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About ...Our Vancouver Island Chapter of the IIA

- We provide chapter members local professional development and networking opportunities and promote the Institute of Internal Auditors (IIA) and the internal audit profession.
- We have been awarded “Gold Chapter”, every single year since our inception in 2007.
- We are the newest chapter among 12 Canadian Chapters.
- We are the second smallest chapter in terms of the size membership.

Chapter’s Official Website  Our Facebook Page

Chapter Sponsors
President’s Message

Happy New Year of 2014 to you!! I wish you a healthy, successful year.

Our chapter is here to support you for local training and networking opportunities. We also support our members in anyway we can e.g. those who are interested in IIA Certifications. Just reach us if we have not reached you.

IIA Certifications: Congratulations to our new CIAs and CRMAs

- Tara Anderson, CIA
- Jane Bryant, CIA
- Fisnik Preniqi, CIA
- Trevor Ryhorchuk, CIA
- Chris Brown, CIA
- Thomas Peerless, CRMA
- Kelly Dorin, CRMA
- Teeravit Chintawongvanich, CRMA
- Nijjy Potikanon, CRMA

Our chapter offers discounted study materials and financial support to IIA Certification Candidates. If you are interested in more details, read Certification Section.

Chapter Leadership Opportunities: We are seeking interested members to join our chapter board for the next term starting this July 2014. No experience is required, just a certain level of commitment. You will earn 10-15 CPE credits. You may also have opportunities to participate IIA activities at the national and international levels. If you would like to learn more, please call or email me.

IIA Canada: IIA Canada recently undertook a review of its strategic plan to ensure the needs and expectations of Canadian members will be the focus. On the operational side, it recently hired a new Chief Operating Office, Lina Kalfayan, to lead IIA Canada operations, under the direction of the IIA Canada Board.

District Representatives:

You may or may not be aware that in Canada, the chapters are divided into two regions: Western and Eastern Chapters. Each region has a district representative to act as the linkage between local chapters, IIA Canada and IIA HQ/ North America.

I have the pleasure to introduce you to the two district representatives: Steve Ward of Vancouver Island Chapter (West) and Angelina Vavasour of Newfoundland-Labrador Chapter (East) – their picture above. They are an integral part of the IIA Canada Board and work incredibly hard to support all Canadian chapters. (...drum roll and applause..)

Upcoming Trainings:

Our incredible Program team has finalized some of the training events in 2014 which you can see from Professional Development Section. It takes an incredible effort and time to discuss, plan and execute each event during the year. We will keep it up. Just send us any feedback, thoughts, or suggestions on suggested courses/ topics of interest. We always listen and act upon.

Last but not least, I’d like to welcome Rao Wandawasi and Michael Stanton, our new chapter members.
The New Era of Risk Management: Collaboration across the Business, Risk, Compliance and Audit

By Michael P Cangemi CPA, CISA

When we look at the risk landscape for today’s businesses, there is no one-size-fits-all approach, but it is also not “rocket science”. Today’s businesses change at a frantic pace and involve numerous information systems, ever evolving organizational structures and complex customer requirements. Therefore these days it is common to find diverse teams of business executives, internal auditors, fraud investigators and risk and compliance specialists – all pursuing tasks focused on assessing and improving risk management.

While there may be formal methodologies for tackling enterprise risk management (ERM), there is no bona fide blueprint on how to execute or take advantage of the unique skill sets and insights brought by each member of the team. Sun Tzu, in The Art of War, said “Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat.” Today, many organizations are effectively managing risks by adopting The Institute of Internal Auditors (IIA) Three Lines of Defense approach, and by using continuous monitoring technology as an enabler to allow multiple stakeholders to work in tandem and with cohesion.

With the Three Lines of Defense approach, risk management is not achieved by working in silos, but rather embedded into day-to-day operations to leverage the diverse skill sets of all stakeholders. Managing operational risks is the 1st line of defense and is the responsibility of business operations. They are responsible for maintaining effective internal controls and executing risk and control procedures on an ongoing basis.

Due to today’s fast changing nature of business, these are the people best suited to take corrective action to remediate control and process deficiencies. A breakdown in this line of defense can be critical, for example possibly resulting in revenue losses for an organization.

The 2nd line is the various risk and control oversight functions established by the organization, usually under the domain of risk and compliance management. This function facilitates active compliance with the implementation of effective risk management administration and defining, detailing and reviewing current and emerging risks. A breakdown in this line of defense can result in regulatory penalties and damaged reputations.

Independent assurance is the 3rd line of defense, offered by internal audit. This function reports directly to the organization’s audit committee, senior management or governance body and provides independent assessments of the nature of risks and controls, while recommending best practices for improvement. Failure to provide timely assessments to the business can result in controls and risk mitigation breakdowns and strategies that become obsolete. Former General Dwight Eisenhower summarized it simply: “The uninspected deteriorates”.

Continuous auditing and monitoring technologies can be used to help execute existing risk management strategies while empowering front line staff to actively enforce controls based on timely audit insights. For example, a prominent U.S. university used continuous monitoring technology from CaseWare to effectively safeguard reputational risk, ensure independent assurance and empower front line management to enforce a comprehensive risk management strategy.
Prior to using CaseWare Analytics, the institution was plagued with large scale public incidents of procurement fraud, such as employees purchasing gifts and paying off personal loans. A state audit uncovered inadequate monitoring of internal controls to identify and prevent inappropriate payments.

Even with an enterprise risk management process in place, a knowledgeable audit team and stellar frontline managers, their existing technologies were not enabling their processes and teams to fulfill their risk management mandate. The internal audit team was performing manual and periodic assessments. The audit insights derived were always outdated. There was no efficient way to know if the business was acting on the control breakdowns noted in the audit assessments because tracking e-mail chains itself became a hurdle.

Despite all these obstacles, the university has, and continues, to win the battle. How? They put together the right mix of defenses: a top-down strategic approach with proven technology and organizational-wide coordination. Through continuous analysis of every procurement transaction, the entire team is able to operate effectively and in alignment. The frontline managers get immediate alerts of control breakdowns, along with resolution guidelines; these guidelines are based on recommendations from risk management and internal audit. All control breakdowns are tracked from inception to remediation within one user portal.

Internal Audit is able to assess the controls much faster and make timely recommendations to risk management and the business. This allows the organization to benefit from audit insights before material loss. Each stakeholder has a dashboard view specific to them, ensuring a clear outline of responsibilities and no duplication of effort.

With the Three Lines of Defense approach, there are multiple opportunities to improve processes and risk management best practices before the company is impacted negatively. The use of analytics and continuous monitoring can help to mature enterprise risk management initiatives by mapping actual business insights to the overall risk and compliance policies of an organization – fuelling risk management with data based on automated analytics. Using continuous monitoring as an enabler can provide the last two lines of defense with timely insights and the first line with the opportunity to go attack control breakdowns – with each line operating in a coordinated manner. The new era of risk management requires a collaborative and coordinated approach across all stakeholders, working towards a common goal.

If you would like to share your story, expertise, and/or experience in any internal audit related topic in this newsletter section, please contact our Newsletter Chair.

Source:
# Professional Development Events

## February – April 2014

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Type/ Speaker</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thu, Feb 20, 2014 12-2pm</td>
<td>Luncheon Speaker - Peter Guo of MNP</td>
<td>Fulfilling on the Promise of Large IT Projects</td>
</tr>
<tr>
<td>Thu, Mar 20, 2014</td>
<td>Luncheon Speaker – Graham Tranter of Uvic</td>
<td>IT Governance Audit for Non-IT Professionals</td>
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<tr>
<td>Thu, Apr 17, 2014</td>
<td>Luncheon Speaker – Terry Small, the Brain Guy</td>
<td>Your Brain at Work – Making the Science of Cognitive Fitness Work for You</td>
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- All events are held at the Union Club of BC, 805 Gordon Street
- For registration to any of the above, or more information on upcoming events Go to [Institute of Internal Auditors Vancouver Island Chapter](#).

### Check These Out!

- **IIA Canada** provides regular, free webinars and e-learning courses. Click the icon above for the scheduled events and details.

- **IIA National Conference** will be in Ottawa this year. Check the program details and registration info via this link.

- **IIA HQ** also provides free monthly webinars. Click here for upcoming sessions.

**Other:** Our chapter has attempted to get an investigative interview course in Victoria. Unfortunately, the demand is too low. An upcoming relevant investigative interview course will be in Vancouver in June 2014. Click here for the info.
The IIA's Certified Internal Auditor® (CIA®) certification is the only globally accepted designation for internal auditors. It is a four-part exam that remains the standard by which individuals demonstrate their comprehensive competence and professionalism in the internal auditing field.

In response to market demand for premier quality global CIA exam preparation, The IIA has developed The IIA's CIA Learning System™.

The IIA’s CIA Learning System is a comprehensive print and online CIA review program that will prepare you to pass the CIA exam. In 2011, The IIA updated topics to align with 2011 IPPF. A French version of the program is also available. For more information on IIA’s CIA Learning System click on the logo below.

**Exclusive Offer to Members**

Your IIA Vancouver Island Chapter is pleased to assist members interested in obtaining the globally recognized CIA designation through providing IIA’s CIA Learning System at significantly lower prices:

- Full Kit: 3-Part Exam, CAD$650* (New!)
- Individual Part, CAD $285* (New!)
- Full Kit: 4-Part Exam, CAD$625*
- Individual parts CAD$275*

Note: * All inclusive. Subject to change without notice. Prices for non-members are also available.

This offer represents significant savings from the regular prices offered directly through the IIA.

For more information and to purchase your IIA’s CIA Learning System, please go to the following link.

**The IIA’s CIA Learning System - Order/Payment Site**
NEW TO IIA CERTIFICATIONS?

IIA Certification: Financial Support

To support our chapter members in their pursuit of IIA Certification(s), the chapter will provide financial support to the successful candidates who meet the following criteria.

1. All exam and application fees were personally funded.
2. All eligibility requirements were met and passed the exam(s).
3. Be a good standing member when the certification is awarded.

Each successful candidate will receive $100. A limit of 5 successful candidates has been set up for each fiscal year.

Gleim CIA Study Material Discount

In addition to the discounts on IIA’s CIA Learning System, we are proud to offer significant discounts on Gleim’s CIA Study Materials for our chapter members.

As a chapter member, you can get a 20% discount on Gleim’s CIA exam prep products. Please visit the Members Only section of the IIA Vancouver Island website.

We would like to hear from you. Any comment or suggestion on how we can support you for earning IIA Certifications?

►Attention all members◄

Important change to the Education Requirement for the CIA: The Global Board of Directors has approved an alternate path to eligibility for the CIA for those candidates who do not possess a Bachelor’s degree from an accredited university. Candidates may now become eligible for the CIA, subject to approval, who possess: Two years post secondary education and five years verified experience in internal audit or its equivalent, OR Seven years verified experience in internal audit or its equivalent. The complete process and forms are coming soon. Please check this page for updates and details.

►Certifications Questions?◄

Ask our Certification Chair, Michael Zwicker
michael.zwicker7@gmail.com

CIA Exam Review Program by Mount Royal University (Online Course)
Click here for more info.
## Chapter Board for 2012-2013

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<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Organization</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>Teeravit Chintawongvanich, CPA, CMA, CIA, CFE, CRMA</td>
<td>BC Investment Management Corporation</td>
<td>(778) 410-7107 <a href="mailto:teeravit.chintawongvanich@bcimc.com">teeravit.chintawongvanich@bcimc.com</a></td>
</tr>
<tr>
<td>Vice President</td>
<td>Nijji Potikanon, MBA, CIA, CFE, CRMA</td>
<td>Office of the Auditor General of BC</td>
<td>(250) 419-6135, <a href="mailto:npotikanon@bcauditor.com">npotikanon@bcauditor.com</a></td>
</tr>
<tr>
<td>Secretary</td>
<td>Lisa Pender, CPA, CGA, CIA, HBCom</td>
<td>Department of National Defence</td>
<td>(250) 363-5631, <a href="mailto:Lisa.Pender@forces.gc.ca">Lisa.Pender@forces.gc.ca</a></td>
</tr>
<tr>
<td>Treasurer</td>
<td>Jackie Bruneau, CPA, CA, CIA</td>
<td>BC Ministry of Finance</td>
<td>(250)-387-1199, <a href="mailto:Jackie.bruneau@gov.bc.ca">Jackie.bruneau@gov.bc.ca</a></td>
</tr>
<tr>
<td>Past President</td>
<td>Stephen Ward, CPA, CA, CIA</td>
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<td>(250) 387-0509, <a href="mailto:Stephen.ward@bcimc.com">Stephen.ward@bcimc.com</a></td>
</tr>
<tr>
<td>Governor</td>
<td>Tom Peerless, CPA, CMA, MBA, CRMA</td>
<td>BC Pension Corporation</td>
<td>(250) 356-7422, <a href="mailto:tom.peerless@pensionsbc.ca">tom.peerless@pensionsbc.ca</a></td>
</tr>
<tr>
<td>Programs</td>
<td>Graham Tranter, CFE, CRMA, CISA, CCSA, PMP, ITIL</td>
<td>University of Victoria</td>
<td>(250) 853-3185, <a href="mailto:gtranter@uvic.ca">gtranter@uvic.ca</a></td>
</tr>
<tr>
<td>Programs</td>
<td>Veronica Zhou, CPA, CGA, ACCA, CIA</td>
<td>BC Investment Management Corporation</td>
<td><a href="mailto:Veronica.Zhou@bcimc.com">Veronica.Zhou@bcimc.com</a></td>
</tr>
<tr>
<td>Membership and Marketing Chair</td>
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</tr>
<tr>
<td>Certifications Chair</td>
<td>Michael Zwicker, CPA, CGA, CIA</td>
<td>Retired Member</td>
<td><a href="mailto:michael.zwicker7@gmail.com">michael.zwicker7@gmail.com</a></td>
</tr>
<tr>
<td>Communications Team</td>
<td>Shaun Price, CPA, CA, CIA, CGAP, CRMA</td>
<td>Department of National Defence</td>
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<tr>
<td>Member at large</td>
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