eTeck’s Internal Audit Awareness month of MAY Initiatives

Who Are Internal Auditors?
Internal auditors are explorers, analysts, problem-solvers, reporters, and trusted advisors. They bring objectivity and a variety of skills and expertise to the organization. They come from diverse areas such as finance, operations and IT. Still, people often confuse internal auditors with accountants or external auditors. The differences are significant:

<table>
<thead>
<tr>
<th>INTERNAL AUDITORS</th>
<th>EXTERNAL AUDITORS</th>
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<tbody>
<tr>
<td>Typically employed by the organization (unless the function is outsourced or co-sourced) though independent of the activities they audit</td>
<td>Hired by the organization to provide a specific service</td>
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<tr>
<td>Broad focus:</td>
<td>More specific focus:</td>
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<tr>
<td>• Risk management</td>
<td>• Accurate financial statements</td>
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<tr>
<td>• Corporate governance</td>
<td></td>
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<tr>
<td>• Organizational objectives</td>
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<tr>
<td>• Operational efficiency and effectiveness</td>
<td></td>
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<tr>
<td>• Compliance with laws and policies</td>
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<tr>
<td>Diverse backgrounds &amp; skill sets:</td>
<td>Primarily accounting background &amp; skills</td>
</tr>
<tr>
<td>• Communication skills</td>
<td></td>
</tr>
<tr>
<td>• Data mining &amp; analytics</td>
<td></td>
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<tr>
<td>• Business &amp; industry-specific knowledge</td>
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<tr>
<td>• Accounting skills</td>
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<tr>
<td>Backward-looking &amp; forward-looking</td>
<td>Backward-looking</td>
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Internal Audit Responsibilities

Depending on the structure, maturity, and resources of the function, internal auditors may perform some or all of the following tasks.

1. **OFFER INSIGHT AND ADVICE** – There are times when internal auditors’ expertise, knowledge of controls, and broad perspective of the organization make them ideal candidates for consulting on a project to ensure that risks are considered and controls are built into a process on the front-end. Internal auditors may offer insight regarding strategic risks and advice, though management must maintain ultimate responsibility for the processes in their area.

Special points of interest

- Proclamation from His Worship, Mayor of Port-of-Spain on the Internal Audit Awareness month of MAY.
- 2nd Chapter Meeting for 2019 on “2018 Changes to the Anti-Money Laundering/Combating the Financing of Terrorism Regulatory Framework”.

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Celebrating International Internal Audit Awareness Month of MAY

Audi-Wire Newsletter
2. **EVALUATE RISKS** – It’s the internal auditor’s job to assess the significance of the organization’s many risks and the effectiveness of risk management efforts, communicate these to management and the board, and develop recommendations to improve risk management.

3. **ASSESS CONTROLS** – Internal auditors evaluate control efficiency and effectiveness and provide management and the board assurance that the controls in place are adequate to respond to the risks that threaten the organization.

4. **IMPROVE OPERATIONS**
   With a solid understanding of the organization’s objectives, internal auditors examine operations to determine whether they are efficient and effective.

5. **PROMOTE ETHICS** – Professional internal auditors agree to abide by a Code of Ethics that upholds the principles of integrity, objectivity, confidentiality, and competency. They raise red flags when they discover improper conduct.

6. **REVIEW PROCESSES AND PROCEDURES**
   – Internal auditors review operations closely and assess whether existing processes are well designed to help the organization achieve its goals.

7. **MONITOR COMPLIANCE** – Internal auditors assess the organization’s compliance with applicable laws, regulations, and contracts to ensure that management is addressing these requirements adequately. They also offer insight into the impact that non-compliance would have on an organization and inform senior management and the board of non-compliance.

8. **ASSURE SAFEGUARDS** – The organization’s tangible property, human resources, and intellectual property are valuable and must be guarded against potential damage. Internal auditors evaluate the procedures used to safeguard assets from theft, fire, illegal activities, or other types of loss.

   They bring deficiencies to light and make recommendations for enhanced protection.

9. **INVESTIGATE FRAUD** – Because fraud can affect any level of the organization, it’s important that the board of directors grants the internal audit function access to all records and authority to conduct audits and investigate possible fraudulent behavior throughout the organization.

10. **COMMUNICATE RESULTS** – After auditing a particular area, internal auditors report their findings and recommend appropriate courses of action.

Submitted by:
Christine Meighoo – Internal Auditor
Evolving TecKnologies and Enterprise Development Company Limited (e TecK)
eTeck’s Internal Audit Awareness month of MAY Initiatives

Internal Audit Awareness Month in eTecK commenced with a companywide email promoting the profession and opening the department to any question that staff may have. A FAQ segment in one week and an article on Internal Audit Responsibilities for another week was posted on the Company’s portal. Additionally, the Internal Audit Team approached Management offering Internal Audit assistance in any area of concern they may have. The attached Poster was also posted through the company.

An annual survey was done at the end of the year to determine areas of improvement for the IA department so a better service can be delivered to the company. In previous years, the Manager Internal Audit conducted training both via email and classroom in the areas of fraud, internal controls and risk management. HR/Payroll, Finance and Procurement fraud training was also done.
Throughout the month of May, Internal Auditors everywhere celebrate International Internal Audit Awareness month.

The Internal Audit Department (IAD) was no exception! To recognise, celebrate and raise awareness to the IA role and function, the IAD paid surprise “Happy Hour” (15 minute visits), to various departments throughout the Company – spreading a spirit of happiness while distributing simple tokens, a light refreshment, and prizes - for those who ventured to respond to their multiple choice quizzes.

Some key takeaways from this year’s event:
- Internal Audits are not Police! We’re your business advisors who support risk management, internal control and governance.
- Most fraud is discovered through the efforts of ethical employees. NP’s Whistleblowing hotline is 624-LENS, and is checked periodically. Reports can be made directly to the line or in writing.
- NP’s Internal Audit reports functionally to the Audit and Risk Management Committee, and administratively to the Chief Executive Officer.
- Internal Auditors should be objective, competent, independent and have integrity.
- The primary reason for having exit conferences after an internal audit engagement, is to agree on timelines and actions with management.
- Internal Audit provides mainly assurance and advisory services.
- Organisations should have Internal Audit departments in order to provide independent and objective assurance on risks and controls.
- State Enterprises establish the Internal Audit department because it is a statutory requirement.
Did You Know These Quick Interesting Internal Audit Facts?

Did you know that:
Contrary to popular belief, Internal Audit is more concerned with supporting Risk Management, Internal Control and Governance?

NP’s Internal Audit Unit reports functionally to the Audit Committee and administratively to the Chief Executive Officer?

Most of the fraud uncovered in a Company is NOT done by Internal Audit, but by Whistleblowers? Feel free to use the Whistleblowers hotline: 624-LENS

(The LENS doesn’t stand for anything; we just wanted an easy way for you to remember the hotline -lol!)

State Enterprises establish the Internal Audit department not because jobs are needed, but rather because it’s a statutory requirement.
Caribbean Airlines Limited Internal Audit Awareness month of MAY Initiatives

PUBLICATION ON THE INTRANET

The Internal Audit Department reached out to Staff through the publication of key information on the Company’s Intranet over one (1) week. The topics covered included:

- Internal Audit’s Role within the organization
- The Code of Ethics
- Fraud
- Misconceptions of Internal Auditors
- A reminder on Whistleblowing and the benefits of such a programme to the organization

The week was culminated in an interactive Word Scramble where three (3) winners were chosen. Each winner was presented with a Certificate of Participation and a TGI Friday’s voucher.
PROCLAMATION from the Mayor of Port-Of-Spain for the Internal Audit Awareness month of MAY

THE CITY OF PORT OF SPAIN
REPUBLIC OF TRINIDAD AND TOBAGO
A PROCLAMATION

BY HIS WORSHIP THE MAYOR, ALDERMAN JOEL MARTINEZ

Be it known to all persons by these present that

WHEREAS Internal Auditors help their organizations meet their objectives by monitoring risks and ensuring controls in place are adequate to mitigate those risks; and

WHEREAS Internal Auditors – along with the board, executive management, and the external auditors – are a corporate governance cornerstone and help their organizations comply with new legislation and regulations for enhanced corporate governance; and

WHEREAS The Institute of Internal Auditors (IIA), an international professional association with global headquarters in Altamonte Springs, Florida, has over 90,000 members in internal auditing, governance, internal control, IT audit, education and security. With representation from more than 100 countries, the Institute is the acknowledged leader in certification, education, research and technological guidance for the profession worldwide; and

WHEREAS The Trinidad and Tobago Chapter, located in Port of Spain, has over 300 IIA members; and

WHEREAS The Institute of Internal Auditors established the Certified Internal Auditor Program in August 1974 to enhance the recognition of internal auditing and provide proper direction to internal auditors seeking to further their professional development and advancement; and

WHEREAS Certified Internal Auditors (CIAs) are members of a recognized professional group who have earned the only professional designation for internal auditors that is recognized worldwide; and

WHEREAS The CHAPTER will be celebrating our annual International Internal Audit Awareness Month of May in the year 2019.

THEREFORE, I Alderman Joel Martinez, Mayor of the City of Port of Spain do hereby proclaim the MONTH OF MAY as International Internal Audit Awareness Month. I invite the citizens of Trinidad and Tobago to join me in recognizing professional internal auditors for their contribution.

IN WITNESS THEREOF, I have hereunto set my hand under the seal of the City of Port-of-Spain this First day of May in the Year of Our Lord Two Thousand and Nineteen.

PROCLAIMED: ALDERMAN JOEL MARTINEZ MAYOR OF PORT OF SPAIN

ATTESTED TO: ANNETTE STAPLETON-SEAFORTH CHIEF EXECUTIVE OFFICER
2nd Chapter Meeting for 2019
Dated Thursday, April 4th, 2019

The IIATT hosted its 2nd Chapter Meeting for 2019 on Thursday 4th April 2019 at the Arthur Lok Jack Graduate School of Business on Workplace Ethical Requirements and Compliance.

The event was opened by the IIATT's Senior Vice President, Mr. Sunil Babooram, and the bio of the facilitator was shared with the attendees by the Vice President - Government Relations, Ms. Rita Purdeen.

The facilitators, Ms. Nadira Rahamatula, Manager, Anti-Money Laundering Unit, Financial Institutions Supervision Department at the Central Bank of Trinidad and Tobago and Ms Shastri Singh, also from the Central Bank of Trinidad and Tobago. The topics presented were as follows:

2018 Changes to the Anti Money Laundering /Combating the Financing of Terrorism Regulatory Framework:
- Revised format of the Guidelines
- Drivers for Revisions
- Key Changes
- Risk Assessments & the Risk Based Approach
- Customer Due Diligence
- Third Party Reliance
- Politically Exposed Persons
- Unusual and Suspicious Transactions or Activities and
- Terrorist Financing Obligations
- Review of the December 2018 amendments to AML Legislation
- General insurance and insurance agent exemptions
- AML/CFT Obligations - Insurance and
- Proliferation Financing.

The facilitators provided the audience with important information on the changes to the AML / CFT Regulatory Framework and the effects of the changes on key stakeholders, including the Insurance industry, the performance of due diligence, the actions to be taken when Terrorist Financing Obligation criteria are met.

Submitted by Khyam Abdullah
Vice President, Professional Development
IIA Training Week 2019:
“People, Purpose, Passion—The Pathway to Success”

The IIA Trinidad and Tobago Chapter held its Training Week 2019 during the period Monday 8th April 2019 to Friday 12th April 2019 at the Arthur Lok Jack GSB.

The theme for the event, “People, Purpose, Passion - The Pathway to Success”, provided an insight into the key role that the IIATT plays in supporting its membership in their continued professional development.

The topics supported this focus as they contained both foundation elements and current topics within the audit universe. The topics and their facilitators included, the Toolkit for the New Internal Auditor presented by Mr Larry Kowlessar, Payroll Fraud and Weak Internal Controls presented by Mr Glenn Parmassar, Writing Effective Internal Audit Reports presented by Ms Karla Lewis and Procurement Fraud and Investigation presented by Ms Camille Cumberbatch-Dhoray.

The facilitators, all of whom have extensive industry experience, were eager to share with the attendees through numerous team events which included think tank projects and presentations which lead to a very interactive week of sharing and continued development.

Submitted by Khyam Abdulah
Vice President, Professional Development
Business Continuity Management 2019
‘In the event of a disaster – how resilient is your business?’

The local Chapters of ISACA and the IIA partnered together to host a two-day workshop on Business Continuity Management (BCM) on June 27-28, 2019. The session was facilitated by globally renowned expert Malcolm Reid (Brison LLC). Local and regional professionals in the fields of IT, internal audit, risk management, supply chain and operations came together to learn best practices for BCM for their various industries including energy, manufacturing, financial and communications.

The workshop identified the goals, framework, standards and responsibilities for BCM in organizations and showcased real life case studies of disasters and business disruptions and their effects on the stakeholders and organizations. Participants shared their experiences and challenges with implementing BCM in their organizations and also learned best practices from each other by sharing both local and regional insights.

Attendees applied their understanding of the subject by interacting in group sessions to complete Business Impact Analyses and Risk Assessments as part of the Business Continuity Planning process for various entities – these were presented for discussions and analyses. Trivia quizzes with special prize tokens also made for an exciting and ardent learning environment.

Here are some highlights from the workshop.

Submitted by Rita Purdeen
Vice President, Government Relations
1. 3rd Chapter Meeting for 2019:  
   “Conflict Management” - Thursday, July 25th, 2019

2. Anniversary Training Week 2019  
   September 9th—13th, 2019 (More details to follow soon)

The Institute of Internal Auditors Trinidad & Tobago Chapter

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Facebook Link: https://www.facebook.com/IIA-TT-The-Institute-of-Internal-Auditors-Trinidad-and-Tobago-Chapter-352310165670044/