



DISPOSITION OF GLOSSARY

2017 International Standards for the Professional Practice of Internal Auditing to 2023 Proposed Global Internal Audit Standards™.

Term	Status	Proposed Definition	2017 Definition	Rationale for Change
activity under review	New term replaces existing	The subject of an internal audit engagement. Examples include an area, entity, operation, function, process, or system.	N/A	"Activity under review" is the preferred term to refer to the subject of the engagement instead of the terms "auditee" and "engagement client," which have negative connotations to some people.
add value	Existing term to retire	N/A - propose to delete	The internal audit activity adds value to the organization (and its stakeholders) when it provides objective and relevant assurance, and contributes to the effectiveness and efficiency of governance, risk management, and control processes.	The term "add value" had become overused and not very meaningful. It is no longer used as a leading phrase in the Purpose or elsewhere in the Standards. Add value is determined by each organization and doesn't need to be defined in the Standards glossary.
adequate control	Existing term to retire	N/A - propose to delete	Present if management has planned and organized (designed) in a manner that provides reasonable assurance that the organization's risks have been managed effectively and that the organization's goals and objectives will be achieved efficiently and economically.	The term is not used independently in the Standards. Any definition would occur in context, not as a Standards glossary term.

Corrections to disposition document made in blue font and highlighted, 15 April 2023

Term	Status	Proposed Definition	2017 Definition	Rationale for Change
advisory services	New term replaces existing	Services including advisory engagements and other advisory activities, typically are undertaken at the request of senior management, the board, or the management of an activity. The nature and scope of advisory services are subject to agreement with the party requesting the services. Examples of advisory engagements include internal auditors providing advice on the development and implementation of new policies and the design of processes and systems. Other advisory activities include internal auditors providing facilitation and training.	Consulting services: Advisory and related client service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation, and training.	The term "advisory" replaces the "term" consulting. The former definition of consulting was updated to be more concise, direct, and consistent with the concepts and language in the new Standards.
assurance	Proposed as new term	A statement intended to give confidence about conditions compared to criteria.	N/A	To understand assurance services, it is necessary to provide a definition of assurance, which we had not done before. "Assurance" is used in several ways, separate from assurance services (for example, quality assurance and improvement program), so adding a definition of assurance alone should be helpful.

Term	Status	Proposed Definition	2017 Definition	Rationale for Change
assurance services	Existing term with new definition	Services through which internal auditors perform objective assessments to provide statements about conditions compared to established criteria. Such statements are intended to give stakeholders confidence about an organization's governance, risk management, and control processes. Examples of assurance services include financial, performance, compliance, and technology engagements.	An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Examples may include financial, performance, compliance, system security, and due diligence engagements.	The former definition was neither clear nor aligned with the definition of assurance.
board	Existing term with new definition	<p>Highest-level body charged with governance, such as a:</p> <ul style="list-style-type: none"> - Board of directors or a committee or another body to which the board of directors has delegated certain functions (for example, an audit committee). - Nonexecutive/supervisory board in an organization that has more than one governing body. - Board of governors or trustees. - Group of elected officials or political appointees. <p>If a board does not exist, the word "board" refers to a group or person charged with governance of an organization (for example, some public</p>	<p>The highest level governing body (e.g., a board of directors, a supervisory board, or a board of governors or trustees) charged with the responsibility to direct and/or oversee the organization's activities and hold senior management accountable. Although governance arrangements vary among jurisdictions and sectors, typically the board includes members who are not part of management. If a board does not exist, the word "board" in the Standards refers to a group or person charged with governance of the organization. Furthermore, "board" in the Standards may refer to a committee or another body to which the governing body has</p>	<p>The new definition is clearer, itemizes various governance structures, and aligns with concepts in the new Governing domain. Even in the two-tiered systems, we believe oversight ultimately rests with the supervisory board, so we do not think we need to describe this as a combination of management and supervisory.</p>

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		sector entities and smaller private sector organizations may rely on the head of the organization or the senior management team to act as the highest-level governing body).	delegated certain functions (e.g., an audit committee).	
charter	Existing term to replace	N/A - replaced by "internal audit charter"	Term changed but definition remained unchanged. See definition for "internal audit charter," Row 33.	"internal audit charter" is clearer than "charter"
chief audit executive	Existing term with new definition	Leadership role responsible for effectively managing all aspects of the internal audit function and ensuring the quality performance of internal audit services. The specific job title and/or responsibilities may vary across organizations. For example, titles such as "general auditor," "head of internal audit," "chief internal auditor," "internal audit director," and "inspector general" may be used for "chief audit executive" roles.	Chief audit executive describes the role of a person in a senior position responsible for effectively managing the internal audit activity in accordance with the internal audit charter and the mandatory elements of the International Professional Practices Framework. The chief audit executive or others reporting to the chief audit executive will have appropriate professional certifications and qualifications. The specific job title and/or responsibilities of the chief audit executive may vary across organizations.	We deleted "senior position" and added specific title examples.
Code of Ethics	Existing term with new definition	Principles and standards in the Ethics and Professionalism domain of the Global Internal Audit Standards are considered to be internal auditors' Code of Ethics; adherence to these principles and standards is synonymous to adherence to a professional code of ethics.	The Code of Ethics of The Institute of Internal Auditors are Principles relevant to the profession and practice of internal auditing, and Rules of Conduct that describe behavior expected of internal auditors. The Code of Ethics applies to both parties and entities that provide internal audit	This definition was updated to ensure that readers are able to make the connection between the former Code of Ethics and the new principles and Standards in Domain II. Ethics and Professionalism.

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Term	Status	Proposed Definition	2017 Definition	Rationale for Change
			services. The purpose of the Code of Ethics is to promote an ethical culture in the global profession of internal auditing.	
competency	Proposed as new term	Knowledge, skills, and abilities.	N/A	
compliance	Existing term with new definition	Adherence to laws, regulations, contracts, policies, procedures, or other requirements.	Adherence to policies, plans, procedures, laws, regulations, contracts, or other requirements.	Changed the order of terms to reflect more common understanding and removed "plans."
condition	Proposed as new term	Existing state of the activity under review.	N/A	Key term defined and used in Domain V. Performing Internal Audit Services.
conflict of interest	Existing term with new definition	A situation, activity, or relationship that may influence, or appear to influence, the internal auditor to make professional judgments or take actions that are not in the best interest of the organization.	Any relationship that is, or appears to be, not in the best interest of the organization. A conflict of interest would prejudice an individual's ability to perform his or her duties and responsibilities objectively.	We tried to make this more precise. We didn't add the concept of public interest since that is not intended in this concept.
Considerations for Evidence of Conformance	Proposed as new term	A section of the Global Internal Audit Standards that provides examples of ways to show that the requirements of each standard have been implemented.	N/A	Added to explain a concept in the Standards.
Considerations for Implementation	Proposed as new term	A section of the Global Internal Audit Standards that provides common and preferred practices for implementing the requirements of each standard.	N/A	Added to support its usage in the new Standards

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consulting services	Existing term to replace	N/A - replaced by the term "advisory services"	Advisory and related client service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation, and training.	The term consulting services will be deleted and advisory services will be used instead. New proposed definition appears here and above.
control	Existing term with new definition	Any action taken by management, the board, and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved.	Any action taken by management, the board, and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved. Management plans, organizes, and directs the performance of sufficient actions to provide reasonable assurance that objectives and goals will be achieved.	Simplified and use the word consistent with usage in the new Standards. This definition is aligned conceptually with COSO's definition of risk responses.
control environment	Existing term to retire.	n/a	The attitude and actions of the board and management regarding the importance of control within the organization. The control environment provides the discipline and structure for the achievement of the primary objectives of the system of internal control. The control environment includes the following elements: <ul style="list-style-type: none"> •Integrity and ethical values. •Management's philosophy and operating style. 	Recommended for retirement from the glossary because the term is not used in the Standards requirements.

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Term	Status	Proposed Definition	2017 Definition	Rationale for Change
			<ul style="list-style-type: none"> •Organizational structure. •Assignment of authority and responsibility. •Human resource policies and practices. •Competence of personnel. 	
control processes	Existing term with new definition	The policies, procedures, and activities designed and operated to manage risks to be within the level of an organization's risk tolerance.	The policies, procedures (both manual and automated), and activities that are part of a control framework, designed and operated to ensure that risks are contained within the level that an organization is willing to accept.	The word "risk tolerance" replaced "to ensure that risk are contained within the level than organization is willing to accept." Superfluous wording in parentheses was removed because it is unnecessary.
Core Principles for the Professional Practice of Internal Auditing	Existing term to replace	N/A - replaced by Principles in the Global Internal Audit Standards (Core Principles will not be in the new IPPF)	The Core Principles for the Professional Practice of Internal Auditing are the foundation for the International Professional Practices Framework and support internal audit effectiveness.	Core Principles have been deleted. The new Standards include Principles and Standards. An explanation has been added to the Introduction to the Standards.
criteria	Proposed as new term	Measurable specifications of the desired state of the activity under review (also called "evaluation criteria").	N/A	Key term defined and used in Domain V. Performing Internal Audit Services. The term is defined in the Standards, in guidance, and in Sawyer's 7th edition.
effect	Proposed as new term	Risk encountered because the condition differs from the criteria	N/A	Incorporated term from IIA Guidance.
engagement	Existing term with new definition	A specific internal audit assignment or project that includes multiple tasks or activities designed to accomplish a specific set of related objectives. See also "assurance services" and "advisory services."	A specific internal audit assignment, task, or review activity, such as an internal audit, control self-assessment review, fraud examination, or consultancy. An engagement may include multiple tasks or activities	Deleted examples "such as an internal audit, control self-assessment review, fraud examination, or consultancy" and removed repeated terms and concepts. Examples are now listed under assurance

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			designed to accomplish a specific set of related objectives.	and advisory services, rather than here.
engagement conclusion	Proposed as new term	Internal auditors' professional judgment about the overall significance of the engagement's findings when viewed together.	N/A	Added to align with concepts presented in new standards in Domain V: Performing Internal Audit Services.
engagement objectives	Existing term with new definition	Statements that articulate the purpose of the engagement and describe the specific goals to be achieved.	Broad statements developed by internal auditors that define intended engagement accomplishments.	Modified to align with other standard definitions of "objectives."
engagement opinion	Existing term to replace	n/a – to be replaced by engagement conclusion	The rating, conclusion, and/or other description of results of an individual internal audit engagement, relating to those aspects within the objectives and scope of the engagement.	Added to align with concepts presented in new Standards in Domain V. Performing Internal Audit Services.
engagement planning	Proposed as new term	Process during which internal auditors gather information, assess, and prioritize risks relevant to the activity under review, and establish the engagement objectives and scope, identify evaluation criteria, and create a work program for an internal audit engagement.		
engagement supervisor	Proposed as new term	An internal auditor responsible for supervising an internal audit engagement, which may include reviewing and approving the engagement work program, workpapers, final communication, and performance as well as training and assisting internal auditors.	N/A	Added to align with concepts presented in new Standards in Domain V. Performing Internal Audit Services.

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		The chief audit executive may be the engagement supervisor or may delegate such responsibilities.		
engagement work program	Existing term with new definition	A document that identifies the tasks to be performed to achieve the engagement objectives, the methodology and tools needed to perform the tasks, and the internal auditors assigned to perform the tasks. The work program is based on information obtained during engagement planning.	A document that lists the procedures to be followed during an engagement, designed to achieve the engagement plan.	Expanded to align with current Standards and also to remove the impression that work program is separate from engagement plan.
external service provider	Existing term with new definition	Resource from outside the organization that provide relevant knowledge, skills, experience, and/or tools to support internal audit services.	A person or firm outside of the organization that has special knowledge, skill, and experience in a particular discipline.	Expanded original definition to take into account various types of resources and reasons they may be needed.
finding	Proposed as new term	In an engagement, the determination that a significant risk exists in the activity under review, based on the difference between the evaluation criteria and the condition of the activity. Examples include errors, irregularities, illegal acts, or potential opportunities for improving efficiency or effectiveness.	N/A	Added to align with concepts presented in new Standards in Domain V. Performing Internal Audit Services, based on input from IIASB members.

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fraud	Existing term with new definition	Any act characterized by deceit, concealment, or violation of trust perpetrated by individuals or organizations to secure personal or business advantage.	Any illegal act characterized by deceit, concealment, or violation of trust. These acts are not dependent upon the threat of violence or physical force. Frauds are perpetrated by parties and organizations to obtain money, property, or services; to avoid payment or loss of services; or to secure personal or business advantage.	After researching several sources, the decision was made to modify the former IPPF definition to remove "illegal" because not all frauds are illegal. Definition was simplified because "personal or business advantage" seemed to include everything else described.
governance	Existing	The combination of processes and structures implemented by the board to inform, direct, manage, and monitor the activities of the organization toward the achievement of its objectives.	The combination of processes and structures implemented by the board to inform, direct, manage, and monitor the activities of the organization toward the achievement of its objectives.	This definition remained unchanged.
impact	Proposed as new term	The result or effect of a risk. There may be a range of possible impacts associated with a risk. The impact of a risk may be positive or negative relative to the entity's strategy or business objectives.	N/A	Commonly used in practice and in definition of risk.
impairment	Existing term to replace	N/A - propose to delete	Impairment to organizational independence and individual objectivity may include personal conflict of interest, scope limitations, restrictions on access to records, personnel, and properties, and resource limitations (funding).	These concepts are defined in the context of the standards on objectivity and independence, which are separated in the proposed Standards. This definition does not make sense in the context of the new Standards.
independence	Existing term with new definition	The freedom from conditions that impair the ability of the internal audit function to carry	The freedom from conditions that threaten the ability of the internal audit activity to carry out internal	Simply changed "activity" to "function." Changed "threaten" to "impair" for

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		out internal audit responsibilities in an unbiased manner.	audit responsibilities in an unbiased manner.	consistency. Otherwise, the definition is the same.
information technology controls	Existing term to retire	N/A - propose to delete	Controls that support business management and governance as well as provide general and technical controls over information technology infrastructures such as applications, information, infrastructure, and people.	It is unnecessary to define this one type of control, since other types of controls are not defined in the Glossary.
Information technology governance	Existing term to retire	N/A - propose to delete	Consists of the leadership, organizational structures, and processes that ensure that the enterprise's information technology supports the organization's strategies and objectives.	The basic definition of governance should cover all types of governance, including IT governance; thus, it is unnecessary to define it separately.
inherent risk	Proposed as new term	The combination of internal and external risk factors in their pure, uncontrolled state, or the gross risk that exists, assuming there are no internal controls in place.	N/A	Used in explanation of engagement risk assessment in new Standards and in IPPF guidance.
integrity	Proposed as new term	Behaving in a manner that can withstand scrutiny by peers and others. It involves fair dealing, truthfulness, and having the courage to act appropriately, even when facing pressure to do otherwise or when doing so might create potential adverse personal or organizational consequences.	N/A	Has been in the Code of Ethics but had never been defined previously. Definition compiled from multiple sources.

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Term	Status	Proposed Definition	2017 Definition	Rationale for Change
internal audit activity	Existing term to replace	N/A - replaced by "internal audit function"	A department, division, team of consultants, or other practitioner(s) that provides independent, objective assurance and consulting services designed to add value and improve an organization's operations. The internal audit activity helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.	Decision to change from "internal audit activity" to "internal audit function" was made after surveying IIA affiliates, IASB members, and others through various means.
internal audit charter	Replace existing term and definition	A formal document that defines the internal audit function's mandate and other requirements.	Charter: The internal audit charter is a formal document that defines the internal audit activity's purpose, authority, and responsibility. The internal audit charter establishes the internal audit activity's position within the organization; authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.	Added "internal audit" before "charter" to clearly distinguish this charter from other charters (such as the audit committee charter). Simplified the definition and made it more concise. Deleted specifics from the old definition because these belong in the Standards, not in the definition.

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internal audit function	Replace existing term and definition	A professional individual or group responsible for providing an organization with assurance and advisory services.	Internal audit activity: A department, division, team of consultants, or other practitioner(s) that provides independent, objective assurance and consulting services designed to add value and improve and organization's operations. The internal audit activity helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.	Changed term to align with common industry usage. Simplified definition to remove the "how" and "why," just leave the "what."
internal audit mandate	Proposed as new term	The internal audit function's authority, role, and responsibilities.	N/A	Added to aligned with new Standards in Domain III. Governing (introduced in 6.1)
internal audit manual	Proposed as new term	The chief audit executive's documentation of the methodologies (policies, processes, and procedures) to guide and direct internal auditors within the internal audit function.	N/A	Used in Considerations (Implementation and Evidence of Conformance) and aligned with definition of methodologies.
internal audit plan	Proposed as new term	A document, created by the chief audit executive, that identifies the engagements and other internal audit services that will be provided during a given period of time. The plan should be dynamic, reflecting timely responses to organizational changes.	N/A	Proposed to help clarify the difference between engagement plan and planning for the internal audit function.

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internal auditing	Existing term with new definition	An independent, objective assurance and advisory activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance processes. risk management, and control processes.	Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.	Adapted from former/existing definition. Updated the following: Changed "consulting" to "advisory," changed order to "governance, risk management, and control processes," to be consistent with the usage in the Standards.
International Professional Practices Framework	Existing term with new definition	The IIA's conceptual framework of authoritative standards and guidance.	The conceptual framework that organizes the authoritative guidance promulgated by The IIA. Authoritative guidance is composed of two categories – (1) mandatory and (2) recommended.	The definition has been updated to reflect the current structure.
likelihood	Proposed as new term	The possibility that a given event will occur.	N/A	Incorporated term from IIA Guidance.
may	Proposed as new term.	As used in the Considerations for Implementation of the Global Internal Audit Standards, the word "may" describes optional practices to implement the Requirements.	N/A	Incorporated term from IIA Guidance.
methodologies	Proposed as new term	Policies, processes, and procedures established by the chief audit executive to guide the internal audit function and enhance its effectiveness.	N/A	Used in Domain IV. Managing the Internal Audit Function to reflect collectively what the chief audit executive must provide to establish a systematic, disciplined approach for the internal audit function.

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must	Existing	The Global Internal Audit Standards use the word "must" to specify an unconditional requirement.	The Standards use the word "must" to specify an unconditional requirement.	This definition is unchanged.
objectivity	Existing term with new definition	An unbiased mental attitude that allows internal auditors to make professional judgments, fulfill their responsibilities, and achieve the Purpose of Internal Auditing without compromise.	An unbiased mental attitude that allows internal auditors to perform engagements in such a manner that they believe in their work product and that no quality compromises are made. Objectivity requires that internal auditors do not subordinate their judgment on audit matters to others.	Changed to align with new Standards. Definition is simpler. Requirements and other specifics are left to the Standards rather than including the requirements for objectivity in the definition.
outsourcing	Proposed as new term	Contracting with an independent external service provider of internal audit services. Fully outsourcing a function refers to contracting the entire internal audit function, and partially outsourcing (also known as "cosourcing") indicates that only a portion of the services are outsourced.	N/A	Added to support its usage in the new Standards.
overall opinion	Existing term to retire	N/A - to be deleted	The rating, conclusion, and/or other description of results provided by the chief audit executive addressing, at a broad level, governance, risk management, and/or control processes of the organization. An overall opinion is the professional judgment of the chief audit executive based on the results of a number of individual	This term is no longer used in the new Standards. Standard 11.3 Communicating Results still expresses the idea that the CAE may communicate a conclusion (comprehensive, macro-level, or organization-wide) based on the results of multiple engagements. However, no specific term is used that would warrant

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			engagements and other activities for a specific time interval.	defining in the Glossary. The term and concept of "overall opinion" has caused much confusion in the past. The IASB proposes that it should be eliminated and reframed.
Principles	Replace existing term and definition	Statements that describe the essential elements of internal auditing and serve as the foundation for the Global Internal Audit Standards.	The Core Principles for the Professional Practice of Internal Auditing are the foundation for the International Professional Practices Framework and support internal audit effectiveness.	Replaces Core Principles for the Professional Practice of Internal Auditing.
professional skepticism	Proposed as new term	Questioning and critically assessing the reliability of information.	N/A	Added to support new concept introduced Standard 4.2.
public sector	Proposed as new term	Governments and all publicly controlled or publicly funded agencies, enterprises, and other entities that deliver public programs, goods, or services	N/A	Added to support its usage in the new Standards.
quality assurance and improvement program	Proposed as new term	A program established by the chief audit executive to evaluate and ensure the internal audit function conforms with the Global Internal Audit Standards, achieves performance objectives, and pursues continuous improvement. The program includes internal and external assessments.	N/A	Added to support its usage in the new Standards.
residual risk	Proposed as new term	The portion of inherent risk that remains after management executes its controls (sometimes referred to as net risk).	N/A	Used as an explanation of engagement risk assessment in new Standards and in IPPF guidance. Used "control" in place of "risk response" to

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				align with the Standards definition of control (see definition).
results of internal audit services	Proposed as new term	Outcomes, such as engagement conclusions, themes (such as effective practices or root causes) and conclusions at the level of the business unit or organization.	N/A	Added to support its usage in the new Standards
risk	Existing term with new definition	The possibility that events will occur and affect the achievement of strategy and business objectives.	The possibility of an event occurring that will have an impact on the achievement of objectives. Risk is measured in terms of impact and likelihood.	Opted for COSO's definition over the old IPPF glossary definition.
risk and control matrix	Proposed as new term	A tool that facilitates the performance of internal auditing. It typically links business objectives, risks, control processes, and key information to support the internal audit process.	N/A	Risk and control matrix is used frequently in the Standards. Adding this to glossary will help auditors understand the Standards.
risk appetite	Existing term with new definition	The types and amount of risk that an organization is willing to accept in the pursuit of its strategies and business objectives. Risk appetite takes into consideration the amount of risk that the organization consciously accepts after balancing the cost and benefits of implementing controls.	The level of risk that an organization is willing to accept.	Opted for COSO's definition. Changed to be more consistent with other sources (COSO, IA textbook). Added "in the pursuit of its strategies and business objectives." Also added a second explanatory sentence since this concept tends to be misunderstood.
risk assessment	Proposed as new term	The identification and analysis of risks relevant to the achievement of an organization's objectives. The significance of risks is typically	N/A	Added to clarify concepts that have caused confusion in the past.

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		assessed in terms of impact and likelihood.		
risk management	Existing term with new definition	A process to assess, manage, and control potential events or situations to provide reasonable assurance regarding the achievement of the organization's objectives.	A process to identify, assess, manage, and control potential events or situations to provide reasonable assurance regarding the achievement of the organization's objectives.	Only change from 2017 definition was to remove "identify" since that is part of the risk assessment process.
risk tolerance	Proposed as new term	Boundaries of acceptable variation in performance related to achieving business objectives.	N/A	Used in new Standards. Added COSO's definition to clarify concepts that have caused confusion in the past.
root cause	Proposed as new term	Core issue or underlying reason for the difference between the criteria and the condition of an activity under review.	N/A	Key term defined and used in Domain V. Performing Internal Audit Services; also used in Guidance.
senior management	Proposed as new term	The highest level of management of an organization.	N/A	This has been the term used in the Standards for decades, but it had not been formally defined.
should	Existing term with new definition	As used in the Considerations for Implementation of the Global Internal Audit Standards, the word "should" describes " describes practices that are preferred but not required.	The Standards use the word "should" where conformance is expected unless, when applying professional judgment, circumstances justify deviation.	"Should" is used in Considerations for Implementation and for Considerations for Evidence of Conformance
significance	Existing term with new definition	The relative importance of a matter within the context in which it is being considered, including quantitative and qualitative factors, such as magnitude, nature, effect, relevance, and impact. Professional judgment assists internal auditors when evaluating the significance of	The relative importance of a matter within the context in which it is being considered, including quantitative and qualitative factors, such as magnitude, nature, effect, relevance, and impact. Professional judgment assists internal auditors when evaluating the significance of	Kept the existing definition and added a sentence to explain that significance when referring to risk is usually measured in terms of impact and likelihood.

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		matters within the context of the relevant objectives. When referring to risk, significance is often measured as a combination of impact and likelihood.	matters within the context of the relevant objectives.	
stakeholder	Proposed as new term	A party with a direct or indirect interest in an entity's activities and outcomes. Examples of an organization's stakeholders include its employees, customers, vendors, and shareholders; regulatory agencies; and financial institutions. Examples of the internal audit function's stakeholders include the organization's board, management, employees, customers, and vendors; external auditors; and regulatory agencies. The public may also be a stakeholder.	N/A	Added to support its usage in the new Standards. For usage in the Standards, it typically refers to the direct stakeholders that internal auditors serve within the organization.
standard	Existing term with new definition	A professional pronouncement promulgated by the International Internal Audit Standards Board that delineates the <ul style="list-style-type: none"> - Requirements for the professional practice of internal auditing. - Considerations for Implementation. - Considerations for Evidence of Conformance. 	A professional pronouncement promulgated by the International Internal Audit Standards Board that delineates the requirements for performing a broad range of internal audit activities and for evaluating internal audit performance(Standard).	Updated to reflect the new structure of a standard.

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technology-based audit techniques	Existing term to retire	N/A - to be deleted	Any automated audit tool, such as generalized audit software, test data generators, computerized audit programs, specialized audit utilities, and computer-assisted audit techniques (CAATs).	Seems dated and unnecessary to define and label.
workpapers	Proposed as new term	Documentation of the internal audit work done when planning and performing engagements, which provides the supporting information and evidence that serves as the basis of the engagement findings and conclusions.	N/A	Commonly used in practice and in 2017 Implementation Guidance, which has been incorporated into the Standards.

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