



# CIA Challenge Exam-Israel 2019

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## 1. Introduction

Congratulations on beginning your journey toward joining over 157,000 Certified Internal Auditors® (CIA®) worldwide. The CIA is the premier global certification for those involved with the internal audit profession, no matter industry or region. It provides recognition and status among peers and principal stakeholders, and identifies individuals as committed and competent internal audit professionals.

This handbook provides program details from application through exam scheduling. Take time to read this guide carefully as it provides hyperlinks and details to assist you during the process.

## 2. The Institute of Internal Auditors

2.1 The CIA Challenge Exam is offered by The Institute of Internal Auditors (IIA) in partnership with the ICPAI. The IIA is the acknowledged leader worldwide of the internal audit profession and serves as the global voice, recognized authority, chief advocate, and principal educator, with more than 185,000 members in 170 countries around the world.

## 3. The CIA Challenge Exam

3.1 The CIA Challenge Exam will allow qualified ICPAI members who currently work in internal audit or plan to work in internal audit, the opportunity to earn the CIA through an expedited route by demonstrating competency in those areas not already covered in the CPA exams. The Challenge Exam provides a tremendous opportunity that offers ICPAI Members:

- a. Ability to demonstrate their insights and capabilities relating to internal auditing as a distinctive area of expertise.
- b. Access to the globally recognized certification for the professional practice of internal auditing through a single exam customized to reflect knowledge, skills, and abilities already held and demonstrated.
- c. Professional recognition, job enhancement, and career progress.

## 4. Eligibility Requirements

4.1 Eligible candidates **MUST** be current ICPAI qualification holders. Former ICPAI qualification holders or ICPAI students are **NOT** eligible. Your ICPAI status requires review and approval by the ICPAI to be considered eligible to sit for the exam. If it is determined during the validation process that you do not meet the eligibility requirements, your application will be denied. **NO REFUNDS**, in part or whole, will be provided.

4.2 Challenge Exam candidates who are already approved into the CIA program (including those that have already completed one or more parts of the CIA exam) will be permitted to apply under the following conditions:

- The candidate must notify The IIA by submitting an incident in their CCMS record indicating that they want to participate in the Challenge Exam. Please put the words “Admin Request” in the subject line to expedite processing;
- No refunds of any kind (in part or whole) will be issued for any prior payments (this is due to expenses that have already been incurred in the prior program attempt);
- The candidate will retain credit for all previously passed examination parts;
- Candidate will pay FULL PRICE for the Challenge Exam program.

It will take approximately 48 to 72 hours to process the request to allow access to the Challenge Exam application. If a candidate fails the Challenge Exam, the candidate will have four (4) years (from the date of Challenge Exam application approval) to complete all CIA exam parts to obtain certification.

## 5. Challenge Exam Program Investment

5.1 The Challenge Exam bundle is \$1,500 USD for non IIA members and \$1,300 USD for candidates who are already a member of The IIA, and includes the following components:

- a. CIA exam application fee;
- b. CIA exam registration fees;
- c. CIA Challenge Exam Study Guide in downloadable e-book;
- d. Membership in The IIA\* (if a candidate does not currently hold IIA membership).

*\*Additional documentation may be required by local IIA Affiliate to process membership.*

Candidates may choose to take the exam through the standard three-part exam process if they wish to only pay for exam application and registration fees.

## 6. Payment Options

6.1 Challenge Exam candidates have the option of paying by credit card, wire transfer or with a check. All payments must be made in US dollars. If paying by wire transfer, please add a \$15.00 USD wire fee and include your candidate ID number. Send an e-mail to [wirepayments@theiia.org](mailto:wirepayments@theiia.org) with the date of the wire, wire transfer amount, and invoice number. Candidates paying by check or wire transfer will not receive access to study materials until all funds are received at The IIA. For additional payment information, visit The IIA's [Payment Options](#) web page.

## 7. Get Started

7.1 To apply for the CIA Challenge exam, you must have a profile in The IIA's Certification Candidate Management System ([CCMS](#)). If you already have a profile, do not create a new one. If you do not remember your IIA member/customer username or password, contact [CustomerRelations@theiia.org](mailto:CustomerRelations@theiia.org) or call +1-407-937-1111. If you do not have a profile in CCMS, create your profile by clicking [here](#).

## 8. Apply, Register, Schedule – 1 March through 31 March 2019

**8.1 Apply** - Access your profile in [CCMS](#), navigate to the "Complete a Form" tab and select and complete the CIA Challenge Exam application form. Along with your application and payment, you will be required to submit a [Character Reference Form](#) and government-issued photo identification via the [Document Upload Portal](#). Photo identification must be a copy of your official current passport or national identity card and the photo must be clearly legible. Expired documents will not be accepted.

**8.2 Register** - Once approved for the Challenge Exam, you will be required to register for the exam through your candidate profile in [CCMS](#). Navigate to the "Complete a Form" tab and select and complete the CIA Challenge Exam registration form.

**8.3 Schedule to Sit for the Exam** - The Challenge Exam is only available through computer based testing from 1 June – 30 June. You must schedule your exam as soon as you receive registration confirmation, as test centers fill up quickly. Your registration confirmation will include instructions and links to schedule to sit for your exam at select [Pearson VUE](#) test centers in your region. **If you need to change your exam appointment, contact Pearson VUE directly at 1-80-9453796 (local office).**

## 9. Receiving Your Score

9.1 Each exam question contributes to your score has been pretested to ensure statistical validity. Your raw score is calculated based on the number of questions answered correctly and is converted to a reporting scale ranging from 250 to 750 points. A score of 600 or higher is required to pass; however, if you passed the exam, your score report will indicate just that — no numeric score will be reported.

## 10. Preparing for the Exam

10.1 The CIA Challenge Exam contains 150 multiple choice questions. Candidates will have three (3) hours to complete the exam and are allowed only one (1) attempt pass the exam. As part of the exam bundle, candidates will receive the Challenge Exam Study Guide in a downloadable e-book format that includes only the subject content in the Challenge Exam. You will receive an email with a link and instructions to download the e-book and begin your studies. Candidates will also receive information to access the *International Professional Practices Framework (IPPF)* and *Standards*.

Review materials are in English only will be available for download until 15 June 2019.

## 11. Membership in The IIA

11.1 If you are not a current member of The IIA, membership of at least 12 months is included and will begin approximately 30 to 60 days after approval of your Challenge Exam application. Additional documentation may be required by local Institute to process membership.

## 12. Continued Professional Education Requirements

12.1 The Continued Professional Education (CPE) reporting requirements are the same for all Certified Internal Auditors. CPE requirements may be found in The IIA's [CPE Policy](#). Challenge Exam candidates who successfully pass the exam are required to report CPE by 31 December 2021.

## 13. Challenge Exam Syllabus

All exam topics are tested at proficiency level unless otherwise indicated.

<b>From CIA Part One (40-50%)</b>		<b>Required Level</b>
<b>I. Mandatory Guidance</b>		Proficiency
<b>A. Definition of Internal Auditing</b>		
1. Define purpose, authority, and responsibility of the internal audit activity		
<b>B. Code of Ethics</b>		
1. Abide by and promote compliance with The IIA Code of Ethics		
<b>C. International Standards</b>		
1. Comply with The IIA's Attribute Standards		
2. Maintain independence and objectivity		
3. Determine if the required knowledge, skills, and competencies are available		
4. Develop and/or procure necessary knowledge, skills and competencies collectively required by the internal audit activity		
5. Exercise due professional care		
6. Promote continuing professional development		
7. Promote quality assurance and improvement of the internal audit activity		
<b>II. Internal Control / Risk</b>		Awareness
<b>A. Types of Controls (e.g., preventive, detective, input, output, etc.)</b>		
<b>B. Management Control Techniques</b>		
<b>C. Internal Control Framework Characteristics and Use (e.g., COSO, Cadbury)</b>		
1. Develop and implement an organization-wide risk and control framework		
<b>D. Alternative Control Frameworks</b>		
<b>III. Conducting Internal Audit Engagements – Audit Tools and Techniques</b>		Proficiency
<b>E. Process Mapping, Including Flowcharting</b>		

From CIA Part Two (35-45%)	Required Level
<b>I. Managing the Internal Audit Function</b>	
<b>A. Strategic Role of Internal Audit</b>	Proficiency
1. Initiate, manage, be a change catalyst, and cope with change	
2. Build and maintain networking with other organization executives and the audit committee	
3. Organize and lead a team in mapping, analysis, and business process improvement	
4. Assess and foster the ethical climate of the board and management	
5. Educate senior management and the board on best practices in governance, risk management, control, and compliance	
6. Communicate internal audit key performance indicators to senior management and the board on a regular basis	
7. Coordinate IA efforts with external auditor, regulatory oversight bodies and other internal assurance functions	
8. Assess the adequacy of the performance measurement system, achievement of corporate objective	Awareness
<b>B. Operational Role of IA</b>	Proficiency
1. Formulate policies and procedures for the planning, organizing, directing, and monitoring of internal audit operations	
2. Review the role of the internal audit function within the risk management framework	
3. Direct administrative activities (e.g., budgeting, human resources) of the internal audit department	
4. Interview candidates for internal audit positions	
5. Report on the effectiveness of corporate risk management processes to senior management and the board	
6. Report on the effectiveness of the internal control and risk management frameworks	
7. Maintain effective Quality Assurance Improvement Program	
<b>C. Establish Risk-Based IA Plan</b>	Proficiency
1. Use market, product, and industry knowledge to identify new internal audit engagement opportunities	
2. Use a risk framework to identify sources of potential engagements (e.g., audit universe, audit cycle requirements, management requests, regulatory mandates)	
3. Establish a framework for assessing risk	
4. Rank and validate risk priorities to prioritize engagements in the audit plan	
5. Identify internal audit resource requirements for annual IA plan	
6. Communicate areas of significant risk and obtain approval from the board for the annual engagement plan	
7. Types of engagements, assurance, compliance and consulting engagements	



From CIA Part Two (continued)		Required Level	
<b>III. Fraud Risks and Controls</b>			
A. Consider the potential for fraud risks and identify common types of fraud associated with the engagement area during the engagement planning process		Proficiency	
B. Determine if fraud risks require special consideration when conducting an engagement			
C. Determine if any suspected fraud merits investigation			
D. Complete a process review to improve controls to prevent fraud and recommend changes			
E. Employ audit tests to detect fraud			
F. Support a culture of fraud awareness, and encourage the reporting of improprieties	Awareness		
G. Interrogation/investigative techniques			
H. Forensic auditing			
From CIA Part Three (5-15%)		Required Level	
<b>II. Risk Management</b>		Proficiency	
A. Risk Management Techniques			
B. Organizational Use of Risk Frameworks (e.g. COSO and ISO 31000)			
<b>V. Management / Leadership Principles</b>		Awareness	
<b>D. Conflict Management</b>			
1. Conflict resolution (e.g., competitive, cooperative, and compromise)			
2. Negotiation skills			
3. Conflict management			
4. Added-value negotiating			
<b>E. Project Management / Change Management</b>			
1. Change management			
2. Project management techniques			
<b>VI. IT / Business Continuity</b>			
<b>A. Security</b>			Awareness
1. Physical/system security (e.g., firewalls, access control)			
2. Information protection (e.g., viruses, privacy)			
3. Application authentication			
4. Encryption			
<b>B. Application Development</b>			
1. End-user computing	Awareness		
2. Change control	proficiency		
3. Systems development methodology			
4. Application development			
5. Information systems development	Awareness		
<b>C. System Infrastructure</b>		Awareness	
3. IT control frameworks (e.g., eSAC, COBIT)			
<b>D. Business Continuity</b>			
1. IT contingency planning			