

Gleim CIA Review
Updates to Part 1
 2023 Edition, 1st Printing
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NOTE: Sections with changes are indicated by a vertical bar in the left margin. Text that should be deleted is displayed with a line through it. New text is shown with [blue underlined font](#).

Study Unit 1 – Foundations of Internal Auditing

Page 20, Subunit 1.1, Types of Standards: These edits eliminate redundancy from the description of the standards.

Performance Standards describe [and govern](#) the nature of internal auditing and provide quality criteria for evaluation of internal audit performance. ~~They govern the nature of internal auditing and provide quality criteria for evaluating the internal audit function's performance.~~

Page 23, Subunit 1.2, Introduction: This edit adds the first paragraph of the Introduction to The IIA's Code of Ethics.

Introduction to The IIA's Code of Ethics

[The Code of Ethics states the principles and expectations governing the behavior of individuals and organizations in the conduct of internal auditing. It describes the minimum requirements for conduct and behavioral expectations rather than specific activities.](#)

The purpose of The Institute's Code of Ethics is to promote an ethical culture in the profession of internal auditing.

[...]

Page 24, Subunit 1.2, Applicability: These edits update quoted material from The IIA's Code of Ethics.

Applicability and Enforcement of the Code of Ethics

This Code of Ethics applies to both entities and individuals that perform internal audit services.

For IIA members and recipients of or candidates for IIA professional certifications, breaches of the Code of Ethics will be evaluated and administered according to ~~The Institute's Bylaws and Administrative Directives~~ [IIA's Bylaws, the Process for Disposition of Code of Ethics Violation, and the Process for Disposition of Certification Violation](#). The fact that a particular conduct is not mentioned in the Rules of Conduct does not prevent it from being unacceptable or discreditable, and therefore, the member, certification holder, or candidate can be liable for disciplinary action.

Page 36, Subunit 1.7, Internal Audit Charter: This update corrects a misspelling.

Implementation Guide 1000, *Purpose, Authority, and Responsibility*, further addresses the charter.

[...]

- Once **drafted**, the proposed internal audit charter should be discussed with senior management and the board to confirm that it accurately describes the agreed-upon role and expectations or to identify desired changes. Once the draft has been **accepted**, the CAE **formally presents** it during a board meeting to be discussed and ~~approve~~[approved](#).

Study Unit 2 – Independence, Objectivity, and Proficiency

Page 49, Study Unit 2, Introduction: These edits clarify the purpose and objectives of this study unit.

~~To inspire confidence, an internal auditor must be not only independent (intellectually honest) but also recognized as independent (free of any obligation to, or interest in, the client, management, or owners). An internal auditor must have independence of mind (fact) and independence in appearance. Objectivity, the ability to perform tasks without bias, is judged by the function's organizational status and relevant policies and procedures that support objectivity~~ [To be effective, an internal auditor must be objective and free to work unrestricted \(independent\). An auditor's objectivity stems from his or her refusal to become entangled with, or obligated to, management, clients, owners, suppliers, or other stakeholders, and entails a vigilance in preventing the appearance of such conflicts of interest. The internal auditor's objectivity should be apparent to all relevant stakeholders. Independence, on the other hand, is built at the organizational level. The internal audit activity as a whole must be free of restrictions and given access to pertinent areas of the organization. The cornerstone of internal auditor independence is the dual-reporting structure, in which the chief audit executive reports functionally to the board and administratively to senior management. Finally, in order to meet daily engagement requirements, internal auditors and the internal audit activity must possess the knowledge, skills, and other competencies needed to perform assigned responsibilities.](#)