

# EXPOSURE DRAFT SURVEY QUESTIONS

## 1. MISSION OF INTERNAL AUDITING

**1.1** To what extent do you support the addition of a Mission of Internal Auditing to the IPPF? **4/5**

**Comment:** Consider the addition of the word “control” preceding “assurance”, i.e. using the term “control assurance”. The mission should be useful in helping to articulate internal audit’s aspirations to its stakeholders.

**1.2** To what extent do you agree that the proposed Mission of Internal Auditing captures what internal audit strives and / or aspires to accomplish in organizations? **5/5**

**Comment:** The mission is succinct and well written in capturing what internal audit aspires to accomplish, but unsure how it may influence the behavior of practitioners.

## 2. CORE PRINCIPLES FOR THE PROFESSIONAL PRACTICES OF INTERNAL AUDITING

**2.1** To what extent do you support adding Core Principles for the Professional Practices of Internal Auditing as an element of the IPPF? **4/5**

**Comment:** Consider adding “supportive executive/manager and audit committee of the Board” within Principle 10.

**2.2** Do you agree with the three “input-related” Principles as proposed? **5/5**

**Comment:** These are the core of our profession, so it’s difficult to say there’s another way to state these principles.

**2.3** Do you agree with the six “process-related” Principles as proposed? **5/5**

**Comment:** These appear to address the appropriate areas; however 5 could better articulate its objective with revised wording. For example, IA “aligning” with a cost cutting goal of its company

could be interpreted as they too cut costs, when in fact, the alignment might be to expand IA to help monitor risks that arise from corporate cost cutting activities.

**2.4** Do you agree with the three “output-related” Principles as proposed? **4/5**

**Comment:** Principle 4 could use more specificity defining appropriate positioning

**2.5** Do you agree with the order of the 12 Principles as proposed? **5/5**

**Comment:** Appear appropriate

**2.6** To what extent do you agree with the view that all Principles must be “present and operating effectively” for an internal audit function to be considered effective? **4/5**

**Comment:** We agree each is important and practice them ourselves, however it is possible to function effectively without principles 8 (Achieves efficiency and effectiveness)

**2.7** Do you agree that the Principles, if adopted, would require guidance to help demonstrate to practitioners what the Principles might look like in practice?

**Comment:** We do believe guidance would be needed to demonstrate the application of these principles; for example a contemporary audit methodology, process and computer application is necessary to meet principle 8- Achieves efficiency and effectiveness.

### 3. IMPLEMENTATION GUIDANCE & SUPPLEMENTAL GUIDANCE

**3.1** To what extent do you support the restructure of guidance elements from “Practice Advisors” to a more comprehensive layer entitled “Implementation Guidance” as part of the framework? **4/5**

**Comment:** The name changes seem less significant, however implementation criteria for each standard offers an opportunity for the IIA to define the bar and raise the bar, without revising the

generic language of the standards. We expect that this will be a substantial effort to draft and gain consensus if the specifics are to be meaningful, as industry specific examples should vary significantly.

3.2 To what extent do you support the restructure of guidance elements from “Practice Guide” to “Supplemental Guidance” as part of the framework? **3/5**

**Comment:** We are neutral regarding this change.

#### 4. ADDRESSING EMERGING ISSUES

4.1 To what extent do you support the introduction of a new IPPF element to address emerging issues? **3/5**

**Comment:** It is difficult to envision this change without an illustration. Various industry sources provided timely perspectives on emerging risk already, and they are very industry specific.

4.2 To what extent do you agree that Emerging Issues Guidance, due to its quicker development process, should be less authoritative than Supplemental Guidance as part of the framework? **3/3**

**Comment:** By its nature, there will not be as much time to vet and consider this type of guidance, and the clarity of risks will change as they emerge; therefore it doesn't seem appropriate to make it as authoritative. Additionally, what will the determination be for identification of emerging issues, how long will they be considered “emerging”, and at what point do they become just issues or changes, or get resolved?

#### 5. POSITION PAPER

5.1 To what extent do you support the deletion of “Position Papers” as an element of the IPPF? **4/5**

**Comment:** We believe that these should probably be retained as a concept, but fine with excluding from the framework. I also wondered if potentially the concept of Position Papers could be broadened to include the type of guidance envisioned under Emerging Issues Guidance, if the belief is that this is really needed,

rather than creating a new layer of guidance specific to Emerging Issues.

## 6. REQUIRED AND RECOMMENDED

6.1 To what extent do you support revision of the words “Mandatory” and “Strongly Recommended” to “Required” and “Recommended,” respectively? **4/5**

**Comment:** This seems to be the same bar that exists today, but with a more consistent application of the terms. It still leaves the practitioners a wide breadth of interpretation. For the Financial Services industry specific guidance, they may need to establish something between the two (i.e. achieving the standard sometimes is accompanied by specific minimum criteria in Financial Services due to regulatory expectations, for example audit committee materials are effective, but only if they include specific elements).

## 7. SUMMARY OF THE ELEMENTS OF THE PROPOSED REVISED IPPF

7.1 Overall, to what extent do you support the changes regarding the IPPF as detailed on the previous page? **4/5**

**Comment:** We support the change, but their relevance doesn't seem that significant compared to the existing framework.

7.2 To what extent do you agree that the pictorial representation adequately depicts the hierarchy and interrelationships of each element of the new proposed IPPF? **3/5**

**Comment:** It does represent the structure and elements.

7.3 To what extent do you agree that the pictorial representation of the proposed new IPPF is visually appealing? **2/5**

**Comment:** It is not graphically intuitive or appealing.