



International Professional
Practices Framework

Implementation Guide 1310

Standard 1310 – Requirements of the Quality Assurance and Improvement Program

The quality assurance and improvement program must include both internal and external assessments.

Revised *Standards*, Effective 1 January 2017

Getting Started

Standard 1310 communicates the requirements that make up the quality assurance and improvement program (QAIP), which covers all aspects of the internal audit activity. Specifically, the standard indicates that both internal and external assessments are required.

The chief audit executive (CAE) should be aware of these requirements. Internal assessments are composed of rigorous, comprehensive processes, continuous supervision and testing of internal audit and consulting work, and periodic validations of conformance with the *International Standards for the Professional Practice of Internal Auditing (Standards)* and whether internal auditors apply The IIA's Code of Ethics. External assessments provide an opportunity for an independent assessor or assessment team to conclude as to the internal audit activity's conformance with the *Standards* and whether internal auditors apply the Code of Ethics, and to identify areas for improvement. The QAIP also includes ongoing measurements and analyses of performance metrics such as accomplishment of the internal audit plan, cycle time, recommendations accepted, and customer satisfaction.

Typically, the CAE would be aware of any prior results from both internal and external assessments that indicate areas upon which the internal audit activity can improve. The CAE would implement action plans related to any identified improvements through the QAIP.

Considerations for Implementation

Standard 1310 requires the QAIP to include both internal and external assessments. Internal assessments consist of ongoing monitoring and periodic self-assessments (see Standard 1311 – Internal Assessments), which evaluate the internal audit activity's conformance with the mandatory elements of the IPPF, the quality and supervision of audit work performed, the adequacy of internal audit policies and procedures, the value the internal audit activity adds to the organization, and the establishment and achievement of key performance indicators.

The CAE should establish ongoing monitoring and ensure that reviews of the internal audit activity occur periodically. Ongoing monitoring is achieved primarily through continuous activities such as engagement planning and supervision, standardized work practices, workpaper procedures and signoffs, report reviews, as well as identification of any weaknesses or areas in need of improvement and action plans to address them. Continuous monitoring helps the CAE determine whether internal audit processes are delivering quality on an engagement-by-engagement basis.

Periodic self-assessments are conducted to validate that ongoing monitoring is operating effectively and to assess whether the internal audit activity is in conformance with the *Standards* and whether internal auditors apply the Code of Ethics. Through conformance with the *Standards* and Code of Ethics, the internal audit activity also achieves alignment with the Definition of Internal Auditing and the Core Principles for the Professional Practice of Internal Auditing.

In addition to internal assessments, the CAE is responsible for ensuring that the internal audit activity conducts an external assessment at least once every five years (see Standard 1312 – External Assessments). The purpose of the assessment, which must be performed by an independent assessor or assessment team from outside the organization, is to validate whether the internal audit activity conforms with the *Standards* and whether internal auditors apply the Code of Ethics.

A self-assessment may be performed in lieu of a full external assessment, provided it is

validated by a qualified, independent, competent, and professional external assessor. In such cases, the scope of the self-assessment with external independent validation would consist of a comprehensive and fully documented self-assessment process that emulates the full external process, and an independent, onsite validation by a qualified, independent external assessor.

The implementation guides for Standard 1311 and Standard 1312 provide further guidance on the QAIP requirements for internal and external assessments.

Considerations for Demonstrating Conformance

Multiple items may indicate conformance with Standard 1310, including all documentation that demonstrates conformance with Standard 1311 and Standard 1312. Additionally, conformance may be demonstrated by minutes of board meetings where plans for — and results of — assessments were discussed. A benchmarking report and requests for services may show the organization's due diligence in vetting external assessors.

Specific to internal assessments, any evidence that ongoing monitoring activities were completed according to the internal audit activity's QAIP may demonstrate conformance (e.g., key performance indicator reviews or workpaper reviews). In addition, conformance may be demonstrated by documentation of periodic assessments that have been completed, including the scope of review and approach plan, workpapers, and communication reports. Finally, QAIP results (e.g., corrective action plans, corrective actions taken to improve conformance, actions taken to improve efficiency and effectiveness) may indicate conformance.

For external assessments, the most important indicator of conformance is the external assessor's report, which includes a conclusion as to the degree of conformance and corrective action plans. This report often includes recommendations from the external assessor on ways to improve internal audit quality, efficiency, and effectiveness, which may help the internal audit activity better serve the organization's stakeholders and add value.



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 (non-mandatory) 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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