The CRMA PER is now open to all candidates worldwide.

The CRMA PER will close to North American IIA members on December 31, 2012. After that date, no new applications will be accepted.

Candidates that live in North America or one of the countries serviced directly by IIA Global can access the application through the Certification Candidate Management System (CCMS).

Upcoming Local Events

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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</thead>
<tbody>
<tr>
<td>January 7th, 2013</td>
<td><strong>Ethics and Corporate Governance – A Principled Approach &amp; Proactive Reputation Risk Auditing</strong></td>
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<td>It is imperative organizations develop a Principled Performance Approach to ethics and corporate governance to be successful. This workshop explains Principled Performance &amp; and how it can be used for establishing a strong ethics &amp; compliance program.</td>
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<tr>
<td>Feb 8, 15, 28</td>
<td>CIA Review Course by Garland Granger</td>
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<tr>
<td>March 1, 8</td>
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<tr>
<td>March 11-13, 2013</td>
<td>IIA District Conference</td>
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<tr>
<td>May 6th &amp; 7th, 2013</td>
<td><strong>Audit Skills for the Beginning Auditor &amp; Essential Leadership Skills for Experienced Auditors</strong></td>
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Upcoming IIA National Webinars

<table>
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<tr>
<th>Date</th>
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<tr>
<td>January 9, 2013</td>
<td><strong>Guidance Briefing: Assisting Small Internal Audit Activities in Implementing the Standards</strong></td>
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<tr>
<td>January 15, 2013</td>
<td><strong>Members-only Webinar: Auditing Social Media</strong></td>
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Special Thanks to our 2012 Corporate Sponsors!

To sponsor one of our Chapter activities, or advertise on our website, contact Lashonda Dover

Support Local Education by purchasing company “slots” for upcoming chapter events. Contact Simon Talbot for more information!

Interested in contributing to our Newsletter?
Email Mike Ranken with your information: mikeranken@hotmail.com

The IIA CPE reporting deadline is December 31, 2012.

CPE reporting by IIA members is free.
President’s Message
December 2012
By Dan Smith

Chapter membership,

Christmas time already! I don’t know about you, but this year has flown by for me. On top of that, this has been my busiest December in memory on the work front. It seems there is more continual attention to governance, risks, internal controls, compliance and the assurance our profession provides various stakeholders.

Earlier this year, one of our profession’s stakeholders, the International Auditing and Assurance Standards Board (IAASB), revised ISA 610 – Using the Work of Internal Auditors. This could have an impact on the performance of financial statement audits at your organization and may provide an opportunity to elevate the function. The guidance enables better consideration of work performed by the internal audit function and strengthens the framework for the evaluation of the use of our work in the audit of financial statements. It takes effect for audits with effective dates of December 13, 2013 forward. If the work of internal audit is to be leveraged, the financial statement auditor is required to communicate the extent to which this decision impacts the nature, extent, and timing of their procedures during the planning phase of the audit. I would encourage you to read the revised standard.

Charlotte IIA Programs - We appreciate the continued participation at the training events provided by the chapter. Our December 10 event was a big success – the Fraud and Banking tracks were nearly at capacity with approximately 140 participants, and plenty of new faces. This marks the second year in a row where we have aimed for and delivered a variety of training topics on the same day.

Speaking of variety, mark your calendars for our district conference on March 11-13. This 20 CPE event will be held at the Embassy Suites in Concord. This will be a three track event with targeted training in the areas of information technology, government audit, financial institutions, and technical accounting. Our keynotes will be addressing leadership and communication topics and we will have a couple of breakout sessions for audit executives where level specific content will be provided.

If you need better training options for beginner or in-charge auditor training, consider our May 6-7 training at the Great Wolf Lodge. William Woodington from Woodington Training Solutions, LLC will cover the beginner auditor track (16 CPEs). You may be familiar with him from his webcasts through auditnet.org. Mark R. Kolman will be covering the in-charge auditor track (16 CPEs). Pricing for members will be $300 and pre-purchase program participants will be able to use their slots.

I hope you enjoy the remainder of the holidays and I look forward to seeing you at one of our events next year.

Sincerely,

Dan Smith
Good News: More Jobs, Better Budgets, Higher Salaries Ahead for Internal Audit

Richard Chambers, CIA, CGAP, CCSA, CRMA

If you are looking for a job in the internal audit field, I have good news: Despite everything you may have heard about economic uncertainties and a looming “fiscal cliff,” the internal audit job market is heating up. According to our Audit Executive Center’s Pulse of the Profession survey of 545 chief audit executives and internal audit directors, about a fourth of internal audit groups expect staff levels to increase in 2013, and 71 percent expect staffing to remain steady. These are the strongest results we’ve seen in years, and I believe it’s a reflection of the value that audit committees and management are placing in having a strong, well-resourced internal audit function.

The Audit Executive Center’s 2012 Internal Audit Compensation Study also reflected good news. Significantly more employees are receiving salary increases this year compared to the past several years. According to the survey, the number of U.S. organizations awarding raises to their entire internal audit staff increased from 60 percent in 2011 to 64 percent this year. In both the United States and Canada, a larger percentage of internal auditors are receiving salary increases than non-auditors. In Canada, 83 percent of participating organizations gave raises to all their internal auditors this year — a five-year high for the country.

More internal auditors are receiving job offers and raises; however, the economy is still slow, and it can stretch internal audit budgets thin to award salary increases across the board. When compared to last year, the magnitude of many raises decreased, with fewer internal auditors having received a salary increase greater than 3.9 percent. Possibly this is one of the justifications for higher budgets in the coming year. According to the Pulse of the Professionsurvey, the largest percentage of internal audit departments since 2008 (41 percent) are anticipating an increase in their resources in the coming year. Fifty percent said they expected budgets to remain stable, and only nine percent expect budgets to drop.

For auditors wanting to boost their salaries, knowledge is power. In the United States, Certified Internal Auditors (CIAs) earned an average of $26,500 more per year than those without any professional certifications according to the Compensation Study. Canadian internal auditors also reported significantly higher median incomes than their noncertified counterparts. Our vice president for professional certifications, Cyndi Plamondon, tells me that this finding has been consistent for years. We believe that it’s because employers recognize that professional certifications — especially the CIA — demonstrate an individual’s competence, knowledge, and ability to perform as an exemplary internal auditor.

The participants in the two surveys were all from North America, but based on what I have seen in other surveys and in my recent travels, I am convinced the trend toward more employment and higher starting salaries is global. In the United Kingdom, for example, a 2012 salary survey by Michael Page Finance and Page Personnel Finance states that salaries are increasing in nearly all areas of internal audit and that specialized skills such as joint venture auditing or commodities are attracting premiums. According to the survey report, “The focus on controls and good governance is as important as ever... demand for the top talent is strong.” Like the United Kingdom survey, the Compensation Study indicated that internal auditors with specialized skills have more earning power. Internal auditors specializing in IT; fraud and forensics; or environmental, health, and safety audits are earning higher salaries than those who perform financial, operational, or compliance audits.

A majority of audit coverage in 2013 will be focused on nonfinancial risks such as operations, compliance, and IT – outpacing coverage of financial risks three to one. There is a corresponding trend towards “rebalancing” internal audit staff expertise toward a broad set of skills that does not necessarily center on accounting or finance knowledge; therefore, many employers are seeking specialized skills, specific industry experience, business acumen, and communication skills rather than a traditional accounting background. While the recent news is good for job seekers and for other colleagues currently negotiating pay increases, there can be a downside as well as an upside to the newest employment trends: Employers know that finding and retaining internal audit talent is likely to be increasingly difficult during the coming year. Fortunately, several recent surveys shed light on what prospective employees are seeking. Career development, job rotation, and flexibility can help to attract or retain talented employees, but heavy travel requirements, inflexible schedules, and long working hours can be turn-offs to many prospective internal auditors.

The implication is that, while 2013 is promising to bring about positive opportunities for internal auditors, audit executives need to ensure both that travel schedules are designed to consider work-life balance and that their teams are positioned for ongoing success. Come to think of it, that’s probably good advice for audit executives in any type of job market.
Spring 2013 Comprehensive CIA Exam Review at UNC Charlotte

CIA candidates seeking an in-depth, comprehensive exam prep program are encouraged to register for UNC Charlotte’s CIA Exam Review this spring, offered in cooperation with the Institute of Internal Auditors. IIA members receive a 15% discount on all classes if registering at least two weeks before each class. Included in the course price are The IIA’s CIA Learning System™ textbooks, instructor slides notebook, up to 60 hours of classroom instruction, and an online subscription to LearnCIA.com which includes quizzes, full practice exams, and more!

Benefits to the Course:
• The IIA’s CIA Learning System™ is IPPF-aligned and covers 100% of the CIA exam syllabus
• Earn up to 60 CPE credits
• Convenient Friday and Saturday schedules
• 15% IIA discount for students registering two weeks prior to class
• Earn UNC Charlotte Internal Auditing Certificate upon completing Parts I-IV

What are our students saying:
Initially, I attended the program for the CPE credit that I needed for my CPA. As a result of the program, I decided to sit for the CIA exam which I passed on the first attempt. The materials provided with the program were critical to the passing of the exam itself. The classroom portion of the class was instrumental in learning how to apply some concepts to “real world” examples in practice.  --Spring 2012 student

| Part I: The Internal Audit Activity’s Role in Governance, Risk and Control | Friday and Saturday: March 2 & 3, 8:30am-4:30pm | $463* (for IIA members) includes textbooks, LearnCIA.com account, and parking |
| Part II: Conducting the Internal Audit Engagement | Friday and Saturday: March 22 & 23, 8:30am-4:30pm | $463* (for IIA members) includes textbooks, LearnCIA.com account, and parking |
| Part III: Business Analysis & Information Technology | Friday, Saturday, Saturday: April 19, 20, and 27, 8:30am-4:30pm | $675* (for IIA members) includes textbooks, LearnCIA.com account, parking |
| Part IV: Business Management Skills | Saturday, May 19, 8:30am-4:30pm | $335* (for IIA members) includes textbooks, LearnCIA.com account, parking |

* prices reflect IIA member discount for those registering two weeks prior to each class; course prices without discounts are available at http://ContinuingEd.uncc.edu/cia.

For more information or to view a free online information session, visit http://ContinuingEd.uncc.edu/cia.
Contact Karri Murray at kkmurray@uncc.edu with additional questions.