/Internal Audit Projects

Degree Level:

Undergraduate/baccalaureate or (post) graduate

Course Description:

Internships/Co-ops provide the practical experience for students to apply the theory they have been learning. (The internships should be organized to last at least eight weeks.) Students will be required to complete periodic status reports as well as a final report on the internship/co-op. The organization hosting the student is also required to provide feedback on the individual to the instructor.

If the school does not permit internships or co-ops, practical experience can be substituted by using "real life" case studies/projects as mock audits using a teamwork setting and having the students perform the audit with practitioners volunteering to manage the work. The practitioners will be responsible for evaluating the students with the instructor and the students will be required to document all aspects of the audit including the audit report.

Sample Overall Learning Objectives:

1. Understand the entire internal audit process.
2. Conduct an internal auditing with limited supervision.
3. Provide the practitioners with a sense of the value of the student skill sets.

General Topic	Content Recommendations
Internships/co-ops (identify with or without the help of the student or organizations willing to accept students)	• Criteria for selecting organizations • Criteria for selecting students • Outline/agreement for student actions and behavior during the work experience • Outline for evaluation criteria as needed for practitioners • Final student evaluation criteria for organization
Case studies/internal audit projects	• A case study created or adapted for each team • Commitment from practitioners to supervise the case studies or projects • Providing performance evaluation criteria for practitioners to use

Advanced Internal Auditing

Degree Level:
> Undergraduate/baccalaureate or (post) graduate
> Prerequisite - Introduction to Internal Audit

Course Description:
> This course builds on the principles of Internal Auditing curriculum to provide students with additional introduction to topics related to the management of the Internal Audit function. Topics that are recommended to be included in this course are: Corporate Governance, Enterprise Risk Management, Quality Assurance Review Process, Environmental and Process Quality Audits, and Value Added Activities.

Sample Overall Learning Objectives:
1. Understand the definition of Corporate Governance, the roles of various groups (Board, Board Committees, Executive Management, Internal Audit, and External Auditors), limitations and failures in governance, and an overview of existing governance codes and regulations.
2. Understand the macro level risk assessment process, capture and analysis of risk factors inputs, and communication of audit plan with the Audit Committee.
3. Understand the Enterprise Risk Management process, the role of internal audit within the process, and method of assessing the ERM program.
4. Understand the origin and commonalities of the various internal control frameworks and application within auditing and value-added activities.
5. Understand how environmental issue impacts the quality process certification reflects on an organization.

Advanced Internal Auditing – continued

General Topic	Content Recommendations

Corporate Governance	• Governance definition
	• Governance Advisories
	    o SOX
	    o Turnbull
	    o King III
	    o Etc.
	• Auditing Corporate Governance
	    o Ethics Hotline.
	    o Code of Ethics
	    o Executive Compensation & Expense Reporting
	    o Corporate Social Responsibility

Enterprise Risk Management	• ERM Frameworks:
	    o COSO-ERM
	    o ISO 31000
	    o AS/NZ

Macro Level Risk Assessment	• Risk Frameworks
	• Risk Factors
	    o Qualitative vs. Quantitative
	• Risk Assessment Inputs
	    o Surveys
	    o Interviews
	    o Performance Measures
	    o Changes (Management, Systems, Process, etc.)
	• Audit Committee Approval
	• Integration with ERM

Quality Assurance Process	• IPPF Requirements for QAR
	• Types of QAR:
	    o Internal Reviews
	    o External Reviews
	• Potential Benefits

Environmental and Quality Audit	• General understanding of the role of internal auditing related to environmental conditions.
	• ISO
	    o ISO 2000
	    o ISO 9000
	    o ISO 14000

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Advanced Internal Auditing - continued

Value Added Activities	• Consulting/Process Improvement
	    ○ Systems Implementation
	    ○ Business Process Reengineering
	    ○ Total Quality Management/Six Sigma
	• Continuous Monitoring
	    ○ Analytics
	    ○ Dashboard Technologies
	• Control Self-Assessment
	    ○ Objectives
	    ○ Risks
	    ○ Controls
	• Contract Auditing
	    ○ Types of contracts
	    ○ Stages of the contract
	    ○ Right to Audit Clauses
	
	• Organizational Training
	    ○ Understanding the business
	    ○ Risk Assessment
	    ○ Internal Controls
	    ○ Regulations
	    ○ Internal Audit Responsibilities
	    ○ Ethics

Outsourcing vs. Co-sourcing	• Definitions • Pros and Cons • Tips for making the decision • Managing the process

Reporting	• Purpose
	• Oral vs, Written
	• Root Cause Analysis
	    ○ Pros and Cons
	    ○ How to manage the analysis using diplomacy
	• Symptoms vs. Actual = Risk
	• Editing reports written by staff

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Developing and Managing an Internal Audit Function

Degree Level:

Undergraduate/baccalaureate or (post) graduate

Course Description:

This course provides a foundation for the establishment and management of an internal audit function. Topics that could be included in this course include the following.

Sample Overall Learning Objectives:

1. Understand the fundamentals of establishing an internal audit department.
2. Learn how to identify the criteria necessary internal audit staff.
3. Understand the importance of the CAE role in the organization.

General Topic	Content Recommendations
Establishing the internal audit function	- Management and board approval of resources including the budget and staffing - Charter content topics such as: - Position and standing of the function - Scope of activities - Access to all documentation, etc - Structure of the function within the organisational structure - Reporting structure of the CAE - Independence of the function - Structure of the function - In-house, outsourcing and co-sourcing - Different departments - Development of the policies and procedure manual - Administrative such as organogram/organisation chart, job description, performance evaluation - Audit processes such as working paper files - Audit tools - Standard documents such as audit report format
Appointment of personnel	- Appointment of the CAE - Attributes (incl skills, knowledge, respect of management and the audit committee, communication skills, objectivity) - Due professional care - Appointment of the right internal auditors regarding skills and knowledge (staffing strategy) - Shortage of competent internal auditors - Use of consultants - Rotation of internal auditors to address shortage of organizational-specific knowledge

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Developing and Managing an Internal Audit Function -continued

General Topic	Content Recommendations
Managing the internal audit function	- Plan the priorities of the function based on *inter alia*: - Key risk areas - Board and management's needs - Resources available (size and budget) - Planning software and techniques such as PERT and CPM - Managing the resources of the function: - Based on the annual plan - Budget allocation - Staff allocation based on competencies, objectivity, etc. - Managing the risks of the function - Marketing the function's role - People management, such as: - Training - Soft skills - Conflict management - Performance measurement - Function's performance related to the overall annual plan - Performance of individual staff - Various reporting activities - Activity reports - The function's performance based on the annual plan approved by the audit committee - Quality assurance and improvement program: - Implement the various elements - Improve where weaknesses are identified - Benchmarking the function by using The IIA's GAIN product or other information from the organization's sector
Relationships of the internal audit function	- The relationship of the function with various parties such as the board and senior management, risk function(s), external auditors, line management and other assurance providers - The relationship with the audit committee - Responsibilities - Expectations - Attending strategic meetings / serving on strategic committees

Advanced Organizational Governance and Risk Management (AOGRM)

Advanced Organizational Governance (AOG)

Advanced Risk Management (ARM)

This course can either be presented as one comprehensive course as the syllabus below indicates (refer to AOGRM). Alternatively, or it can be divided into two separate courses, namely Advanced Organizational Governance (refer to AOG) and Advanced Risk Management (refer to ARM). These two syllabi follow after the syllabus for AOGRM. The educator may select the format that is best suited to his/her teaching style, class requirements or university constrictions.

Advanced Organizational Governance and Risk Management (AOGRM)

Degree Level:
> Graduate/Post Graduate

Course Description:
> This course builds on the foundation of organizational governance as previously introduced in a lower level course, including the concept of risk management, as well as the role internal auditors should undertake in supporting their organizations. Topics that could be included in this course include: organizational governance and the maturity thereof, principles of governance in risk management, ERM maturity, risk management process, risk-based internal auditing, and internal auditing as assurance provider.

Sample Overall Learning Objectives:
1. Understand the definition of and be able to discuss organizational governance including; the evolution thereof, types of governance models, legislation and other applicable guidance, factors affecting governance, elements forming the basis of sound organizational governance, and the relationship and coordination of assurance providers with management.
2. Understand the terms and concepts of organizational maturity and risk maturity.
3. Identify how they can be measured, and how the maturity level can affect the activities to be performed by various role-players.
4. Understand the role internal auditing as assurance provider on organizational governance and risk management.
5. Understand the principles of governance in managing the key risks of the organisation.
6. Understand the risk management process and how the outcome of it can be used by internal auditing in their activities.

Advanced Organizational Governance and Risk Management (AOGRM) - continued

General Topic	Content Recommendations
Introduction to the course	• Revise the introduction of organizational governance (from parts of the courses *Principles of Internal Auditing* and *Ethics and Organizational Governance*) • Revise the introduction to risk management (from part of the course *Principles of Internal Auditing*)

Organizational governance	• History and developments
	• Rules-based versus principle-based application
	• Legislation, codes and other guidance
	• Factors affecting governance
	    o Scandals and governance failures
	    o Whistle-blowing
	    o Globalization
	    o Legal issues
	    o Management attitude
	• Further elements of sound organizational governance:
	    o Leadership
	    o Integrated reporting
	    o Integration of social, environmental and economic issues
	    o Stakeholder relationship
	    o Sustainability
	    o Board operations and evaluation of board and director performance
	    o Culture and cultural dimensions
	    o Compliance
	    o Information technology
	    o Risk management
	    o Internal auditing
	• Relationship and coordination of assurance providers and management

Organizational governance maturity	• Definition of organizational governance maturity
	• Discuss models available to measure
	• Mature versus immature organizational governance:
	    o Effect on the organization
	    o Role of internal auditing

Internal auditing as assurance provider on organizational governance	• Organization's governance structure and maturity levels and the effect on the role of internal auditing
	    o How internal auditing can provide assurance
	    o How internal auditing can provide consulting

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Advanced Organizational Governance and Risk Management (AOGRM) - continued

General Topic	Content Recommendations

Principles of governance in handling of risks	• Concept of risks
	• Risk management versus ERM
	• History and global perspective
	• Failure of ERM
	• Overall risk strategy
	• Parties responsible for risk management
	• Drivers
	• Embedding ERM in strategy
	• The black swan-risk
	• Operational risk management
	• Risk assessment:
	   o Types e.g. qualitative versus quantitative
	   o Purpose
	   o Responsible party(ies)

ERM maturity	• Definition of ERM maturity
	• Discuss models available to measure
	• Mature versus immature organizational governance:
	   o Effect on the organization
	   o Role of internal auditing

Internal auditing as assurance provider on ERM	• Organization's governance structure and maturity levels and the effect on the role of internal auditing
	   o How internal auditing can provide assurance
	   o How internal auditing can provide consulting

Risk management process	• Methodologies, techniques, and processes
	   o Identify risks
	   o Risk assessment
	   o Risk appetite
	   o Risk responses
	   o Monitoring key risk exposures
	   o Communication of key risk information
	• Risk financing and mechanisms

Risk-based internal auditing	• Incorporating risk and risk methodologies in the annual internal audit plan • Incorporating risk and risk methodologies in the internal audit engagement

Advanced Organizational Governance (AOG)

Degree Level:

Graduate/Post Graduate

Course Description:

This course builds on the foundation of organizational governance, as previously introduced in a lower level course, and the role internal auditors should undertake in supporting their organizations. Topics that could be included in this course include: organizational governance, the maturity thereof, and internal auditing as assurance provider.

Sample Overall Learning Objective:

1. Understand the definition of and be able to discuss organizational governance including; the evolution thereof, types of governance models, legislation and other applicable guidance, factors affecting governance, elements forming the basis of sound organizational governance, and the relationship and coordination of assurance providers with management.
2. Understand the terms and concepts of organizational maturity and risk maturity.
3. Identify how they can be measured, and how the maturity level can affect the activities to be performed by various role-players.
4. Understand the role internal auditing as assurance provider on organizational governance and risk management.

Advanced Organizational Governance (AOG) - continued

General Topic	Content Recommendations
Introduction to the course	• Revise the introduction of organizational governance (from parts of the courses *Principles of Internal Auditing* and *Ethics and Organizational Governance*)

Organizational governance	• History and developments
	• Rules-based versus principle-based application
	• Legislation, codes and other guidance
	• Factors affecting governance
	   ○ Scandals and governance failures
	   ○ Whistle-blowing
	   ○ Globalization
	   ○ Legal issues
	   ○ Management attitude
	• Further elements of sound organizational governance:
	   ○ Leadership
	   ○ Integrated reporting
	   ○ Integration of social, environmental and economic issues
	   ○ Stakeholder relationship
	   ○ Sustainability
	   ○ Board operations and evaluation of board and director performance
	   ○ Culture and cultural dimensions
	   ○ Compliance
	   ○ Information technology
	   ○ Risk management
	   ○ Internal auditing
	• Relationship and coordination of assurance providers and management

Organizational governance maturity	• Definition of organizational governance maturity
	• Discuss models available to measure
	• Mature versus immature organizational governance:
	   ○ Effect on the organization
	   ○ Role of internal auditing

Internal auditing as assurance provider on organizational governance	• Organization's governance structure and maturity levels and the effect on the role of internal auditing
	   ○ How internal auditing can provide assurance
	   ○ How internal auditing can provide consulting

Advanced Risk Management (ARM)

Degree Level:

Graduate/Post Graduate

Course Description:

This course builds on the foundation of risk management, as previously introduced in a lower level course, and the role internal auditors should undertake in supporting their organizations. Topics that could be included in this course include: organizational governance with risk management as an important element, principles of governance in risk management, ERM maturity, risk management process, risk-based internal auditing, and internal auditing as assurance provider.

Sample Overall Learning Objective:

1. Understand what organizational governance entails, with specific reference to risk management as a part thereof to mitigate the key risks of the organization.
2. Understand what risk management maturity is, how it can be measured, and how the maturity level can affect the activities to be performed by various role-players.
3. Understand the role of internal auditing as assurance provider on risk management.
4. Understand the risk management process and how the outcome of it can be used by internal auditors in their activities.

General Topic	Content Recommendations
Introduction to the course	• Revise the introduction to risk management (as part of the course *Principles of Internal Auditing*)
Organizational governance	• History and developments • Legislation, codes and other guidance specifically addressing risk management

Advanced Risk Management (ARM)
continued

General Topic	Content Recommendations

Principles of governance in handling of risks	• Concept of risks
	• Risk management versus ERM
	• History and global perspective
	• Failure of ERM
	• Overall risk strategy
	• Parties responsible for risk management
	• Drivers
	• Embedding ERM in strategy
	• The black swan-risk
	• Operational risk management
	• Risk assessment:
	  o Types e.g. qualitative versus quantitative risk management
	  o Purpose
	  o Responsible party(ies)

ERM maturity	• Definition of ERM maturity
	• Discuss models available to measure
	• Mature versus immature organizational governance:
	  o Effect on the organization
	  o Role of internal auditing

Internal auditing as assurance provider on ERM	• Organization's governance structure and maturity levels and the effect on the role of internal auditing
	  o How internal auditing can provide assurance
	  o How internal auditing can provide consulting

Risk management process	• Methodologies, techniques, and processes
	  o Identify risks
	  o Risk assessment
	  o Risk appetite
	  o Risk responses
	  o Monitoring key risk exposures
	  o Communication of key risk information
	• Risk financing and mechanisms

Risk-based internal auditing	• Incorporating risk and risk methodologies in the annual internal audit plan • Incorporating risk and risk methodologies in the internal audit engagement

For more information on the Internal Auditing Education Partnership (IAEP) program,
contact IIA Academic Relations at academic@theiia.org or visit
https://www.theiia.org/en/about-us/initiatives-and-awards/academic-relations/
The Institute of Internal Auditors, Inc. Lake Mary, FL 2023

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Advanced IT Systems and Auditing

Degree Level:

Graduate/Post Graduate

Pre-requisite – Accounting Information Systems, Internal Audit

Course Description:

This course examines the control and security of information systems with an auditing perspective. Topics covered include: the IT audit process, IT system implementation, ERP systems computer assisted audit tools and techniques (CAATTs), IT governance, various types of SAS 94 audits, ethics, and other related topics. Students will spend significant time learning computerized auditing tools and techniques such as Access databases, ACL and IDEA.

Sample Overall Learning Objectives:

1. To identify and describe basic computerized information systems concepts;
2. To identify and describe the general and application controls found in computerized accounting systems (including hardware and software controls) and the methods used to assess risk for these controls;
3. To identify, describe and assess systems development and documentation controls and how they impact computerized accounting systems;
4. To understand system security controls and the impact of these controls on the overall reliability of computerized accounting information systems;
5. To gain a basic understanding of the information system implementation decision and process;
6. To develop a basic understanding of internet and e-business environments (including e-commerce, EDI, webtrust, etc.)
7. To develop a basic understanding of databases and their impact on their organization, as well as their implications for internal auditors
8. To develop a basic understanding of ERP systems
9. To identify the auditor's objectives in performing an audit of a computerized information system;
10. To identify the techniques available to help the auditor test computer programs;
11. To develop skills related to IS audit procedures using ACL and IDEA

Advanced IT Systems and Auditing - continued

General Topic	Content Recommendations
Basic IT systems concepts	• COBIT Framework • Systems documentation • IT system risks • General and application controls
System security	• Firewalls, access controls • Encryption • Data center security, procedures
Internet and E-business	• EDI • Web infrastructure • E-commerce • EFT • Sys-trust (privacy frameworks)
System Implementations	• Evaluating the cost of implementation (cost of ownership) • Decision process • Choosing systems • Responsibility
ERP systems	• What are ERP systems? What types of companies use them? • Who is responsible for the implementation decision? • What are the risks specific to ERP systems? • How are business processes are mapped (translated) into enterprise system software and how managerial decisions integrate across disciplines; • **Introduction to enterprise system modules, including navigation and information access for management; • **Differentiation between enterprise system transactions, queries, and reports within a manager's role-specific need-to-know access; • **Introduction to transforming raw data into management information that drive managerial analyses and decisions.

Auditing a computerized system	• Auditing the general control environment
	• Perform CAATs:
	   o What are CAATs
	   o Using CAATs for continuous auditing
	   o Introduction to ACL
	      ▪ ACL Practice
	   o Introduction to IDEA
	      ▪ IDEA Practice

Database environments	• The risks within a database environment • Controls to manage these specific risks • Auditing of databases
Other Topics	• Contingency planning • Software licensing • Application development

**If the course incorporates actual application of ERP software (e.g., SAP), students could obtain proficiency (vs. understanding) of these aspects of ERP systems.

Internal Auditing Topics

Degree Level:
Undergraduate/baccalaureate or (post) graduate

Course Description:
This course is very flexible in that it addresses current issues and topics that are prominent in discussion within the industry. Instructors have discretion in creating a custom syllabus using periodicals and other sources of current topical internal audit information.

Sample Overall Learning Objectives:
1. Learn about and understand current trends and topics in Internal Auditing.
2. Explore in depth one or more current internal audit topics.
3. Explore distinctions in current topics based on industry, geography, or other considerations.
4. Understand the role of internal auditing with respect to the particular topics covered.

General Topic	Content Recommendations
Introduction to course	• Overview of Internal Auditing curriculum and how this course fits into the student's learning progression. • Introduction to the particular topics to be presented and discussed in the course. • Explanation of Student requirements for the course. • Introduction to Internal Auditing Resources, including relevant periodicals and other publications.

Internal Auditing Topics - Continued

General Topics	Content Recommendations

Example Topic:
 	
Compliance Programs for the <u>US Foreign Corrupt Practices Act</u>
	The U.S. Foreign Corrupt Practices Act
	▪ FCPA: Sample Prosecutions and Trends
	▪ How Do FCPA Investigations Start?
	▪ The Act
	  – The Bribery Statute
	    » What is a "Payment"?
	    » Who is a Foreign "Official"?
	    » What is an "Improper Advantage"?
	    » What is "Knowledge"?
	  – Books and Records & Internal Control Violations
	  – Defenses & Exceptions
	  – Criminal Penalties
	  – Additional Penalties
	▪ The U.K. Bribery Act – Compare and Contrast
	▪ Typical U.S. FCPA and Anticorruption Compliance Programs
	  – U.S. FCPA and Anticorruption Policies
	  – FCPA Manual
	    » Policies for Dealing with Third Parties
	    » Policies for Dealings With Foreign Officials
	    » Hiring Policies for Foreign Employees
	    » Other FCPA and Anticorruption Issues
	    » Internal FCPA Forms
	  – FCPA Employee Training Programs
	  – FCPA Employee Compliance Certification
	▪ Hypothetical Situations

Topics to be determined.	
Topics to be determined.	
Topics to be determined.	

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