INCREASE YOUR CHANCES OF PASSING THE CIA® EXAM

Bill Stewart
Product Manager, Learning Solutions, The IIA

Vicki McIntyre, CIA, CPA, CFSA, CRMA
President, FirstPlus Resolutions, Inc.
Past Chair, The IIA Chapter Relations Committee of North America
IIA CIA Learning System Instructor
What We’ll Cover Today

- Certified Internal Auditor® Certification Program
- CIA Exam Overview
- Exam Preparation: The IIA’s CIA Learning System®
- Test-Taking Tips
- Links and Resources
- Questions
CIA Certification

Drive Your Career Forward
IIA Certifications and Qualifications

www.LearnCIA.com
CIA Overview

- Only globally recognized certification for internal auditors
- Based on the International Professional Practices Framework (IPPF)
- First exam administered in August 1974 (first certificates issued 1973)
- More than 122,000 have earned the certification
- More than 80,000 exam parts administered each year
- Exam offered via computer-based testing (CBT) since May 2008
- 750 testing centers in 140 countries through Pearson VUE
- Register and monitor CIA application progress with online Certification Candidate Management System (CCMS)
CIA Benefits

- Distinguish yourself from your peers
- Gain instant professional credibility with internal and external customers
- Broaden your knowledge
- Enhance your image
- Grow your confidence
- Demonstrate your passion and commitment
- Increase your earning potential
- Advance your career

Certified professionals earn 43% more than their non-certified peers.
(Source: The IIA’s 2015 Compensation Study)
CIA Benefits to Employers

- Improve performance of your internal auditors
- Demonstrate proficiency and achievement of staff
- Gain credibility with new and existing external clients
- Enhance credibility with executive management and audit committee
CIA Program Eligibility Requirements

1. Bachelor’s degree
   - Those without a degree can be approved if they have:
     • Two years post-secondary education and five years verified experience in internal audit or its equivalent, OR
     • Seven years’ verified experience in internal audit or its equivalent

2. Character reference
3. Professional work experience
4. Successful exam completion
5. Adherence to The IIA’s Code of Ethics
6. Continuing Professional Education
CIA Exam

Drive Your Career Forward
IIA Certifications and Qualifications

Certified Internal Auditor®

www.LearnCIA.com
CIA Exam Overview

- 3-part exam
- Exams offered year-round with CBT through Pearson VUE
- 180 days to take an exam part after registering
- Part 1 is 125 multiple choice questions with exam length of 2 hours and 30 minutes
- Parts 2 and 3 are 100 multiple choice questions with an exam length of 2 hours per part.
- Exam scoring: Scale of 250-750; 600+ required to pass
## CIA Exam Content

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration: 2.5 hours</td>
<td>Duration: 2.0 hours</td>
<td>Duration: 2.0 hours</td>
</tr>
<tr>
<td>Question Count: 125</td>
<td>Question Count: 100</td>
<td>Question Count: 100</td>
</tr>
</tbody>
</table>

Topical focus areas include:
- IIA Mandatory Guidance
- Internal Control and Risk
- Tools and Techniques for Conducting the Audit Engagement

Topical focus areas include:
- Managing the Internal Audit Function
- Managing Individual Engagements
- Fraud Risks and Controls

Topical focus areas include:
- Governance
- Risk Management
- Organizational Structure and Business Processes
- Communication
- Leadership
- IT/Business Continuity
- Financial Management
- Global Business Environment

For the complete exam syllabus: [https://global.theiia.org/certification](https://global.theiia.org/certification)
Steps to Take the Exam

1. **Create** a profile in the Certification Candidate Management System (CCMS).

2. Complete the CIA **Application** – US$100 for IIA members.

3. **Provide** documentation related to:
   - Character Reference
   - Education
   - Photo Identification
Steps to Take the Exam

Certification Document Upload

The Certification Document Upload Portal was developed to enhance the experience of certification program participants by streamlining the document submission process, creating a secure transmission method, and reducing response and processing times.

Certified individuals and certification candidates are required to use the document upload portal to transfer forms and other necessary documents to The IIA’s Certification Department for review and processing.

Some documents include, but are not limited to:

- Proof of education forms and other supporting documentation (diplomas, transcripts, etc.)
- Character reference forms
- Experience verification forms and other supporting documentation
- Other necessary documents required for your certification (CPE audit documentation, reinstatement documentation, other eligibility documentation)
Steps to Take the Exam

4. When the application is approved, **Register** for the exam. Fee is US$250 for Part I and US$200 each for Parts 2 and 3 for IIA members.

5. **Schedule** the exam with Pearson VUE. There is no additional cost to schedule.
   - There is a US$75 fee to change or cancel a previously scheduled appointment with Pearson VUE.
Sample Screens: Pearson VUE

Pearson VUE Tutorial and Practice Exam - Candidate Name

What is a common after school snack in England?

- A. Peanut butter and jelly sandwich
- B. Toast with leftovers from the night before
- C. Egg roll
- D. Chocolate candy bar
Maintaining Your CIA Designation

- Practicing CIAs must complete a total of 40 hours of acceptable CPE every year.
- Non-practicing CIAs must complete a total of 20 hours of acceptable CPE every year.
- 80 CPEs awarded upon passing exam
  - 40 awarded year passed
  - 40 awarded subsequent year
- Self-certification program
- Forms must be submitted every year by Dec. 31
Download the Certification Candidate Handbook: https://global.theiia.org/certification
EXAM PREPARATION
What to Look for in Review Materials

- Trustworthy source
- Complete and up-to-date content
- Effective learning approach
- Study method that suits your learning style
- Practice questions that encourage application of concepts
- Convenience and flexibility
- Value
Did You Know?

- Retention of new information without periodic review:
  - 47% forgotten in 20 minutes
  - 62% forgotten in one day
  - 75% forgotten in 15 days
  - 78% forgotten in 31 days

A single encounter with a given concept is not sufficient to ensure the type of long-term learning that is necessary for success on the exam.
Why Choose The IIA’s CIA Learning System?

- Teaches the entire global CIA exam syllabus
- Materials developed by CIA-certified subject matter experts
- Designed to support proven study and test-taking techniques
- Takes a comprehensive academic approach to learning as opposed to memorization and question repetition
- Classroom-based and online courses available worldwide
- Print and online format so you can study when and where it’s convenient
- Content is aligned with the IPPF and is updated as Standards change
- French materials available
Delivery Modes

The IIA’s CIA Learning System offers various learning options to meet your schedule and study preferences:

- Self-study program
- Facilitator-led courses
- Corporate training
Facilitator-led Courses

- Offered by colleges, universities, IIA chapters, and institutes worldwide
- Private courses may be offered at your location
- Choose from live, in-person, or online course formats
- Find a public class near you: www.LearnCIA.com/classes-offered
- Can’t find a course or seminar? Contact your local IIA chapter/institute
Steps to Success

1. Plan Your Studies
2. Study The Reading Materials
3. Apply The Concepts
4. Practice For Your Exam
Step 1: Create a Study Plan

How Much Time Will You Need to Study?

• Expect to allocate the following hours to your studies:
  – Part 1: 28+ hours
  – Part 2: 27+ hours
  – Part 3: 66+ hours

• Study times vary based on
  – Years of experience
  – Expertise in accounting or IT
  – Study method
  – How quickly you read and comprehend topics
Step 1: Create a Study Plan

My CIA Review Plan

• Create a **FREE** customized study plan based on your goals, schedule, and experience at [www.LearnCIA.com/my-cia-review-plan](http://www.LearnCIA.com/my-cia-review-plan)

SmartStudy™

• Assess your areas of strength and weakness by completing the online pre-test
• Use your results to create a comprehensive, step-by-step plan that focuses on areas that need the most attention
Step 2: Study the Reading Materials

Study with printed books or your e-reader.
Step 3: Apply the Concepts

- Chapter Quizzes
- Flashcards
- Online Glossary
Step 3: Apply the Concepts
Sample Chapter Quiz Question
Step 3: Apply the Concepts

Flashcards and Glossary

Internal auditing

An independent, objective assurance and consulting activity designed to add value and improve an organization's operations, brings a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Glossary

Macro-economics
The science of economic concerns on a national level.

Mainframe computer
A large computer capable of supporting massive inputs and outputs and many concurrent users.

Maintenance/repair operations (MRO) supplies
Those supplies required for repair and maintenance of machinery, computers, etc.

Managed floating exchange rate system
A system in which the currency rate normally fluctuates according to supply and demand but is also supported by currency interventions by central banks in order to stabilize or alter rates.

Managed risk
The risk remaining after management takes action to reduce the impact and likelihood of an adverse event, including control activities in responding to a risk.

Management by objectives (MBO) appraisal method
An appraisal method that encourages employees to help set objectives for themselves by defining what they hope to achieve within a specific period of time.

Management controls
IT controls that determine and mitigate risks to critical assets, sensitive data, or operations, including standards, organizational structure, and physical and environmental controls.

Management skills
Skills that involve managing the people and processes that accomplish specific organizational objectives; include planning.
Step 4: Test Your Knowledge

In regard to fraud detection, each internal auditor should be competent at which of the following levels as they are defined in The IIA’s International Professional Practices Framework?

- Each internal auditor should have sufficient knowledge of fraud to recognize conditions that indicate the need for further action or for a fraud investigation.
- Each internal auditor is only responsible for knowing the IIA's definition of fraud and being able to identify the fraud detection experts relied upon by the internal audit activity.
- Each internal auditor should be sufficiently trained in fraud detection to be able to devise controls to identify and prevent the major types of fraud likely to occur in a given organizational activity.
- Each internal auditor should be proficient in fraud detection so as to conduct an investigation with a high statistical probability of discovering at least one instance of fraud, if there is fraud being perpetrated.
Step 4: Test Your Knowledge

Reports

![Section Best Score] - This report shows your best scores for the section-specific tests.

*NS* = No score has been recorded.

<table>
<thead>
<tr>
<th>Test</th>
<th>Percent Correct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section I Quick Quiz</td>
<td>NS</td>
</tr>
<tr>
<td>Section I Chapter A Quiz</td>
<td>29%</td>
</tr>
<tr>
<td>Section I Chapter B Quiz</td>
<td>27%</td>
</tr>
<tr>
<td>Section I Chapter C Quiz</td>
<td>14%</td>
</tr>
<tr>
<td>Section II Quick Quiz</td>
<td>NS</td>
</tr>
<tr>
<td>Section II Chapter A Quiz</td>
<td>8%</td>
</tr>
<tr>
<td>Section II Chapter B Quiz</td>
<td>38%</td>
</tr>
<tr>
<td>Section II Chapter C Quiz</td>
<td>19%</td>
</tr>
<tr>
<td>Section II Chapter D Quiz</td>
<td>7%</td>
</tr>
<tr>
<td>Section III Quick Quiz</td>
<td>NS</td>
</tr>
<tr>
<td>Section III Chapter A Quiz</td>
<td>13%</td>
</tr>
<tr>
<td>Section III Chapter B Quiz</td>
<td>6%</td>
</tr>
<tr>
<td>Section III Chapter C Quiz</td>
<td>15%</td>
</tr>
<tr>
<td>Section III Chapter D Quiz</td>
<td>17%</td>
</tr>
<tr>
<td>Section III Chapter E Quiz</td>
<td>20%</td>
</tr>
</tbody>
</table>
New StudyPLUS Features for 2016!

New CIA tips & tools found in the online Resource Center:

• Bonus Printable Practice Questions
• Guide to Knowing When You’re Prepared – Coming Soon!
• Guide to CIA Exam Scoring
• CIA Question Analysis Grid
• Study Tips from Successful Candidates
CIA Study Tips & Test-Taking Tips
Study Tips

• Choose the right study method for your learning style
• Set your exam date, be realistic, but avoid procrastination
• Set a study plan, make and honor appointments with yourself to study based on your plan
• Know your strengths and weaknesses
• Write your own flashcards
• Put extra effort into studying “proficiency” areas
• Understand how to apply concepts; go beyond memorization for “proficiency” areas
• Be prepared for the testing center and the test format
Study Tips (continued)

- Read, read, write the IPPF
- Write an audit manual using the *Standards* as a baseline
- Solidify concepts by thinking of real-life examples
- Your new job:
  - You work for a publicly traded company
  - The CAE reports to the Audit Committee of the Board
  - You have a large audit department with varying staffing levels
  - You have an advantage if you audit manufacturing, accounts payable, purchasing, inventory, and receivables
Test-Taking Tips

• Read the last sentence / question before the details
• Look for clues such as “all,” “except,” or “not”
• Think of your answer before reading the choices
• Answer broadly and globally – beyond your experience and industry
• Eliminate obvious distractors (aka: wrong answers)
• Trust your first impressions and avoid over-analyzing
• If uncertain, answer it anyway; flag it for review later
• Budget your time and don’t rush
• Be well-rested and comfortable for the exam
Test-Taking Tips (continued)

• Remember:
  – Bigger, Broader, Better = Best
  – Compare Apples to Apples
  – Word Association
Save with 10% webinar savings!

Order materials by March 15, 2016 and provide promo code LS216 to Save 10%!

<table>
<thead>
<tr>
<th></th>
<th>Individual Parts</th>
<th>Full Kit (Parts 1-3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IIA Member</td>
<td>US$295</td>
<td>US$795</td>
</tr>
<tr>
<td>Nonmember</td>
<td>US$325</td>
<td>US$895</td>
</tr>
</tbody>
</table>

Volume Discounts
Save even more on orders of 2+ kits! Contact Mike Downs at mike.downs@theiia.org or +1-651-905-2609 for details.
How to Order

Self-Study Materials

• Online:  www.LearnCIA.com
• Phone:   +1-877-442-2425 (+1-651-905-2670 outside North America)
  8:00 a.m. and 5:00 p.m. CT (USA), Monday - Friday
• Fax/Mail: Download order form at www.LearnCIA.com
  Fax:   +1-651-905-2669
  Mail:   The IIA's CIA Learning System Distribution Center
         2975 Lone Oak Drive, Suite 180
         Eagan, MN 55121-1553

Instructor-led Courses

• Find a course at www.LearnCIA.com/classes-offered
• Choose from over 50 classes running throughout the year
• Contact the institution directly for pricing and registration
Resource Links

https://global.theiia.org/certification

- Certification Candidate Handbook
- CIA Exam Registration
- Certification Candidate Management System (CCMS)

www.LearnCIA.com

- Free Study Plan: My CIA Review Plan
- Free Demo of Learning System
- Free Study Tips and Exam Tips
- Order Information
CIA eSeminar Winner

One participant on today’s call will receive a complimentary registration for one of the following IIA eSeminars:

- CIA Part 1 eSeminar: June 1–20, 2016
- CIA Part 3 eSeminar: March 2–28, 2016

Valued at US$1,450

Chosen participant must be present on the call to win. We will contact the winner via email with details.

And the winner is.....
Question & Answer

To review the Frequently Asked Questions document or watch a replay of this webinar, go to:

www.LearnCIA.com/webinars

Available on or before Nov. 19, 2015