



protiviti®
Global Business Consulting

ARE YOU READY FOR GIAS?

Shift to the **Global Internal Audit Standards™ (GIAS)** presents both challenges and opportunities. Ensure your organization stays ahead by seamlessly transitioning, enhancing compliance, and unlocking greater value from the internal audit function.

Face the Future with Confidence®

New Global Internal Audit Standards™, published on January 9, 2024, will be effective from January 9, 2025.

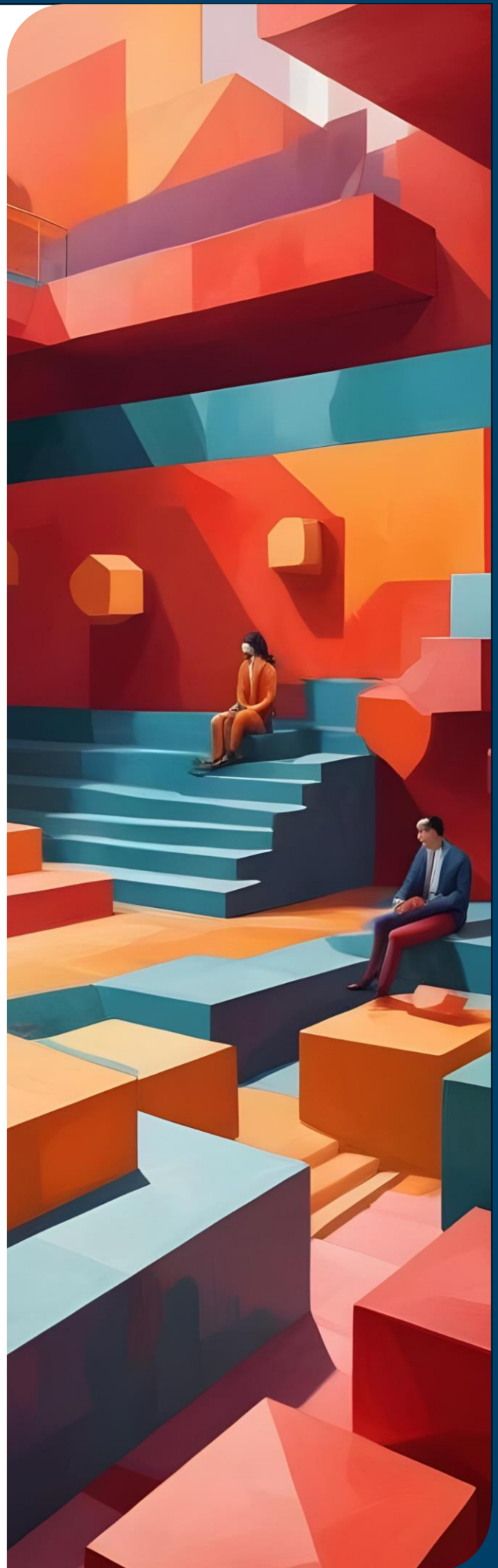
2024 GIAS incorporate content from not only the 2017's Standards for the Professional Practice of Internal Auditing but also the mandatory guidance of the International Professional Practice Framework® (IPPF®).

Additionally, the recommended guidance contained in the 2017's Implementation Guides also has been incorporated into the 2024 Standards as '**Considerations for Implementation**' and '**Examples of Evidence of Conformance**'. These elements are no longer considered separate from the standards.

As a leading global consulting firm with deep expertise in internal audit, we understand the intricacies of the new standards and the challenges they present. Our team of seasoned professionals has a comprehensive understanding of the evolving regulatory landscape and a proven track record in helping organizations successfully implement various standards and frameworks.

Being unprepared for the transition to GIAS can lead to compliance risks, weakened audit effectiveness, loss of stakeholder confidence, and operational disruptions.

On the other hand, being proactive and prepared can turn this transition into an opportunity to strengthen the internal audit function and add value to the entire organization



STRUCTURE OF NEW GIAS

New GIAS is structured into 5 Domains comprising of 15 Principles and 52 Standards. It also includes **mandatory** Topical Requirements and **non-mandatory** Global Guidance. The structure of new GIAS is as below:



Topical Requirements (Mandatory if audit engagements scope cover the TR's topic)

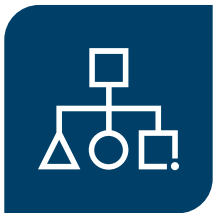
Global Guidance (Non-Mandatory)

IPPF VS GIAS: WHAT IS EXPANDED & WHAT HAS BEEN ADDED

STRUCTURE	★ New	Full effort: 	Significantly revised standard structural elements
ESSENTIAL CONDITIONS	★ New	Full effort: 	CAE to discuss Essential Conditions (included in Domain III) with the Board and Senior Management
TOPICAL REQUIREMENTS	★ New	Full effort: 	Detailed, specific requirements that may cover new areas
INTERNAL AUDIT STRATEGY	★ New	Full effort: 	Requirement to develop and implement strategy for IA function
CAE QUALIFICATION	★ New	Full effort: 	New standard detailing the required CAE's competencies & qualification
GIAS APPLICATION IN PUBLIC SECTOR	★ New	Full effort: 	Guidance on application of GIAS addressing the specific needs of public sector IA functions
GIAS APPLICATION IN SMALL IA FUNCTIONS	★ New	Full effort: 	Guidance on application of GIAS in a small IA functions / small organizations
METHODOLOGY	★ Existing	Incremental effort: 	New GIAS added the requirement for CAE to update IA methodologies and provide training to Internal Auditors
TECHNOLOGY	★ Existing	Incremental effort: 	IA should collaborate with the organization's IT and IS for implementing and managing IA technological tools and systems
ETHICS & PROFESSIONALISM (PROFESSIONAL SKEPTICISM)	★ Existing	Incremental effort: 	Professional skepticism has been added in GIAS
IA RESOURCE MANAGEMENT	★ Existing	Incremental effort: 	Enhanced resource management strategies will require improved tools and processes
TRAINING	★ Existing	Incremental effort: 	Ongoing, enhanced training to keep pace with the new standards and methodologies

Note: The metrics used in this document are indicative and may vary depending on the organization's current maturity, resources, and specific challenges during the transition to GIAS.

WHAT YOU NEED, AND HOW MUCH EFFORT WILL IT TAKE?



STRUCTURE

New GIAS is structured into 5 Domains comprising 15 Principles and 52 Standards. Each standard contains **Requirements**, **Considerations for Implementation**, and **Examples of Evidence of Conformance**.

Internal Auditors need to familiarize themselves with the new structure, determine the changes, conduct a self-assessment and prepare transition plan.



ESSENTIAL CONDITIONS

GIAS requires involvement of Senior Management in Internal Audit function's governance. CAE need to discuss Essential Conditions (documented as part of **Domain III**) with Board and Senior Management.



TOPICAL REQUIREMENTS

These are designed to enhance the consistency and quality of internal audit services related to specific auditable areas (e.g., Cybersecurity, ESG, etc.). Topical Requirements are **mandatory**. Internal auditors need to conform with the relevant requirements when the scope of an engagement includes one of the identified topics.



INTERNAL AUDIT STRATEGY

GIAS requires the development and implementation of an IA Strategy, that aligns with and supports the strategic objectives of the organization (**Standard 9.2**). Internal Auditors need to develop the IA Strategy, obtain approval, implement the Strategy and review it on a periodic basis.



CAE QUALIFICATION

The CAE needs to help the Board in understanding his or her qualifications and competencies that are necessary to manage the IA function. In addition, the CAE needs to maintain and enhance his or her qualifications and competencies necessary to fulfill the roles and responsibilities expected by the Board (**Standard 7.2**).



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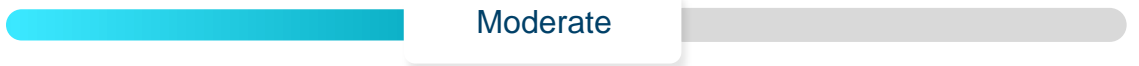
GIAS APPLICATION IN PUBLIC SECTOR

Internal Auditors in public sector need to adapt GIAS to their unique legal, governance, and resource constraints while ensuring compliance, transparency, and independence.



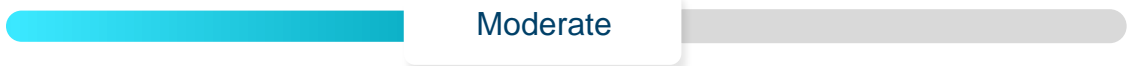
GIAS APPLICATION IN SMALL IA FUNCTIONS

Internal Auditors in small functions need to ensure conformance with GIAS by efficiently managing limited resources. For non-conformances, the CAE needs to document the deviations to support external quality assurance and improvement programs.



METHODOLOGY

GIAS added a requirement for internal audits to update IA methodologies, provide training to internal auditors, and evaluate its effectiveness (**Standard 9.3**). The CAE needs to review the existing IA methodologies against GIAS, identify the gaps, update IA methodologies, and provide training on the new IA methodologies to Internal Auditors.



TECHNOLOGY

Internal Audit function needs to collaborate with the organization's Information Technology and Information Security functions to implement and manage Internal Audit technological tools and systems (**Standard 10.3**).



ETHICS & PROFESSIONALISM (PROFESSIONAL SKEPTICISM)

Internal Auditors need to exercise Professional Skepticism in all Internal Audit activities (**Standard 4.3**).



INTERNAL AUDIT RESOURCE MANAGEMENT

Defines the three types of resources that CAE needs to manage to implement the Internal Audit strategy and achieve its plan, i.e., Financial, Human and Technological resources (**Standards 10.1, 10.2 & 10.3**).



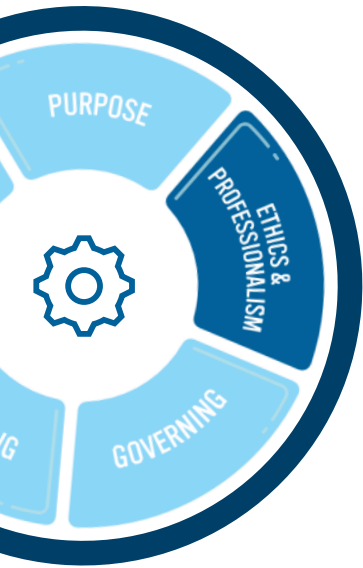
TRAINING

Internal Audit function needs to allocate a budget for training and provide training to Internal Auditors.



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FOR THE ATTENTION OF CHIEF AUDIT EXECUTIVES

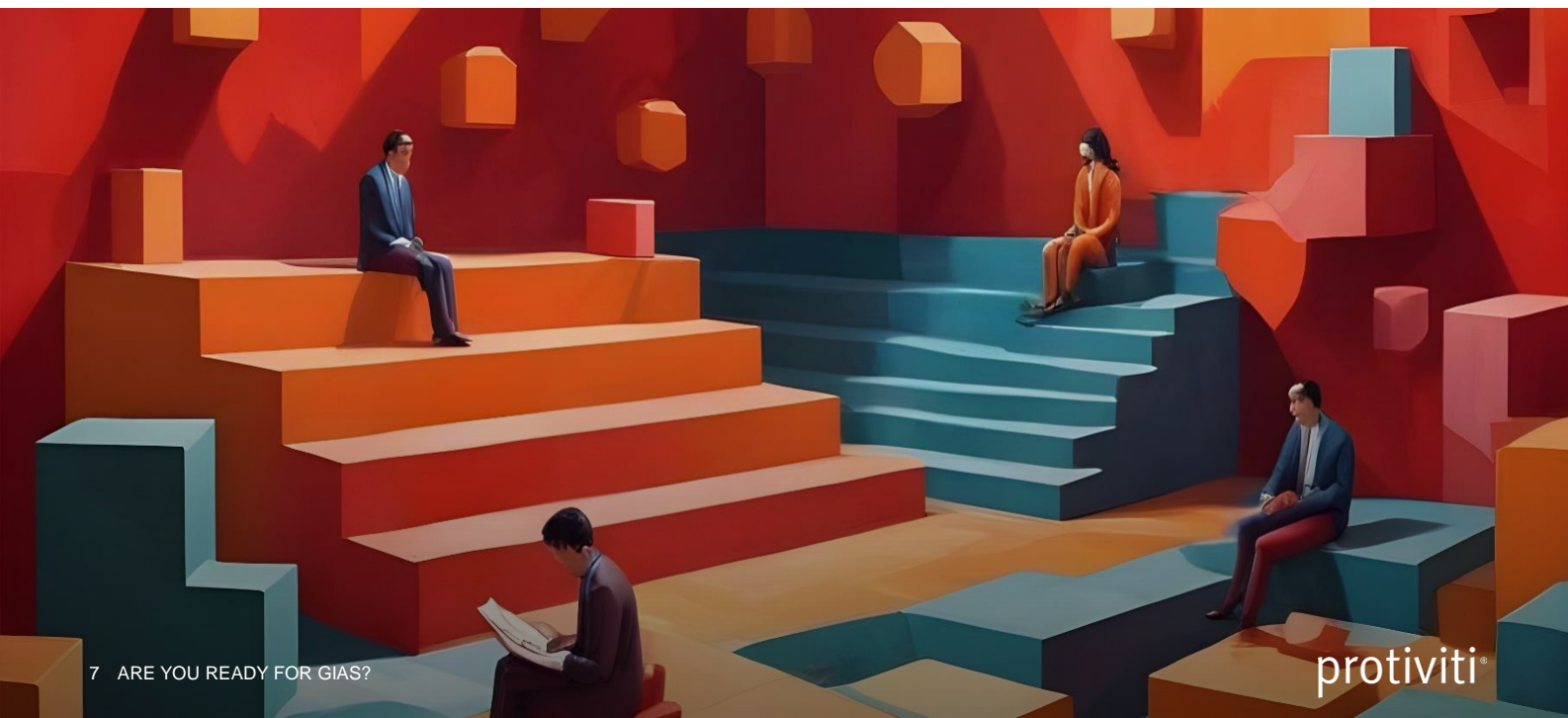


DOMAIN II ETHICS & PROFESSIONALISM

- **CAE must** create a supportive environment for auditors to freely communicate all findings, both favorable or unfavorable. **(Standard 1.1)**
- **CAE must** document and communicate the circumstances, alternative actions taken, their impact, and the rationale if internal auditors cannot meet the standard. **(Standard 4.1)**
- **CAE must** ensure that the IA function and individuals assisting the IA function adhere to the information/data protection requirements. **(Standard 5.2)**

DOMAIN III GOVERNING THE INTERNAL AUDIT FUNCTION

- **CAE must** discuss Domain III with the Board and Senior Management.
- **CAE must** coordinate IA function's Board communications, with Senior Management to support the Board's requirements. **(Standard 6.3)**
- **CAE must** help the Board in understanding CAE's qualifications and competencies required to manage the IA function. **(Standard 7.2)**
- **CAE must** maintain and enhance their own qualifications to fulfill Board's expectations. **(Standard 7.2)**



FOR THE ATTENTION OF CHIEF AUDIT EXECUTIVES



DOMAIN IV MANAGING THE INTERNAL AUDIT FUNCTION

- **CAE must** develop, implement and review IA Strategy aligned with organizational objectives and stakeholder expectations, including vision, objectives, and initiatives. **(Standard 9.2)**
- **CAE must** evaluate, update, and train auditors on IA methodologies. **(Standard 9.3)**
- **CAE must** escalate coordination concerns with internal & external assurance providers to Senior Management and, if necessary, to the Board. **(Standard 9.5)**
- **CAE must** develop a budget that supports the IA strategy and plan, including resources for IA execution, training, and technology. **(Standard 10.1)**
- **CAE must** establish a strategy to recruit, develop, and retain qualified internal auditors. **(Standard 10.2)**
- **CAE must** collaborate with internal auditors to develop individual competencies through training, feedback, and mentoring. **(Standard 10.2)**
- **CAE must** collaborate with IT and IS functions to implement IA technological resources. **(Standard 10.3)**
- **CAE must** develop an approach for IA function to build and maintain relationships and trust with key stakeholders. **(Standard 11.1)**
- **CAE must** communicate timely insights, conclusions, patterns or trends related to governance, risk management, and controls to the Board and Senior Management. **(Standard 11.3)**
- **CAE must** develop performance objectives for IA function, incorporating input from the Board and Senior Management. **(Standard 12.2)**

DOMAIN V PERFORMING INTERNAL AUDIT SERVICES

- **CAE must** escalate unresolved scope limitations to the Board according to an established methodology. **(Standard 13.3)**
- In absence of evidence, **Internal Auditor must** determine whether to classify that as a finding. **(Standard 14.1)**
- **Internal auditors must** analyze the information to determine if there is a difference between the evaluation criteria and the existing state of the activity under review. **(Standard 14.2)**
- **Internal auditors must evaluate** each potential engagement finding to determine its significance. **(Standard 14.3)**
- In case of management disagreement on engagement recommendations and/or action plans, **internal auditors must** follow an established methodology to allow both parties to express their rationale to determine a resolution. **(Standard 14.4)**



UNDERSTANDING THE CHALLENGE

GIAS introduces new standards and heightened expectations in areas like governance, risk management, ethics, and audit execution. The complexity of these changes can place significant strain on your internal resources, making it difficult to achieve full compliance without specialized expertise.

HOW WE CAN ASSIST

Protiviti brings deep expertise in internal auditing, with a proven track record of helping companies navigate complex compliance changes. Our tailored approach ensures that your organization not only meets the new GIAS requirements but also leverage this transition to enhance audit effectiveness and add value across your business.

Training

Our tailored training programs will equip your internal audit team and key stakeholders with the knowledge and skills needed to effectively implement the new standards.

Standards Readiness Assessment

Will conduct a thorough assessment of your current internal audit practices against the new standards, identifying the changes to IA infrastructure and prepare implementation roadmap.

Implementation Support

Update and develop essential documents and strategies to align with GIAS.

THE BENEFITS

Seamless Transition: Minimize disruption and ensure a smooth migration to GIAS.

Enhanced Compliance: Ensure your internal audit function fully complies with the new Global Internal Audit Standards.

Increased Value: Transform your internal audit function into a strategic partner that drives organizational improvement.

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TRANSFORM YOUR INTERNAL AUDIT FUNCTION

Seamlessly Migrate to GIAS

Leverage our expertise to navigate the complexities of the new Global Internal Audit Standards (GIAS). We ensure a smooth transition while enhancing compliance, efficiency, and value across your organization.

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