



# The Institute of Internal Auditors

*Florida West Coast Chapter*

# Audit Scope

The Electronic Newsletter of the West  
Coast Florida Chapter of the IIA

Providing dynamic leadership for the global profession of internal auditing

November 2007

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## Job Openings:

Click on each job opening for more info:

- [Director of Internal Audit – AMI](#)
- [Internal Auditor – City of St. Petersburg](#)
- [Internal Auditor – Snelling](#)
- [Certified Internal Auditor – Stogniew & Associates](#)
- [Internal Auditor – Sarasota County Clerk of Court and County Comptroller](#)
- [Senior Auditor - Baycare](#)
- [Divisional Controller – via Concept Sourcing](#)

## President's Message

*JoAnne Clark*



Let me start by extending my thanks to everyone who took part in our October 16<sup>th</sup> seminar at the Radisson in St. Petersburg. We had 93 folks in attendance and with engaging speakers and an attentive audience (not to mention a Mexican fiesta lunch buffet), I think that our first seminar of the year was an unmitigated success.

During the meeting, I had the opportunity to recognize three of our Chapter Volunteers for their service. If you have not already, please take the time to thank each of these individuals the next time you see them:

- **Nina Seenath** was recognized for her efforts in completing the Membership Recruitment and Retention plan for the fiscal year which was not within her realm of responsibility and for keeping us on track with our corporate IIA reporting requirements.
- **Kristine DelVecchio** was recognized for her efforts as Treasury Officer. She has been instrumental building procedures and policies for her team and successors. She has also spent much of her personal

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## Our Next Seminar: December 11, 2007



Our second seminar of the year is a Business Management seminar sponsored by KPMG. The program will begin at 8:30AM. Registration and breakfast starts at 8:00AM.

The first presenter of the day will be Jeff Shimer of Rick J. Gallegos & Assoc., Inc. who will be speaking on "Effective Employee Management." Following Jeff will be a session on "The Current State of Business Ethics" led by Dr. Robert McMurrian from the University of Tampa. The final session will be led by Ronald Lewis and Drew Hobby from KPMG. They will present the topics of "Audit in an ERP Environment" and "Business Performance Management and Intelligent Financial Close."

Please RSVP no later than **December 7, 2007**. The cost will be \$160 for members and will be held at the **Westshore Hotel located at 1200 N. Westshore Blvd. in Tampa**. To get more information, register and for directions to the hotel, [please click here](#).

## CIA Exam:



The CIA Exam is now Computer-Based and can be taken beginning in February 2008 during designated testing periods. The local location has not been announced at this time. [Click here](#) to visit the IIA's CIA testing website for updated information.

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## The IIA President's Perspective on Today's Internal Audit Profession.



*David A. Richards, CIA, assumed his role as president of The Institute of Internal Auditors (IIA) in May of 2004. Recently, Dave reflected on his career, how the profession has changed over the years, and his views on the future of internal auditing.*

### 1. What prompted your decision to pursue a career in internal auditing?

Like the majority of people who have been in the profession for a while, I did not originally set out to be an internal auditor. I started my career in general accounting, worked in accounts payable, and actually entered internal auditing in response to my company's need. Things are quite different today. Young people are choosing internal auditing as a career from the onset because they know it's a great place to learn everything about an organization. Internal auditors have the opportunity to see the entire scope of an organization and interact with all levels of management.

### 2. Why did you stay in internal auditing?

I stayed in internal auditing because I truly enjoyed the work. I liked the broad range of projects I worked on and the potential I had to make a difference within my organization. My internal audit department had a list of projects for the year and the audit staff members would have a chance to bid on what they wanted to do. I know of many organizations that have

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## Have You Met...?

### Nina Seenath



Nina is a Senior Internal Auditor with Publix Super Markets, having recently moved from Raymond James, where she was an internal auditor for two years.

Nina joined the IIA Florida West Coast Chapter in 2005 and currently serves as the CAP Committee Chairperson. Her work for our chapter is critical to our Platinum Chapter status, as her responsibilities include the reporting of Chapter achievements to IIA Headquarters.

Nina graduated from the University of South Florida in 2005 with a Master of Business Administration degree. She is a Certified Internal Auditor.

## \$\$\$ Seminar Packages \$\$\$

Yes, the year's first seminar is a thing of the past, but the opportunity for huge savings is still available! The Chapter is now offering a package



that includes **three flexible seminar seats for the member price of \$333**. That is a 31% discount off of the individual seminar price of \$160 each and at \$13.88 per CPE-hour, it's still the best

deal in town!

In addition to the quality CPE, the package includes breakfast, lunch and two refreshment breaks at each seminar. Also, don't forget about the chance to win great door prizes!

[Click here to sign up for this great deal!](#)

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## Smile!

We had great attendance for our October 16<sup>th</sup> Seminar. Many thanks to the guest speakers (see left) and attendees (see right) for helping make this a great event!



Gary Jordan –  
PBS&J



Clark Bolton –  
Wellcare



Michael Kotch  
Wellcare



Robert Morrison, Paul Dumm and Jeff Roth  
RSM McGladrey



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### President's Message (Continued from page 1)

time preparing our books for the annual audit, preparing our tax return and updating our bank records.

- **Bob McCall** was recognized in the spirit of "lifetime achievement" awards for his longstanding service to our Chapter. Bob serves as our Vice President of Communications and always makes himself available to fill practically any role on an as-needed basis.

We will be having our first monthly meeting on November 27<sup>th</sup> at the Centre Club. Sponsored and presented by PriceWaterhouseCoopers, the presentation will present the findings of a major survey and interview project PWC conducted to develop a composite picture of internal audit by 2012. This meeting will qualify for two CPE credits. [Click here to sign up!](#)

Our next seminar is on December 11<sup>th</sup> and will be sponsored by KPMG. See page 1 of the newsletter for all the details.

As always, if you have questions or comments, please feel free to reach out to me or other members of our Leadership. I look forward to seeing you at our next event.

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## Here Comes CBT!

We noted in our last newsletter that Computer Based Testing will be offered beginning in February 2008. Following are some answers to Frequently Asked Questions.

- CBT does not mean that the test will be available via the Internet. The test will be administered at Pearson VUE testing centers.
- The specialty exams (CCSA, CGAP and CFSA) will also be transitioned to CBT.
- Once CBT is in effect, there is no "opt-out" to take the test via paper and pencil.
- Each part of the test may be taken only once per testing period. Test parts that are not passed must wait until the next period for retaking.
- The exam syllabus will not change and questions will still be multiple choice.
- The only computer skills needed are familiarity with a mouse and keyboard as well as a four-function online calculator.
- Tests will be available in February/March, May/June, August/September and November/December.

A link to the IIA's website for further details on CIA testing can be found at the top of page two in this newsletter.

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*The IIA President's Perspective on Today's Internal Audit Profession (Continued from page 2)*

several people in the audit department, each of whom focuses on a particular business unit. As a result, each internal auditor learns one area very well and can partner closely with that internal customer. Internal auditing also provided me the opportunity to get to know upper management and for the CEO to get to know me and my work. I would not have had this exposure in the general accounting area.

**3. How have you seen the profession change since you started?**

I've been in this profession for more than 25 years and I've seen it grow, change, and mature. For years, internal auditing was viewed as either a simple administrative process of checklists and counting assets or as the feared police of the company. Over the past few years, we have all been shocked by the headlines announcing corporate governance or accounting problems at a variety of companies. These companies lost sight of the basics of effective corporate governance--internal controls and strong ethics. While most companies have effective governance processes in place, these events have reminded all of us of the importance of doing the basics well and of the valuable role of the internal auditor. Since the passage of the U.S. Sarbanes-Oxley Act of 2002, the internal audit profession has been one of continual change and progress. Today, the demand for internal auditing is at an all-time high, driven by the regulatory and legislative reform measures. As a result, modern-day internal auditors often play a key role in compliance and risk management, providing significant support to senior management and the audit committee. The current challenge for internal auditors is to make sure that they balance the work requirements to meet SOX compliance with a focus on the effectiveness of internal controls related to the overall risks to the organization.

**4. What was it that first got you involved in The IIA?**

When I was working in the electric utility industry I would get together with many of my colleagues to network and share best practices. They were already involved with The IIA, and I recognized the value it contributed to their practice. In 1981, I joined the Northeast Ohio Chapter of The IIA and, as I met and interacted with other local internal auditors, I found out very quickly how important this association was to me on both personal and professional levels. The opportunity to share real-world experiences and learn from each other is a driving force behind the success of IIA membership.

**5. What characteristics do you think a good internal auditor should possess?**

The majority of internal auditors with whom I speak feel that one of the fundamental characteristics required is the ability to adjust to the needs of clients and the organization. I also think that an internal auditor should be analytical, insightful, an excellent communicator, a good judge of people, and skilled in ascertaining whether someone is telling the truth or not. But the skill that I feel is critical is the ability to bring groups of people together to analyze a problem, evaluate alternatives and make recommendations for improvement. This places the internal auditor in an advisory role of process improvement which makes organizations more effective and efficient.

**6. What advice would you give to new internal auditors?**

I don't think that there has ever been a time so challenging, yet so rich with possibilities for internal auditors! Members of this profession have a unique opportunity to become major contributors to their organizations. The first thing I would tell a new internal auditor is that the more experience you have the better you will be, so never turn down an assignment, even if it seems routine. Secondly, build a strong professional network. Make sure you get to know people you can trust and who know what's going on within your organization. And joining a professional association can help you find colleagues you can call on for advice and strategies.

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**7. How do The IIA's *International Standards for the Professional Practices of Internal Auditing (Standards)* fit into the internal audit activity?**

In my view, there are three key areas of strength that provide a basis for our profession. They are The IIA's global presence, our Standards, and our global certification. The Standards are one of the most important areas because they are recognized worldwide and provide a framework for all the new audit specialties. The Standards have changed the way internal auditing is understood and performed in organizations around the world. One of our top priorities is to persuade internal auditors who are not currently IIA members to accept and promote the Standards within their organizations.

The Standards are the common language of internal auditing and the link that binds IIA members together, even though our practitioners speak many different languages. While participating in IIA meetings with representatives from as many as 90 countries, I've witnessed, firsthand, the unifying power and shared understanding of the Standards.

**8. What advice would you give to an organization that is just establishing an internal audit department?**

When putting together its first internal audit department, an organization should proceed logically, by hiring a competent, experienced chief audit executive (CAE). Both executive management and the board of directors should be involved in the search for the right person to serve as CAE. The CAE should also be a Certified Internal Auditor® (CIA®), the only globally accepted designation for internal auditors. CIA® is the standard by which internal auditing professionals demonstrate their knowledge and competence to facilitate and manage today's complex internal audit responsibilities. Once hired, the CAE should be responsible for developing a plan for the audit activity, determining the scope of work, and securing the personnel and budget to complete it. Experience in the organization's industry and in the areas of internal audit focus are a plus.

**9. Do you expect to see continued growth in the internal audit profession?**

The internal audit profession today reflects the current business environment, but change is certain. While I have seen a dramatic increase in IIA membership numbers over the past several years, I believe that the long-term success of our profession depends upon the advocacy efforts of the practitioners, themselves. There is no better way for internal auditors to advocate for our profession than by performing competently and professionally. Next, internal auditors need to communicate their value to senior management and the audit committee, and to make sure that those in the boardroom understand how vital the function is to the organization's success.

**10. What do you see in the future for internal auditing?**

The current job market is outstanding and the future looks promising for the profession. In response to changing business demands, audit departments of the future are likely to be different in several key ways. For instance, I think audits will be faster and will place more emphasis on real-time risk and controls consulting. Staffing will change, accordingly, with more IT proficient auditors. Instead of focusing on a list of audits from an audit schedule, the focus will primarily be on providing peace of mind and assurance to clients that business risk is being managed effectively. As we address the many opportunities ahead for our profession, we also must continue to reinforce internal auditing's key role as an unbiased consulting and assurance activity.