

| | | |
|-----------------------------|---|------------------------|
| ATTRIBUTE POLICY | POLICY NO. 115.00 PROFICIENCY, COMPETENCY AND PROFESSIONAL DEVELOPMENT <hr/> LAST REVISED: <i>DECEMBER 11, 2019</i> | PAGE 1 OF 4 |
|-----------------------------|---|------------------------|

PROFICIENCY, COMPETENCY, AND PROFESSIONAL DEVELOPMENT

POLICY –

- The AD will maintain an adequate level of staff and access to other resources needed to execute its function and discharge its duties in accordance with professional standards and the AD Charter by:
 - Recruiting, hiring and retaining qualified professionals (may include external service providers) that possess the necessary skills, knowledge and experience to individually perform and collectively execute the internal audit function;
 - Creating and adapting an internal organizational structure while maintaining alignment with the dynamic environment and its effect on the AD’s objectives, scope, responsibilities, accountability, and authority;
 - Providing training to new hires and experienced staff through internally developed and managed programs, Continuing Professional Education (CPE), and external providers of relevant curriculum that offers professional development;
 - Ensuring continued professional development of employees, some of which can qualify as CPE, (see below) that is necessary to refine and maintain employee skills, introduce progressive auditing and analytical techniques (including relevant and emerging information technologies), and prepare individuals for greater levels of responsibility. Such development can be accomplished by on-the-job training and by attending formal training programs.
- Professional Development is also a partnership between the employee and the employer. The City uses the Houston Employee Assessment and Review (HEAR) program, an annual employee performance evaluation system which is set as a plan at the beginning of the review period in June/July and sets goals and objectives that align the individual’s goals with the AD’s, allowing for realization, growth and advancement where available. The HEAR process is interactive and cooperative, which provides an avenue for a mutually beneficial and productive work environment.
- Monitoring maintenance of achieved certifications.
- CPE

Auditors within the AD will complete continuing education as follows:

- A total of 80 hours should be completed every two years.

| | | |
|-----------------------------|---|------------------------|
| ATTRIBUTE POLICY | POLICY NO. 115.00 PROFICIENCY, COMPETENCY AND PROFESSIONAL DEVELOPMENT <hr/> LAST REVISED: <i>DECEMBER 11, 2019</i> | PAGE 2 OF 4 |
|-----------------------------|---|------------------------|

- A minimum of 40 of these hours should be completed within a given calendar year.
 - At least 24 of the 80 hours should be in subjects directly related to the government environment and to governmental auditing. Remaining hours should be on subject matters that directly enhance the auditors' professional expertise to conduct engagements.
 - The two-year period for continuing education and training requirement will begin on January 1st of odd number calendar years (e.g., January 1, 2019).
 - The AD will document CPE agendas/content of training taken
- The CA will decline, outsource, or defer project(s) if he/she determines that there is a lack of adequate level of staff and access to other resources (including financial) needed to execute its function and discharge its duties in accordance with professional standards

NOTE: The CPE requirement may be prorated based on GAGAS 4.42 - 4.43. For more detailed information see [Procedure No. 215.00 – Proficiency, Competency and Professional Development](#).

RELEVANT PROFESSIONAL STANDARDS AND GUIDANCE

GAGAS

| | |
|-----------------------------------|----------------|
| PROFESSIONAL JUDGMENT | 3.109 – 3.117 |
| COMPETENCE | 4.02 – 4.15(G) |
| CONTINUING PROFESSIONAL EDUCATION | 4.16 – 4.53 |

IIA STANDARDS

| |
|--|
| 1200 PROFICIENCY AND DUE PROFESSIONAL CARE |
| 1210 PROFICIENCY |
| 1210.A1 |
| 1210.A2 |
| 1210.A3 |
| 1210.C1 |
| 1220 DUE PROFESSIONAL CARE |
| 1220.A1 |
| 1220.A2 |
| 1220.A3 |
| 1220.C1 |
| 1230 CONTINUING PROFESSIONAL DEVELOPMENT |
| 2000 MANAGING THE INTERNAL AUDIT ACTIVITY |
| 2340 ENGAGEMENT SUPERVISION |

IIA IMPLEMENTATION GUIDANCE

| |
|--|
| 1200 PROFICIENCY AND DUE PROFESSIONAL CARE |
|--|

| | | |
|-----------------------------|--|------------------------|
| ATTRIBUTE POLICY | POLICY NO. 115.00 PROFICIENCY, COMPETENCY AND PROFESSIONAL DEVELOPMENT <hr/> LAST REVISED: <i>DECEMBER 11, 2019</i> | PAGE 3 OF 4 |
|-----------------------------|--|------------------------|

- 1210 PROFICIENCY
- 1220 DUE PROFESSIONAL CARE
- 1230 CONTINUING PROFESSIONAL DEVELOPMENT
- 2000 MANAGING THE INTERNAL AUDIT ACTIVITY
- 2340 ENGAGEMENT SUPERVISION


 City of Houston
 Office of the City Controller
 Audit Division

| | | |
|-----------------------------|---|------------------------|
| ATTRIBUTE POLICY | POLICY NO. 115.00 PROFICIENCY, COMPETENCY AND PROFESSIONAL DEVELOPMENT <hr/> LAST REVISED: <i>DECEMBER 11, 2019</i> | PAGE 4 OF 4 |
|-----------------------------|---|------------------------|

CHANGE HISTORY

| Chg # | Date | Section | Description/Reason |
|----------|------------|---------------------------------|---|
| 1 | 3/31/2016 | Policy, 2 nd Bullet | Revised to change EPE (Employee Performance Evaluation) to HEAR (Houston Employee Assessment and Review). |
| 2 | 5/1/2017 | Policy, CPE | Clarification of CPE requirements |
| 3 | 7/1/2019 | Relevant Professional Standards | Updated to reflect updates to Professional Standards |
| 4 | 12/11/2019 | CPE | Updated CPE requirements |
