



International Professional
Practices Framework

Implementation Guide 1010

Standard 1010 – Recognizing Mandatory Guidance in the Internal Audit Charter

The mandatory nature of the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *Standards*, and the Definition of Internal Auditing must be recognized in the internal audit charter. The chief audit executive should discuss the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework with senior management and the board.

Revised *Standards*, Effective 1 January 2017

Getting Started

Before writing or revising the internal audit charter, the chief audit executive (CAE) typically reviews The IIA's International Professional Practices Framework (IPPF) to refresh his or her understanding of the Mission of Internal Audit and the mandatory elements, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *International Standards for the Professional Practice of Internal Auditing (Standards)*, and the Definition of Internal Auditing. The CAE is required to review the internal audit charter periodically and present it to senior management and the board for approval (see Standard 1000 – Purpose, Authority, and Responsibility). It is helpful if the CAE knows the organization's process for submitting the internal audit charter for approval. The CAE may also arrange a discussion of the charter with senior management and the board as part of the periodic review

and revision process.

Considerations for Implementation

To recognize the mandatory elements of the IPPF in the internal audit charter, the CAE may make specific statements. One example is:

“The internal audit activity will govern itself by adherence to The Institute of Internal Auditors’ Mandatory Guidance, which includes the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing. The IIA’s Mandatory Guidance constitutes the fundamental requirements for the professional practice of internal auditing and the principles against which to evaluate the effectiveness of the internal audit activity’s performance.”

An alternative to using any specific wording is to use language and content throughout the internal audit charter that require conformance with the Mandatory Guidance.

The CAE’s discussion of the internal audit charter with senior management and the board provides a good opportunity to explain the Mission of Internal Audit and the mandatory elements of the IPPF, as well as how the charter recognizes those elements. After the charter has been adopted, it is important for the CAE to monitor The IIA’s Mandatory Guidance and to discuss any changes that may be warranted during the next charter review.

Considerations for Demonstrating Conformance

Conformance with Standard 1010 is evidenced in the written and approved internal audit charter that recognizes the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *Standards*, and Definition of Internal Auditing as mandatory elements. Conformance may also be demonstrated through the minutes of meetings during which these mandatory elements and the Mission of Internal Audit were discussed with senior management and the board. This may also include minutes from meetings during which the CAE discussed periodic reviews of the charter.

About The IIA

The Institute of Internal Auditors (The IIA) is the internal audit profession's most widely recognized advocate, educator, and provider of standards, guidance, and certifications. Established in 1941, The IIA today serves more than 180,000 members from more than 170 countries and territories. The association's global headquarters are in Lake Mary, Fla. For more information, visit www.globaliia.org or www.theiia.org.

About Implementation Guidance

Implementation Guidance, as part of The IIA's International Professional Practices Framework® (IPPF®), provides recommended (nonmandatory) guidance for the internal audit profession. It is designed to assist both internal auditors and internal audit activities to enhance their ability to achieve conformance with the *International Standards for the Professional Practice of Internal Auditing (Standards)*.

Implementation Guides assist internal auditors in applying the *Standards*. They collectively address internal audit's approach, methodologies, and consideration, but do not detail processes or procedures.

For other authoritative guidance materials provided by The IIA, please visit our website at www.globaliia.org/standards-guidance or www.theiia.org/guidance.

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