



# Office of Internal Audit

## Quarterly Newsletter

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### Message from Chairman

#### Holding the High Ground: The Internal Audit Function

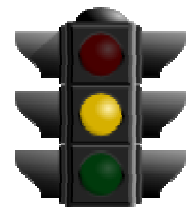
The global economic crisis is continuing to impact North Carolina and its state agencies and likewise the State's Internal Auditors. As a result of the budgetary difficulties, state agencies and institutions budgets were reduced with every agency experiencing a reduction in budget. Recently, we read about 18 states that are on the brink of fiscal disaster, and the economy for 2010 will continue to lag producing flat or declining revenues.

During these difficult times, it is reasonable to expect an increase of operational and financial, risks, as well as the overall effectiveness of management to be tested. As an internal auditor, you will face a number challenges in near future and the coming years including the need to be adaptive and maximize your skill sets to meet these challenges. To the extent possible, we must all work with our agencies to leverage technology in search of efficiencies to compensate for the reduced resources being made available. Together, we must focus on risks to prevent and detect fraud, and above all else demonstrate value and the benefit the Internal Audit function provides to State government.

### Items of Interest

**IIA Standard 1321** – Use of “Conforms with the International Standards for the Professional Practice of Internal Auditing” states:

“The chief audit executive may state that the internal audit activity conforms with the *International Standards for the Professional Practice of Internal Auditing* only if the results of the quality assurance and improvement program support this statement.”



Using the statement “*Conforms with the International Standards for the Professional Practice of Internal Auditing*” should only be used within the Audit Charter or audit reports once the internal audit program has received an external quality assurance review that supports the statement. It is allowable to use language such as “Intent to adhere to the *International Standards for the Professional Practice of Internal Auditing*” in the Audit Charter until a satisfactory external quality assurance review is completed.

**OIA New Employee** – The Office of Internal Audit is pleased to announce the hiring of Michelle Weathersby. She will be working at the State Energy Office which is now part of the Department of Commerce. Michelle will assist the staff at the Energy Office with monitoring, compliance, and technical assistance related to American Recovery and Reinvestment Act funds.

## Did You Know?



“Did You Know” is a new feature in the newsletter. The purpose is to spotlight an internal auditor, group of auditors, or an entire audit shop. This feature provides a venue to profile internal auditors around the State and/or recognize civic, personal, or professional accomplishments. Our inaugural *Did You know...?* Is **Tiesha Pope**.

**Tiesha Pope** is the Internal Audit Manager for the NC General Assembly and a member of the Institute of Internal Auditors. She graduated Summa Cum Laude with a B.S. in accounting from Elizabeth City State University and received her MBA from Meredith College. Tiesha is a Certified Public Accountant and has recently earned the Certified Internal Auditor (CIA) designation. Congratulations Tiesha!

## Featured Activity

The Office of Internal Audit is working in conjunction with the US Department of Agriculture’s Office of Inspector General to provide a training session titled “FRAUD BRIEFING 2009” Investigation, Detection, and Prevention Stimulus Program Initiatives. The presentation will be December 1, 2009 and is one and a half hours long; however, there will be no CPE for this session. If you or your agency staff is interested in attending this presentation please contact Betty Haley at 919.807.4719 or [Betty.Haley@osbm.nc.gov](mailto:Betty.Haley@osbm.nc.gov). If demand is greater than availability, OIA will attempt to provide additional sessions.

## Reminders



**Council of Internal Auditing Schedule** – All Council Meetings start at 9:00am, in the Commission Room located on the 5th floor of the Administrative Building. The remaining meetings for FY2009-2010 are January 13, 2010 and April 14, 2010.

**Staffing Changes** – The OIA maintains a contact list of all internal auditors throughout the State which is used to communicate opportunities and updates within our office or around the State. Your assistance is needed to ensure the list stays current. When you have auditors that separate from your employment or new hires, please inform our office at [internalauditinfo@osbm.nc.gov](mailto:internalauditinfo@osbm.nc.gov). Put *Staffing Change* in the subject line and include the name, title and contact information of new hires or the name of separated employees in your correspondence.

**Did You Know?** – To make this a successful feature in the newsletter, we need your assistance. Please submit the name(s) of your internal auditor, or submit your own name along with professional, educational, or personal information which will allow the government internal audit community to know each other better or acknowledge accomplishments or achievements within our group. You can also attach a picture to be included in the feature. Please send your submissions to [internalauditinfo@osbm.nc.gov](mailto:internalauditinfo@osbm.nc.gov) and include *Did You Know* in the subject line.

## Office of Internal Audit Contacts

If you need assistance with technical questions or auditing contact Barbara Baldwin at 919.807.4721 or [Barbara.Baldwin@osbm.nc.gov](mailto:Barbara.Baldwin@osbm.nc.gov). For administrative questions, quality assurance review requests, or improvement ideas contact Betty Haley for at 919.807.4719 or [Betty.Haley@osbm.nc.gov](mailto:Betty.Haley@osbm.nc.gov). You can also visit our [website](#).