Letter From the President

By Arlene Coyle, President Charlotte Chapter IIA

August 2013

Wow!! That is the word that comes to my mind when I think about how energized and excited we are about this Chapter year. Your officers have been working diligently behind the scenes to provide you, our members, with exciting and rewarding programs, which include our all day training events, networking opportunities, and student nights. One of our primary goals this year is to increase our member participation, not only for event attendance (which is obviously a great thing) but also in the number of volunteers helping us to provide these services to you. In July, we sponsored our first annual volunteer workshop in which we have doubled our pool of volunteers for a total of 51. I consider this to be a huge success for our Chapter not only to provide you the most for your membership but also to have number of members who will serve as Officers of this great Chapter for many years to come.

I know I can speak for all of our volunteers when I say that we look forward to serving you and hope to see you at our future events!!

Sincerely,
Arlene

Membership Kickoff Event

Please join us on September 24th for our annual chapter kickoff event. This event will provide significant networking opportunities, an hour of free CPE, and a preview of the program topics for the coming year.

Kenneth Ramaley from the Ramaley Group, LLC will provide a practical overview of Six Sigma for auditors.

Click the link to register [Kickoff Event]

Interested in contributing to our newsletter? Email Michelle Black with your information.
Michelle.f.black@lowes.com
2013 Upcoming Events

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<tr>
<th>Date</th>
<th>Topic</th>
<th>Speaker</th>
<th>CPEs</th>
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<tr>
<td>October 14, 2013</td>
<td>Project Auditing</td>
<td>Joy Gumz</td>
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<td>TIAA-CREF</td>
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<td>November 12, 2013</td>
<td>Psychology of Fraud</td>
<td>Toby Groves</td>
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<td>TBD</td>
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<td>January 16, 2014</td>
<td>Perspectives on the Internal Audit Profession</td>
<td>Carolyn Saint</td>
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Upcoming Webinars

The following webinars are being offered by The IIA. Click on any webinar title to view a description and outline, along with presenter information and key takeaways.

9-11-2013 *Auditing Anti-Bribery and Anti-Corruption Programs*
9-17-2013 *Cyber Security: The Effectiveness of Your Controls*
10-8-2013 *Future of Internal Auditing*
10-9-2013 *Business Continuity Management—Continuity Management*

Special Thanks to Our Dedicated Volunteers

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<th>Dianne Angeli</th>
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<td>Todd Blagrave</td>
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<td>Casey Blankenship</td>
<td>Tiffany James</td>
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<td>Liz Bley</td>
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<td>Kat Calder</td>
<td>Mike Levy</td>
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<td>Renee Campellon</td>
<td>Ben Lewis</td>
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<td>Aaron Cohen</td>
<td>Sarah Lipps</td>
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<td>Eric Davis</td>
<td>Bunita Reynolds McIlwaine</td>
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<td>Lashonda Dover</td>
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<td>Stephanie Duffy</td>
<td>Jennifer Neal</td>
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<td>Katharine Edwards</td>
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<td>Karen Everett</td>
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Registration now open for our October training: *Project Auditing*

Registration now available. Click the link below for additional information or contact Katharine Edwards at Katharine.Edwards@Duke-Energy.com

Thank you to our 2014 Corporate Sponsors!

Interested in sponsoring our local chapter? For additional information contact Lashonda Dover Ldmitchdov@yahoo.com
Welcome To Our New Members

Deborah Alston
Kevin Archer
Don Bailey
Michelle Black
Margaret Bley
Brandon Bracher
Tennille Brathwaite
Kelly Brennan
Michael Buckland
Niya Carr
Yisi Chen
Joseph Copolino
Judy Council
Frank Crutchfield
Carolyn Davis
Dima Dagher
Tony Dinola
Katharine Edwards
Julie Earls
Bryan Espino
Micah Ferranti
Tobi Fess
Mark Fogle
Brian Gibson
Donna Golino
Karen Gosnell
Kristin Guice
Joseph Healy
Adriana Hernandez-Herrera
Todd Johnson
Dustin Jordan
Kathryn Junge
Brentan Kales
Alexandre Kaliberdine
Matthew Kanes
Amanda Kosher
Danielle Kubinsici
Carrie Leonard
Jeffrey Lucas
Ellen McAllister
Trystan McNeill
Nicole Mogalian
Anntivia Moore
Hannelore Murray
Kyle Neelon
Kris Newcamp
Adam Nygaard
Yogini Parmar
Kim Pasley
Meredith Pierce
Stacie Price
Gregory Prisby
Jeremiah Robison
Rachael Rushing
Robert Schaff
Shirley Shavez
Crystal Stasik
Jeremy Staudt
Lynette Stover
Kyle Sutherland
Aisha Swann
James Swanson
Ralph Tower
Kyle Treece
Mary Trotter
Nicholas Tuite
Adam Welch
Jennifer Weurding
Kyle White
Elizabeth Wicker
Mike Wickman
Amy Williams
Rosalyn Wilson
Christopher Williams
Bobby Womack
Jeffrey Zajac
Kimberly Zimmerman

Member Profile—Aaron Cohen, CPA, CMA

Mr. Cohen is a Senior Auditor with Lowe’s specializing in SOX compliance and financial audits. He joined the IIA in 2010 while attending UNCC’s master’s of accountancy program. He is currently a member of the chapter’s Registration Committee and helped to develop the marketing material for the District Conference last year. Mr. Cohen has passed the required sections of the CIA and CFE exams and should be certified next month.

Congratulations To Our Newly Certified Members!

Michael Akosi  CIA  Jennifer Dintsch  CRMA
Tae Berg  CIA  Adriane L. Hankerson  CRMA
Lester J. Giles  CIA  Michael G. Horning  CRMA
Gregory L. Harmon  CIA  Laura Freed Krawczyk  CRMA
Alyssa K. Miller  CIA  Kayla Michelle O'Malley  CRMA
Akira Ebisawa  CFSA  Nicholas V. Orlandi  CRMA
Sutanne K. Allen  CRMA  Shannon Rinkus  CRMA
Maureen B. Brennan  CRMA  Brandon S. Sutherland  CRMA
Clover S. Cobb  CRMA  Christopher V. Waddell  CRMA
Elizabeth Hodges Knightly  CRMA  Todd A. Wright  CRMA

Ways to Get Involved

- Serve as a volunteer leader.
- Lend your expertise by speaking at conferences, writing articles, teaching other professionals at an IIA seminar, or developing courses.
- Leverage your personal and professional skills by serving on a committee.
- Write an exam question for one of The IIA’s certification exams and earn CPE credit at the same time.
- Help local students by donating to the scholarship fund.
Past Performance or Future Potential: Why Is Internal Audit on Regulators' Radar?

Richard Chambers, CIA, CGAP, CCSA, CRMA, shares his personal reflections and insights on the internal audit profession.

With attention comes attention. Internal audit has been looking to elevate its “seat at the table” for as long as I can recall. And, in 2013, internal audit is being given that seat more and more as a result of regulatory intervention. Internal audit is getting attention.

As you have likely noticed, internal audit is increasingly finding itself on the radar of regulators around the world, particularly those overseeing financial services. We saw this in the U.S. Federal Reserve Guidance that came out earlier this year. And, in response to concerns being raised by financial services regulators in The U.K., The Chartered Institute of Internal Auditors published Effective Internal Audit in the Financial Services Sector: Recommendations From the Committee on Internal Audit Guidance for Financial Services. Even the New York Stock Exchange and NASDAQ have been proposing potential changes to their listing requirements where internal audit is concerned. A common thread in the regulators’ efforts seems to be a quest for more independent, more effective internal audit functions with better access to company boards.

The question is: Why? Is it because they think we haven’t done a good job? Or, is it that in their post-mortem analysis of the circumstances leading up to the financial crisis, they concluded that such measures would enhance internal audit’s potential to foster effective risk management and governance?

I think it’s a little of both. Most of us would agree that, as a profession, we didn’t knock it out of the park in helping to identify or having an impact on the way risks were being identified, discussed, and managed in financial services. I don’t think anyone has been shouting from the rooftops, “Where were the internal auditors?” But I do think that regulators realized that, in many cases, internal auditors hadn’t been given the independence and stature they needed to be effective.

Often, we didn’t have necessary access to the board. The resources for financial services internal audit, both in terms of numbers and talent, also were inadequate. A few months ago, the chief audit executive (CAE) of one of the largest global banks chronicled for me how his predecessor had his resources reduced by almost 40 percent between 2005 and 2009.

I think regulators are getting it right. Requirements, such as those put forth by the U.S. Federal Reserve Board and covered in my Jan. 28 blog, underline what we at The IIA have been promulgating and recommending for years:

- The CAE should report administratively to the CEO.
- Internal audit management should perform knowledge-gap assessments at least annually to evaluate whether staff members have the knowledge and skills commensurate with the organization’s strategy and operations.
- Internal auditors generally should receive a minimum of 40 hours of training annually.
- The internal audit function should have a code of ethics that emphasizes the principles of objectivity, competence, confidentiality, and integrity, and that code should be consistent with professional internal audit guidance such as The IIA’s Code of Ethics.
- The audit committee and its chairperson should have ongoing interaction with the CAE, separate from formally scheduled meetings, to remain current on internal audit department, organizational, and industry concerns.
- The audit committee should receive, at least annually, an opinion on the adequacy of risk-management processes, including the effectiveness of management’s self-assessment and the remediation of identified issues.
- Internal audit’s risk-assessment methodology should address the role of continuous monitoring in determining and evaluating risk.
- High-risk areas should be audited at least every 12 to 18 months.
- Internal audit is encouraged to use formal, continuous monitoring practices as part of the function’s risk-assessment processes to support adjustments to the audit plan as they occur.
Meet the 2014 Officers

**President**
Arlene M. Coyle, CIA, CFSA, CRMA

Ms. Coyle is currently employed at TIAA-CREF as a Senior Manager in the internal audit department specializing in assuring the controls over operational and compliance related activities. Previous to her role as an internal auditor, Ms. Coyle spent 16 years in the Federal Reserve System, 10 of which were dedicated to assuring the safety and soundness of community and regional banks in the 3rd and 5th FRB districts. In this timeframe she also recruited to work as an analyst at the Board of Governors in Washington D.C. She received her B.S. in Accounting and MBA in Finance from LaSalle University in Philadelphia, PA.

**Vice President**
Sarah Miller, CIA, CISA

Ms. Miller is an Audit Manager within Wells Fargo Audit Services, focusing on the consumer banking channel. She has over 12 years of experience in the banking industry. She received a BBA in Human Resources from University of Wisconsin, Milwaukee. Ms. Miller has been volunteering with the IIA for several years and was our Chapter Secretary the last two years. In her new role as Vice President she is responsible for our programming. Ms. Miller is also the Chair of the Academic Relations Committee for the chapter.

**Treasurer**
Jackie Carr, CPA

Ms. Carr is currently a Senior Audit Leader with Wells Fargo. She has over 11 years of experience in the banking industry. After graduating from Syracuse University with a dual major in Accounting and Information Technology, Ms. Carr worked with Deloitte & Touche in Boston, MA as an external auditor. This is Ms. Carr’s second term as Treasurer for the Chapter.

**Secretary**
Ely Martens, CPA, CIA

Ms. Martens is currently employed at Horizon Lines, Inc. as a manager in the internal audit department specializing in assuring the controls over operational, financial and compliance related activities. Ms. Martens has been working at Horizon Lines for 8 years. Previous to her role at Horizon Lines, Ms. Martens worked for 2.5 years at the Office of Inspector General for the Department of Education in San Juan, Puerto Rico performing operational audits over the management of Federal funds at the Puerto Rico Department of Education. She received her B.S. in Accounting and Human Resources from the University of Puerto Rico, Rio Piedras Campus. She is a Certified Public Accountant in Puerto Rico and North Carolina.

**2nd Vice President**
Michelle Black, CPA, CIA, CFE

Ms. Black is a Corporate Audit Manager with Lowe’s. She leads cross functional teams in operational, financial and IT audits. Prior to joining the Audit Department at Lowe’s in 2011, Ms. Black was employed by Dixon Hughes Goodman as an external auditor. She received a B.A. in Corporate Communications and M.S. in Accountancy from the College of Charleston. Ms. Black will be heading up the Communications Committee this year.

**Co-Treasurer**
Todd Blagrave, CPA

Mr. Blagrave is a risk services professional within the Advisory practice at EY. His experience includes five years performing internal audits, FCPA compliance work, and risk assessments while with EY. He also has over two years of international internal audit experience at a global manufacturer, Rockwell Automation. He holds a BS from Miami University (OH), a MBA from Marquette University and CPA certification. Todd recently relocated to Charlotte from Milwaukee, Wisconsin where he was Treasurer of the local IIA chapter.

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This is not a complete list, but you get the picture. A well-designed, comprehensive quality-assurance program should ensure that internal audit activities conform with The IIA’s globally recognized *International Standards for the Professional Practice of Internal Auditing* as well as with the individual organization’s internal audit policies and procedures. The program should include both internal and external quality assessments.

Each institution should conduct an internal quality assessment annually, and the CAE should report the results and status of these internal assessments to senior management and the audit committee.

Regardless of why internal audit is on regulators’ radar, I see it as a very positive sign. What do you think?