President’s Message

Greetings and Happy Holidays IIA Bahamas Chapter Members,

It is with a great sense of pride and excitement that I congratulate our PR and Publications Officer, Juliette Dorsett, and her fine team of volunteers for their great efforts invested in publishing this newsletter. It has been many years since the Bahamas Chapter published a newsletter and I am assured that this effort will continue with consistency under Ms. Dorsett’s direction. I must also thank my council members and all others who have contributed to this newsletter.

The IIA-Bahamas Chapter has over 90 registered members and a host of corporate friends and supporters. I have served as President for many years and I look forward to passing on the baton sometime in the near future. As we embark on our careers in the Internal Audit profession, I encourage IIA members and friends to make a positive difference in performing our duties. Here are a few points to ponder on:

1. It all starts with a love for our profession, our organizations and indeed our country.

2. Next, we must have a commitment to quality, professional standards, sound ethical standards and values, and a commitment to service. There must be a sense of pride in what we do as professionals and a deep sense of industry. We must have a passion for what we do and serve as drivers and not mere passengers within our respective organizations.

3. As agents of change, we must purpose in our hearts to make each area we work in better. Leaving an area better than we met it is the hallmark of a good Auditor.

4. We seek to assist senior management and Boards of Directors in areas such as good corporate governance, risk management, and internal controls as we conduct audit exercises and serve as good consultants.

5. Let us partner with management to make improvements within our organizations. Similarly, let us partner and network with each other on technical issues and common concerns we face in performing our duties. This can be done through seminars, roundtable discussions and by one-on-one contact with each other as we “progress through sharing.”

In conclusion please continue to support the IIA Bahamas Chapter and let us support each other in this most noble profession with growing opportunities.

Yours truly,

Edgar O. Moxey Jr.
IIA Bahamas Chapter President

Save the Date! Christmas Social & Networking Event
Friday, December 7th, 2012 5:30 PM to 8:30 PM at Breezes

The IIA Bahamas Chapter Council invites you to our chapter meeting and Christmas fun social event! We hope that you will come out and network with your internal audit colleagues, meet your chapter leadership team and learn about chapter volunteer opportunities.

Please feel free to invite your friends and colleagues who could be prospective IIA members to join in. Bahamas IIA Chapter is pleased to subsidize this event, our gift to you this Christmas.
"Auditors need to educate management that fraud exists everywhere."

"Internal auditors need to be acutely aware of what makes their organization unique, whether it's size, location, or industry."

"Internal audit's decisions about specific fraud risks to be examined should be based on where the risk is greatest."

**Upcoming Events**

- Corporate Governance & Enterprise Risk Seminar (sponsored by Ernst & Young) – February 2013*
- Next Council and Volunteers meeting – Thursday, December 13th, 2012 (every second Thursday)
- Internal Audit Month – March 2013
- IIA International Conference (Orlando) – July 14th to 17th, 2013

* Exact date to be announced

**Feature Article: ARE YOU ADDRESSING THE OBVIOUS?**

By Russell A. Jackson (extracted from Internal Auditor Magazine)

In a perfect world, internal audit departments are empowered from the highest levels of the organization to do what they do best: find risks to the enterprise and consult on neutralizing them through powerful controls. In that Edenic place, fraud risks are recognized as a priority at the board level, in the C-suite, and throughout the organization. Nobody pretends that fraud doesn’t exist in their department, and the company comes together to bring the bad guys to justice.

In the real world, though, internal auditors often must make their voices heard by managers, executives, and board members who don’t place the same importance on uncovering, assessing, and consulting on fraud risks. In some organizations where internal audit has uncovered fraud, management says it never suspected the employee would do such a thing. As well, management may underestimate the likelihood of fraud in the organization without really knowing what kinds of fraud it’s subject to and what controls are — or are not — in place to prevent or detect it.

In an environment where resources are scarce, it is imperative that internal auditors focus their fraud risk assessments on the “right” risks, making sure that precious resources aren’t squandered on suggestions for controls that either go nowhere in the hands of indifferent executives or that turn out to be less important than other fraud risks that the internal audit department simply doesn’t have the bandwidth to address.

What constitutes the right fraud risks varies by industry, geography, company size, and other factors. So internal auditors must educate themselves in what makes the fraud risks in their organizations unique. In all cases, management and the audit committee must be involved in determining which fraud risks to assess and which risks require controls that internal audit may help develop. That collaboration, any experienced auditor knows, can make things easier — or, if those executives and internal audit don’t see eye to eye, much more difficult.

To read more subscribe to Internal Auditor magazine at [http://www.theiia.org/intauditor/](http://www.theiia.org/intauditor/).

**Know the Standards**

Standards are principle-focused and provide a framework for performing and promoting internal auditing. The Standards are mandatory requirements consisting of:

- Statements of basic requirements for the professional practice of internal auditing and for evaluating the effectiveness of its performance. The requirements are internationally applicable at organizational and individual levels.
- Interpretations, which clarify terms or concepts within the statements.

It is necessary to consider both the statements and their interpretations to understand and apply the Standards correctly. The Standards employ terms that have been given specific meanings as noted in the Glossary, which is also part of the Standards. Each quarter, we will list a section from the Standards to help readers brush up on requirements for internal auditors.

**2600 – Resolution of Senior Management’s Acceptance of Risks:** When the chief audit executive believes that senior management has accepted a level of residual risk that may be unacceptable to the organization, the chief audit executive must discuss the matter with senior management. If the decision regarding residual risk is not resolved, the chief audit executive must report the matter to the board for resolution.
Welcome to our NEW MEMBERS

We extend a warm welcome to our new members for 2012.

| 2. Swerte Apollo-Brimon | 22. Gillian Gray |
| 3. Errol Bodie | 23. Carla Hield |
| 7. Patrana Chisholm | 27. Rochelle Major |
| 8. Samantha Clarke | 28. Debra Miller |
| 9. Anishka Collie | 29. Roselyn Miller |
| 10. Adrian Conliffe | 30. Nia Mills |
| 11. Yvette Cooper | 31. Randolph Minnis |
| 12. Audrey Dames | 32. Sharonna Johnson-Richards |
| 13. Sheri Dames | 33. Paula Rigby |
| 14. Tabitha Davis | 34. Calvin Rolle |
| 15. Davine Dawkins-Rolle | 35. Marlene Rolle |
| 16. Charmaine Delevaex | 36. Pamela Rutherford |
| 17. Pamela Davenport | 37. Kendrick Stubbs |
| 20. Gia Ferguson | 40. Maureen Williams |

Chapter Member Spotlight

Nekeisha Smith is a Senior Manager in the Advisory Services practice of Ernst & Young (BBC) Bahamas, Bermuda, British Virgin Islands, Cayman Islands region. Nekeisha has served clients in New York, Washington, Atlanta, and the BBC in diverse industries, with a focus on banking, insurance and government. Nekeisha has over 10 years of professional experience including corporate governance, enterprise risk assessments, risk remediation, fraud investigation, internal control framework assessments, internal and external audits. She is a licensed Chartered Accountant by Bahamas Institute of Chartered Accountants, a Certified Public Accountant, Certified Internal Auditor, Certified Information Systems Auditor, wife and mother of three.

What have been some of the benefits of obtaining the CIA?

Preparing for the CIA exam helped me obtain critical knowledge necessary for a successful career in internal auditing. I had prior misconceptions about internal auditing based on my experience as an external auditor/CPA. The CIA examination helped me to gain a better appreciation for the role of internal auditors. The CIA designation is a distinguishing factor for me when selling consulting services to other internal auditors and audit committees.

What do you enjoy most about the internal audit profession?

What I enjoy most is the opportunity to interact with the top levels of an organization —Board of Directors and Senior Executives.

What would you say are the biggest challenges facing internal auditors today?

The biggest challenges facing internal auditors today would be 1) having to audit those in charge of governance and 2) finding talent to support IA functions. 1) Corporate governance issues are rampant in organizations, especially within the Caribbean. There are certainly inherent conflicts and sensitivity issues to be considered to issue reports that reflect negatively on governance structures. 2) There is a competition for talent, especially for experienced talent, given the shortage in the supply of qualified individuals. There has been a tendency to recruit CPAs/ former external auditors into the internal audit profession. I believe the time has come to focus on developing career dedicated internal auditors given the recent growth in internal audit opportunities.
Join the IIA today!

Internal auditing is a profession that allows you to touch every part of your organization. Acting as coaches, internal and external stakeholder advocates, risk managers, control experts, efficiency specialists, and problem-solving partners, internal auditors interact with every aspect of the business from financials and operations to marketing to human resources. Such a demanding position requires a strong partner. The IIA serves as the professional internal auditor’s partner — providing guidance to tackle the complex issues you face on a daily basis and endless opportunities to network with peers and expand professional horizons. With more than 175,000 members in 165 countries and territories around the world, The IIA is the internal audit profession’s global voice, recognized authority, acknowledged leader, chief advocate, and principal educator.

If you are not yet a member of The IIA, we invite you to learn more about the benefits of membership and how to join. Once you join, please look for your local Bahamas Chapter. If you are already a member, please take full advantage of your membership benefits.

Chapter Achievement Program

BRONZE: 685 CAP Points | SILVER: 1,060 CAP Points | GOLD: 1,560 CAP Points | PLATINUM (GOLD status 10 of 11 years)

The Chapter Achievement Program (CAP) is designed by the Institute of Internal Auditors to recognize activities that promote the strategic objectives of The IIA. This program provides minimum standards of performance, emphasizes the basic mission of the Chapter, encourages Chapters to perform that mission, and provides Chapters with a means to evaluate their success in accomplishing that mission.

A chapter must earn the minimum CAP points annually in each of the 3 service categories to participate in the CAP program. The 3 service categories are: 1) Service to Members, 2) Service to the Profession, and 3) Chapter Administration. Once the Chapter has met or exceeded the minimum CAP requirements in the 3 categories, the Chapter will have reached the BRONZE performance level. A chapter can advance to SILVER or GOLD levels by accumulating the points noted below made up of any combination of CAP points from the 3 service levels (while also meeting the minimums above). Below are just some ways we can easily earn CAP points and we would certainly appreciate your help.

- Maintain and update Chapter website
- Increase Chapter membership
- Submit CAP reports
- Host events (educational or social) and submit event approvals
- New IIA certifications received by members
- Promote an online CIA review program and member-only webinars to members

If you would like to help us earn CAP points, please reach out to our CAP Officer.

Call for Volunteers

The IIA Bahamas Chapter wants you!

We are actively looking for volunteers to serve on our designated council member committees. Volunteer opportunities are waiting for you and now is a great time than ever to get involved. If you would like to help us continue on the path of promoting and serving our local Chapter and contribute to the future of Internal Auditing in the Bahamas, please contact the council member of the area you are interested in volunteering. We look forward to greeting you at our next Chapter meeting.

What you do today, will help to develop or enhance your skills to further your growth in the audit profession.
Become a CIA!

FACT: The IIA Bahamas Chapter has 14 members who have attained the CIA designation and 2 who have attained the CRMA designation.

The Certified Internal Auditor (CIA®) designation is the only globally-accepted certification for internal auditors and remains the standard by which individuals demonstrate their competency and professionalism in the internal auditing field. Moreover, earning the CIA designation is more than just proof of what you know and what you’ve achieved — it’s the best way for auditing professionals to communicate to the world that they are prepared to meet today’s challenges.

If you’ve made the decision to enhance your career by earning the CIA designation, The IIA can help you achieve your goals with its CIA Learning System. The IIA’s CIA Learning System is an interactive print and online self-study review program designed by CIA-certified industry experts to help you learn, review, and apply the key CIA content. It will help you build on foundational elements of internal auditing to master key concepts you need to know to pass the CIA exam. This four-part program includes:

- Comprehensive print materials teaching the entire global CIA exam syllabus
- Interactive online study tools:
  - Pre- and post-tests to gauge your starting knowledge and advancements.
  - Section quizzes to test your comprehension and retention.
  - Flashcards and glossary.
- CIA practice exam to build confidence for the computer-based CIA exam.

**Important to Note: CIA Exam changes in 2013**

The Institute of Internal Auditors (IIA) IIA Global Headquarters has announced impending changes to the Certified Internal Auditor® (CIA®) program scheduled for 2013. As a result of findings from a Job Analysis Study (JAS) for the CIA program conducted in 2011, the Professional Certifications Board (PCB) and the Board of Directors of The IIA have approved two key changes to the program. The JAS determined that the body of knowledge related to the profession of internal auditing has changed since the last exam content update in 2004, and therefore needs to be adjusted to reflect those changes.

The first change will impact the exam structure, reducing the program from four to three exam parts. With the reduction in parts, The IIA will be eliminating the recognition credit provision previously applicable to Part 4. The final change consists of a realignment of the exam content outline and question count for each part. Below is a brief overview of the new outline:

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<tr>
<td>Duration: 2.5 hours Question Count: 125</td>
<td>Duration: 2.0 hours Question Count: 100</td>
<td>Duration: 2.0 hours Question Count: 100</td>
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</tbody>
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Topical focus areas include:
- IIA Mandatory Guidance
- Internal Control and Risk
- Tools and Techniques for Conducting the Audit Engagement
- Managing the Internal Audit Function
- Managing Individual Engagements
- Fraud Risks and Controls
- Governance
- Risk Management
- Organizational Structure and Business Processes
- Communication
- Leadership
- IT/Business Continuity
- Financial Management
- Global Business Environment

The new content and three-part exam structure are scheduled to be implemented by mid-2013. The IIA is currently working to finalize the transition process for those who are currently in the CIA program and do not complete the program prior to the implementation of the new structure.
Build Your Career With One Important Piece: IIA Certification

The IIA also offers other leading certification programs for internal auditors that can enhance your credibility and add clout to your resume. With the Certified Internal Auditor® (CIA®), Certified Government Auditing Professional® (CGAP®), Certified Financial Services Auditor® (CFSA®), Certification in Control Self-Assessment® (CCSA®), and Certification in Risk Management Assurance™ (CRMA®) certifications, your clients and employer know that you are motivated, knowledgeable, committed to quality, and a valuable asset to the team. IIA certifications set you apart from others, providing you with greater career opportunities.

Time Running Out to Get Grandfathered as a CRMA

This is your last chance to take advantage of the CRMA Professional Experience Recognition (PER) provision before the CRMA exam is offered in July 2013. The CRMA PER will close on December 31st, 2012. After that date, no new applications will be accepted. APPLY NOW!

Upcoming Webinars: Earn CPE

The IIA’s webinars are free informational programs available in both live and on-demand formats for 24/7 access. Webinars provide viewers with a cost-effective and convenient way to immediately boost business know-how. Downloadable presentation materials are available for each webinar. There are also free members-only webinars. You will earn 1 CPE credit for each live event attended (on-demand webinars do not qualify for NASBA CPEs). The following webinars are coming up:

- 12-Dec-12  Guidance Briefing: GTAG 17: Auditing IT Governance
- 18-Dec-12  Members-only Webinar: Building a Better Internal Auditor: Key Competencies for 2013 and Beyond

Internal Audit Fun: Puzzles & Trivia

TRIVIA: When was the IIA Bahamas Chapter established?

INTERNAL AUDIT WORD SEARCH PUZZLE


Word Search Task

| AGENCY | MERIT |
| ALLEGATION | MISAPPROPRIATING |
| CLAIMANTS | MISUSE |
| COMMISSIONERS | OIG |
| CONFIDENTIAL | OVERSIGHT |
| COOPERATED | OVERSTATING |
| DOCUMENT | PASSWORDS |
| EFFECTIVENESS | PROSECUTION |
| EFFICIENCY | PROTECT |
| FALSIFY | RELATIVES |
| FRAUD | REPUTATION |
| FRIENDS | TELEPHONE |
| HOTLINE | TERMINATION |
| INVESTIGATION | WHISTLEBLOWER |
| KICKBACKS | WRONGFUL ACTS |
Employment Opportunities

ADVISORY SERVICES SENIOR – RISK/INTERNAL AUDIT

Ernst & Young, a global, market leading, professional services firm, with dynamic people in more than 140 countries, is committed to operating with integrity, quality and professionalism in the provision of audit, tax, advisory and transaction advisory services.

We are currently seeking a highly motivated candidate to be considered for the position of Advisory Services Senior (Risk/Internal Audit). The successful candidate will support client engagement teams, work with a wide variety of clients to deliver professional services, and participate in business development activities on priority accounts.

Ernst & Young Advisory Services is a fast-moving, high-growth area with huge potential. It offers variety, challenge, responsibility and the opportunity to realize your leadership potential. Being a member of our Advisory team means you will specialize in a particular competency - Risk, Performance Improvement, or IT Risk & Assurance.

Our Risk team members help clients address compliance, financial, operational and strategic risk. Risk professionals assist clients with testing internal controls and developing internal audit plans and provide audit services on a co-sourcing or outsourcing basis. They assess the current state of an organization's internal control/Sarbanes-Oxley Act framework and help clients drive value and efficiency in their internal controls utilizing the latest technology and leading practices.

As a member of the team, you will be expected to create a positive learning culture, share knowledge and coach future junior team members, as well as display a high level of integrity, self-motivation, and enthusiasm.

The opportunity is now! If you are interested in being part of a dynamic team, serving clients and reaching your full potential - Ernst & Young Advisory Services is for you!

**Required Skills/Experience/Attributes:**

- A bachelor’s degree in accounting, finance, business or a related field and a minimum of two (2) years of related work experience; a minimum of one (1) year of related audit/public accounting experience preferred
- A CPA, CA, CIA, CISA, CFE, CMA, RICS APC, PMP or CCIM certification desired; non-certified hires are required to become certified to be eligible for promotion to Manager
- Risk analysis experience, understanding of process analytics and business intelligence and the impact on the Risk engagement
- Experience with Internal Audit Risk assessment processes and the development of risk remediation strategies
- Strong analytical, interpersonal and communication skills
- Excellent writing, presentation, conceptual, and analytical skills
- Ability to work a flexible schedule, as overtime and travel will be required

To apply for this exciting career opportunity, please visit the careers section of our website: ey.com/Bahamas (job reference: BAH0002E), email your resume and cover letter to: Bahamas.Recruiting@bs.ey.com, or call (242) 502-6069. No agencies, please. Ernst & Young, an equal opportunity employer, values the diversity of our workforce and the knowledge of our people.

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The IIA Bahamas Chapter newsletter is distributed to over 100 local Internal Audit professionals. Advertising with us is a great way to attract local talent to fill your open positions.
CONTRIBUTE TO OUR NEWSLETTER!
Share ideas, articles, events, and job opportunities with fellow readers!

We want to hear from you! We are looking for content for this quarterly newsletter and welcome articles, member spotlight profiles, news items, kudos, recent certifications, passing exams, employment opportunities or other items of interest to our membership. Please send your submissions to bahamasiia@gmail.com.

We’re on the Web! Visit us at:
https://chapters.theiia.org/bahamas/Pages/default.aspx

Your 2012/2013 IIA Bahamas Chapter Council is proud to serve. We hope everyone will enjoy this, our first issue of our Chapter Newsletter. From all of us, we wish you a Merry Christmas and Happy New Year!