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Centre for Financial
Reporting Reform



WORLD BANK GROUP
Governance



Internal Audit Training of Trainers

4-7 June 2018

Joint Vienna Institute, Vienna, Austria



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
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Internal Audit Training of Trainers

Advanced Stream Workshop

4 – 7 June 2018, Joint Vienna Institute, Vienna, Austria

Context and Objectives

The Internal Audit Training of Trainers (IA ToT) program aims to develop the capacity of the public sector internal auditors to deliver high-quality internal audit training within their countries and institutions, based on the International Standards for the Professional Practice of Internal Auditing (ISPPIA) and international good practices in public sector internal auditing.

The IA ToT operates as a regional Community of Practice (CoP)¹, composed of participants who are skilled in public sector internal auditing and are extensively involved in training delivery in their respective countries and institutions. Participants are responsible to further disseminate the knowledge obtained through the regional IA ToT program locally by conducting replication workshops in their countries and institutions, as well as contribute to the delivery of some sessions within the training modules as well as participating in sharing good practices among the members of the CoP.

Approach and Format

The approach and format of the IA ToT program is designed to be highly interactive and includes:

- A series of training sessions, both workshops and online sessions, aimed at developing the capacity of public sector internal audit trainers to deliver high-quality training courses based on ISPPIA;
- Sharing experiences, tools, audit documentation templates, and other resources. The integrated Internal Audit Case Study and the Simulated documentation templates are the core teaching resources; and
- Facilitation of shared learning and peer exchange among countries in the region and members of the CoP.

Advanced Stream

The Advanced stream is a four-day workshop that covers both technical topics and soft skills development. Participants will have an opportunity to engage in many practical case studies

¹ Internal Audit Training of Trainers participants come from seven countries including: Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro, Serbia and Turkey.

on the simulated internal audit client, including role play exercises while obtaining evidence in the internal audit engagement and presenting the results of the internal audit during a simulated management meeting.

Participants will be familiarized with advanced internal audit topics such as responsibilities of the Head of the Internal Audit, risk based strategic and annual audit planning, overview of the roles of the internal audit with respect to risk management, internal control and governance, relationship between Internal Audit with Financial Inspection and External Audit, as well as quality assurance and improvement. Important topics such as fraud, IT audits, compliance and performance audits will also be covered through practical exercises based on the integrated case study “Orotavia” that is used as a core teaching resource throughout the Internal Audit Training of Trainers workshops. Participants will also have an opportunity to get familiarized with the capacity development and knowledge sharing initiatives by the Asian Development Bank internal audit department, including the AuditWithoutWalls!, annual youth summit, apprenticeship program, study tours, and ASEAN Central Bank Internal AuditNetwork.

Agenda

Monday, 4 June 2018 – Day 1

08:30	Registration of Participants and Morning Coffee
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09:00	Opening and Introductory Remarks
Speakers	Arman Vatyan Senior Financial Management Specialist, The World Bank Kalina Sukarova Senior Financial Management Specialist, CFRR, The World Bank
Description	This session will welcome participants and provide introductory remarks to the advanced stream of the IA ToT Program. A short summary of the completed activities within the IA ToT program will be discussed and each country team will share a short presentation on the in-country replication activities followed by Q&A.

10:15	Coffee Break [15 min]
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10:30	Capacity Development and Knowledge Sharing initiatives by the ADB
Speakers	Sarah Mei J. Mora Audit Officer, Office of the Auditor General (OAG), Asian Development Bank Katrina M. Fano Audit Officer, Office of the Auditor General (OAG), Asian Development Bank
Description	<p>The Office of the Auditor General (OAG) at ADB has a capacity development working group that supports the regional departments in helping its Developing Member Countries improve the capability and effectiveness of the public sector internal audit offices in order to enhance internal auditing practices and processes in the public sector of selected Developing Member Countries.</p> <p>Key activities of these technical assistance programs include:</p> <ul style="list-style-type: none">• Assessment of the internal audit capacity of internal audit offices through a structured Internal Audit Capability Model (IA-CM) survey. The IA-CM is a tool developed by the Institute of Internal Auditors for the internal audit offices in the public sector;• IA-CM training and other workshops on internal audit topics, provided to address the needs of the participating internal audit office;• AuditWithoutWalls! Initiative, an online learning community for public sector internal auditors used to share and exchange knowledge;

	<ul style="list-style-type: none"> • Study Visit program where public sector internal auditors learn from OAG's best practices in internal auditing; • Apprenticeship program and Youth summit for undergraduate students taking up internal auditing course. <p>The speakers will familiarize participants with these initiatives, followed by Q&A session.</p>
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11:45	Responsibilities of the Head of Internal Audit
Speaker	Abbas Kizilbash Senior Financial Management Specialist, CFRR, The World Bank
Description	This session will provide a presentation, as well as engage participants in short exercises, regarding the key responsibilities of the Head of the Internal Audit Department. Topics such as how to develop and update the internal audit charter, continuously look for adequate skills and resources in the public sector context, direction and supervision, coordination with, and reliance on other internal assurance providers and periodic reporting to senior management and oversight body, will be covered.

12:45	Lunch [90 min]
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14:15	Strategic and Annual Internal Audit Planning
Speakers	Ljerka Crnković Leader of the Quality Assurance Working Group (QAWG) and Former Acting Chair, PEMPAL IACOP Abbas Kizilbash Senior Financial Management Specialist, CFRR, The World Bank
Description	Participants will be familiarized with the PEMPAL IACOP Good Practice guide "Risk Assessment in Audit Planning" and core planning activities will be covered, including key terminology used, development of an audit universe, assessing risks on components of audit universe, developing the strategic and annual internal audit plan. Participants will be familiarized with practical examples.

15:45	Coffee Break [15 min]
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16:00	Roles of Internal Audit
Speaker	Abbas Kizilbash Senior Financial Management Specialist, CFRR, The World Bank
Description	The session will review the roles of the internal audit with respect to organization's: (i) Risk management, (ii) Internal control, and (iii) Governance.

16:45	Day 1: Summary & Recap
Speakers	Arman Vatyan Senior Financial Management Specialist, The World Bank Kalina Sukarova Senior Financial Management Specialist, CFRR, The World Bank
Description	The session will recap the day and summarize the topics covered, as well as highlight important sessions of the following day. A participant breakout group will be selected to cover the daily recap for Day 2.

17:00	End of Day 1
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18:00	Happy Hour
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Tuesday, 5 June 2018 – Day 2

08:30	Morning Coffee
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09:00	Focus on Fraud
Speaker	Kalina Sukarova Senior Financial Management Specialist, CFRR, The World Bank
Description	<p>Results of the participant's survey undertaken to support development of a Good Practice note with a focus on fraud will be presented. The Good Practice note describes some of the opportunities that new technologies, and especially the use of audit data analytics, can offer for internal audits in detecting and preventing fraud, and offers good practice advice that organizations can follow in establishing effective fraud management programs.</p> <p>Participants will engage in a mini case study based on the scenario of the simulated capital city "Orotavia" and develop internal audit procedures to address fraud risks.</p>

10:30	Coffee Break [15 min]
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10:45	Cooperation among Public Sector Audit and Financial Inspection Entities
Speaker	Arman Vatyan Senior Financial Management Specialist, The World Bank
Description	<p>The session will cover guidance provided on the key roles in the PEMPAL IACOP concept paper on the relationship of Internal Audit with Financial Inspection and External Audit ("RIFIX" Guide) applicable in the public-sector context.</p>

11:45	Recap of the Integrated Case Study and the "Orotavia" Quiz
Speaker	Piotr Pyziak Consultant, CFRR, The World Bank
Description	<p>Participants will be re-introduced to the integrated case study "Orotavia" which is being used throughout the workshop series. There will also be a brief overview of the key conclusions reached by participants during Fundamentals Module (June 2017).</p> <p>By answering a series of questions based on the case study "Orotavia", participants will be invited to join an interactive quiz and compete for the title "The Champion of Orotavia Case Study".</p>

12:30 Lunch [75 min]

13:45 Sharing Internal Audit Experiences and Resources from Turkey

Description	<p>The Internal Audit Training of Trainers team from Turkey will share experiences and resources covering the following topics:</p> <ul style="list-style-type: none">• Presentation on the "Public Information Technologies Audit Manual" used by the Turkey team in their internal audit work and explaining how the manual should be used in IT audits;• Perspectives will be shared in respect of IT controls, more specifically the IT general controls versus application controls and which controls can be assessed by every internal auditor;• The topic of Corporate Risk Management will be covered. <p>Participants will be invited to ask questions and engage in discussion.</p>
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15:15 Coffee Break [15 min]

15:30 IT Audit

Speaker	<p>Jean-Pierre Garitte Consultant, CFRR, The World Bank</p>
Description	<p>This session dedicated to IT Audit will cover:</p> <ul style="list-style-type: none">• The Institute of Internal Auditors (IIA) on information technology: standards and related guidance;• The CobIT framework explained;• The assurance and advisory role of internal audit with regard to business continuity planning before, during and after a crisis;• The role of internal audit with regard to cyber security risks;• Identification of general and application controls, BCP components and cyber risks in Orotavia.

16:45	Day 2: Summary & Recap
Speakers	Selected Participant Group
Description	The session will recap the day and summarize the topics covered.

17:00	End of Day 2
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18:15	Group Dinner
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Wednesday, 6 June 2018 – Day 3

08:30	Morning Coffee
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09:00	Compliance Audit Scenario
Speaker	Jean-Pierre Garitte Consultant, CFRR, The World Bank
Description	This session will cover key audit procedures when running a compliance based internal audit using the facts and circumstances discussed in the case study “Orotavia”. More specifically the following will be showcased: (i) developing audit objectives, (ii) developing the audit program, (iii) analysis of risks and key controls.

10:30	Coffee Break [15 min]
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10:45	Role Play Exercise: Developing Effective Interview Skills
Moderator	Kalina Sukarova Senior Financial Management Specialist, CFRR, The World Bank
Facilitators	Arman Vatyan Senior Financial Management Specialist, The World Bank Ljerka Crnkovic’ Leader of the QAWG and Former Acting Chair, PEMPAL IACOP Piotr Pyziak Consultant, CFRR, The World Bank
Description	Participants divided in table groups will be provided 45 minutes to prepare for a group challenge involving an interview role play exercise with selected characters of the case study scenario “Orotavia” while obtaining the evidence in the internal audit engagement. Each team will be allowed 10 minutes to perform the interview. The most successful team will be decided through an anonymous group vote and will be awarded the IA ToT certificate: “Interview Expert”.

12:30	Lunch [75 min]
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13:45	Performance Audit Scenario
Speaker	Jean-Pierre Garitte Consultant, CFRR, The World Bank
Description	This session will cover key audit procedures when running a performance based internal audit using the facts and circumstances discussed in the case study “Orotavia”. More specifically participants will: (i) identify audit objectives, (ii) develop a question tree, (iii) develop the audit program, and (iv) make preliminary conclusions.

15:15	Coffee Break [15 min]
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15:30	Simulated Management Meeting: Developing Effective Communication Skills
Moderator	Kalina Sukarova Senior Financial Management Specialist, CFRR, The World Bank
Facilitators	Arman Vatyan Senior Financial Management Specialist, The World Bank Ljerka Crnkovic’ Leader of the QAWG and Former Acting Chair, PEMPAL IACOP Piotr Pyziak Consultant, CFRR, The World Bank
Description	Participants divided in table groups will be provided 45 minutes to prepare for a group challenge involving a simulated management meeting with selected characters of the case study scenario “Orotavia” while communicating results of the internal audit engagement. Each team will be allowed 10 minutes to present results to the simulated management. The most successful team will be decided through an anonymous group vote and will be awarded the IA ToT certificate: “Communication Expert”.

17:15	Day 3: Summary & Recap
Speakers	Selected Participant Group
Description	The session will recap the day and summarize the topics covered.

17:30	End of Day 3
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Thursday, 7 June 2018 – Day 4

08:30	Morning Coffee
9:00	ADB's Quality Assurance and Improvement Program
Speakers	Sarah Mei J. Mora Audit Officer, Office of the Auditor General (OAG), Asian Development Bank Katrina M. Fano Audit Officer, Office of the Auditor General (OAG), Asian Development Bank
Description	<p>In 2011, OAG established a Quality Assurance and Improvement Program (QAIP) based on the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF), IIA's Quality Assessment Manual and QAIP practice guide. The QAIP includes internal and external quality assessments of the internal audit activity and covers both audit and advisory services.</p> <p>A Quality Assurance Group was also created to implement the QAIP and perform ongoing monitoring, annual self-assessment and preparation for external assessment.</p> <p>This session will cover ADB's QAIP, including:</p> <ul style="list-style-type: none">• OAG's QAIP Framework• Role and Set-up of the Quality Assurance Group• Conduct of ongoing monitoring and periodic reviews under internal assessment, including key performance metrics• Preparation for a full external assessment• Key learnings and challenges of implementing a QAIP
10:00	Quality Assurance and Improvement – Part 1
Speakers	Jean-Pierre Garitte Consultant, CFRR, The World Bank Ljerka Crnkovic' Leader of the QAWG and Former Acting Chair, PEMPAL IACOP
Description	<p>This session will introduce the PEMPAL IACOP Quality Assessment Guide. Participants will be familiarized with how to develop a solid quality assurance and improvement program (QAIP). The participants will learn the approach of the quality assessment to be conducted in the public sector context.</p>
10:30	Coffee Break [15 min]

10:45	Quality Assurance and Improvement – Part 2
Speakers	Jean-Pierre Garitte Consultant, CFRR, The World Bank Ljerka Crnković Leader of the QAWG and Former Acting Chair, PEMPAL IACOP
Description	Based on the case study scenario “Orotavia” that is used throughout the IA ToT workshops, participants will apply the QAIP to the attribute standards for internal audit.

12:30	Lunch [75 min]
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13:45	Quality Assurance and Improvement – Part 3
Speakers	Jean-Pierre Garitte Consultant, CFRR, The World Bank Piotr Pyziak Consultant, CFRR, The World Bank
Description	Based on the case study scenario “Orotavia” that is used throughout the IA ToT workshops, participants will apply the QAIP to the: (i) planning, (ii) execution, and (iii) reporting on the results of the internal audit engagement.

15:30	Coffee Break [15 min]
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15:45	Day 4: Summary & Recap
Speakers	Selected Participant Group
Description	The session will recap the day and summarize the topics covered.

16:00	Conclusions, Feedback and Next Steps
Speakers	Arman Vatyan Senior Financial Management Specialist, The World Bank Kalina Sukarova Senior Financial Management Specialist, CFRR, The World Bank
Description	Participants will be asked to rank topics in order of priority of interest for development of the Good Practice note. Feedback will be welcomed as well as any suggestions for future development of the IA ToT program.

17:00	End of Day 4 and Advanced Stream
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Bios of the Speakers (in order of appearance)



Arman Vatan

Lead Financial Management Specialist - Governance Focal Point for Central Asia, The World Bank

Arman Vatan, UK and Canadian Chartered accountant, is a Governance Focal Points overseeing the implementation of the WB Central Asia Governance including financial management work program. He is Public Sector Accounting and Reporting (PULSAR) Program Manager with more than 20 years of experience in leading critical financial management initiatives and reforms, including in public sector and corporate accounting and financial reporting, public internal and external audit, financial management information system (FMIS) and public internal control in 24 countries in ECA, Latin America and MENA regions. He also leads PEMPAL Internal Audit Community of Practice of 23 countries (since 2008) and other successful regional PFM programs. Prior joining the WB he worked in KPMG providing corporate governance, strategic planning, MIS, restructuring, acquisition and privatization advice to governments and large public interest entities. He has around 20 years teaching experience at ACCA courses and as visiting lecturer at universities, regional and MBA programs.



Kalina Sukarova

Senior Financial Management Specialist, CFRR, The World Bank

Kalina Sukarova supports activities at the CFRR involving accounting education and capacity building, providing policy advice on corporate financial reporting reform and the development of the accounting and auditing profession, with a primary focus on auditing standards. She has authored and contributed to Accounting and Auditing Reports on the Observance of Standards and Codes, accountancy publications and studies as well as Financial Sector Assessment Program assessments. Mrs. Sukarova is a fellow member of the Association of Chartered Certified Accountants (ACCA). Prior to the CFRR, she was an Executive Director with Ernst and Young specializing in assurance, bringing with her over 15 years of practical accounting, financial reporting and auditing experience.



Sarah Mei J. Mora

Audit Officer, Office of the Auditor General, Asian Development Bank

Sarah Mei J. Mora has over 14 years experience in the audit industry. She is currently an Audit Officer at the Asian Development Bank (ADB) focusing on Sovereign and Finance and Administration engagements under the Office of the Auditor General (OAG). Ms. Mora is also a member of OAG's Capacity Development Working Group which aims to improve internal audit capability and effectiveness of internal auditors in the public sector of developing member countries through knowledge sharing. Ms. Mora is a Certified Public Accountant, a Certified Internal Auditor, and an accredited External Quality Assessor. She started her career in KPMG Philippines conducting financial statement audits and providing SOX and due diligence assistance, and left as an audit manager after 6 years. She later joined PKF Singapore and also worked as an audit manager. In 2010 Ms. Mora joined ADB and has been working in OAG since.



Katrina M. Fano

Audit Officer, Office of the Auditor General, Asian Development Bank

Katrina M. Fano, "Kaye", is an Audit Officer of the Asian Development Bank's (ADB) Office of the Auditor General (OAG), doing Sovereign and Finance and Administration engagements. Kaye is a Certified Public Accountant and accredited External Quality Assessor by the Institute of Internal Auditors. She is equipped with 14-yr extensive knowledge and experience in auditing, both internal and external and business advisory services. She also helped established internal quality assessment practices in OAG in accordance with the IIA Standards. Kaye is a member of OAG's capacity development working group, the group that provides advisory services to ADB Management particularly for building the capacity of the internal auditors in the public sector in ADB-member countries.

She delivered the AuditWithoutWalls! presentation to Public Expenditure and Financial Accountability Participants, Institute of Internal Auditors Philippines and Confederation of Asian and Pacific Accountants and its Public Sector Financial Management Committee in March 2017. Prior to joining ADB, she was connected with Ernst and Young and a multinational private corporation, both based in Manila, Philippines as external and internal auditor, respectively.



Abbas Kizilbash

Senior Financial Management Specialist, CFRR, The World Bank; FINCOP Team Leader

Abbas Kizilbash specializes in financial reporting, corporate governance and internal audit and joined the CFRR in 2017 where he is working on the thematic areas of audit regulation and public sector accounting and reporting. He is a qualified Chartered Accountant and Certified Internal Auditor with over 20 years of diverse experience gained in audit, assurance, financial management, and corporate governance from the public and private sectors.



Ljerka Crnković

Leader of the Quality Assurance Working Group (QAWG) and Former Acting Chair, PEMPAL IACOP

Ljerka Crnković is a member of a PEMPAL Internal Audit Community of Practice (IACOP) and was Leader of the Quality Assurance Working Group and Former Acting Chair, PEMPAL IACOP. She works as a coordinator in the Croatian Ministry of Finance, Central Harmonization Unit. Ms. Crnković has long working experience in the public sector, working as chief accountant, external auditor in State Audit Office, external auditor for EU funds in the Ministry of Finance and now as a coordinator for the methodology and coordination of internal audit in the Central Harmonization Unit of the Ministry of Finance. She is a certified external and internal auditor for public sector. Ms. Crnković is also a member of the Executive Committee of the Croatian Institute of Internal Auditors and a member of a Working group on the cooperation between European Confederation of Institutes of Internal Auditing (ECIIA) and European Organization of Supreme Audit Institutions (EUROSAI).



Piotr Pyziak

Consultant, CFRR, The World Bank

Piotr is a financial management consultant that has been cooperating with CFRR for the last 5 years. He started with CFRR on the Accounting and Auditing ROSC report for Poland and continued to work on various activities of the Polish FRTAP program. Prior to joining the Bank, he worked as an auditor in Big Four companies and managed financial reporting and internal control functions in private sector companies in Poland and Russia.

Piotr developed and delivered several products including a report on accounting market in Poland, IFRS conferences and workshops, conferences regarding the role of Audit Committees and CSR, activities related accounting of public sector and others. He managed relationships

with Polish Ministry of Finance, Swiss Contribution Office and two professional accounting associations in Poland. Piotr is also involved in the project aimed at raising capacity of professional accounting associations from the region of Western Balkans – another activity of EU_REPARIS – Audit ToT.



Jean-Pierre Garitte

Consultant, The World Bank

Jean-Pierre Garitte has been an international governance, risk management and internal audit practitioner, consultant and trainer for 40 years. In a previous position, he was for more than 20 years the Director of Internal Audit at J. Van Breda & Co, a financial holding company based in Antwerp, Belgium. Jean-Pierre was until June 2010 a partner with Deloitte Enterprise Risk Services (ERS), where he led the corporate governance, internal audit and risk management practice for Europe, the Middle East and Africa. He is specialized in the strategic assessment and reengineering of internal audit functions. He has undertaken assessments of internal audit functions on behalf of the Institute of Internal Auditors, the World Bank, the OECD and the European Commission.

He is the chairman of the Audit and Oversight Committee of the International Organization for Migration (IOM) in Geneva. He currently advises the audit committee of Brussels Airport Company on risk management and internal audit. Jean-Pierre has been recently appointed an external member of the Audit Progress Committee of the European Commission. He is an Executive Professor in Corporate Governance, Internal and Information Systems Auditing at the Antwerp Management School (AMS). He was a visiting professor at the Erasmus University in Rotterdam and at the South Bank University in London. He has been advising Boards of Directors and Audit Committees across Europe and Asia. He has been training and developing internal audit departments in more than 30 countries, and has been a lecturer at several European, Middle East, Asian, North and Latin-American internal audit conferences. He is a European Union expert for restructuring projects in Eastern Europe and Central Asia. He currently advises parliaments, national audit offices and ministries of finance on new legislations.

He is the Past Chairman of the Board of the international Institute of Internal Auditors (IIA). Jean-Pierre has been a member of the IIA Standards Board (responsible for the IPPF and the ISPPA) and of the Board of Regents, which is responsible for the internal audit certification programs (CIA, CGAP). At the European level, he has been for six years the President of the European Confederation of Institutes of Internal Auditing (ECIIA). For three years, he has also been the Chairman of the Asian Confederation of Institutes of Internal Auditing (ACIIA), representing the profession in the Asia-Pacific Region.

