



AuditOne Advisory

From Bud Genovese, CEO

AuditOne Progress Report

A few years ago, I began getting the subtle (and erroneous) message from some potential clients that their selection of a risk management firm to perform outsourced internal audits and credit reviews was becoming merely a commodity choice issue based solely on price.

Having spent decades in the industry, I knew nothing could be further from the truth. Yet there we were, faced with a growing industry perception that all risk management firms were created equal so let the cheapest one win the contract. I felt it was time to implement some innovations designed to separate AuditOne from the rest of the pack.

AuditOne implemented several steps to become a more strategic risk management/internal audit partner to our clients:

- We recast our enterprise risk assessments to focus budgets and resources on the key risk areas facing the banks.
- We invested in staff and tools to provide comprehensive internal auditing services.
- We spread lower priority audits out over several years in order to reduce costs to banks.
- We retooled our audit programs to stay up-to-date with regulatory changes and the realities of examination focus.
- We hired CISSP and CISA-qualified technology experts to dig deep into network evaluation and risk reduction.
- We instituted our monthly AuditOne Advisories to keep clients abreast of industry changes, innovations, and news.
- We upgraded our communications outreach by providing relevant articles in industry trade journals and speaking opportunities at trade shows.

Frankly, the results have exceeded our expectations. We've attracted better qualified, more committed auditors to work for us, and we've grown our business substantially through industry impact and word of mouth recommendations.

In fact, our strategic partnership approach to internal auditing has been so successful that AuditOne is now pleased to announce some exciting management changes designed to keep up with the increased business and to continue future client-focused innovation.

I'm happy to announce the following enhancements to our management line-up:

- Kevin K. Watson, President
- Jeremy Taylor, Director of Client Services
- Marv Chen, Director of Product Development
- Len Filppu, Director of Marketing Communications
- Angela Canda, Office Manager
- George Healy, Manager of Report Quality

I am continuing my daily role with AuditOne, now as Chief Executive Officer, and will oversee the progress and development of our operations. Together, this management team has over 100 years experience in the auditing and financial services industries, and holds numerous professional and industry certifications. The contributions from this team will increase our ability to be responsive to changes in the regulatory and economic environments. More importantly, they are highly focused on doing the right thing for our clients, and will be able to respond even more quickly to client needs.

Thank you for your continued interest in AuditOne. We work hard daily to improve our service to you, meet the growing demands of the constantly shifting bank audit industry, and to become your strategic risk management/internal audit partner. Please let me know if you have any questions or comments about our management changes or your bank's risk management/internal audit program.

Bud Genovese is founder and CEO of AuditOne LLC, a California-based internal audit firm that focuses only on banks and their service providers. Mr. Genovese pioneered the concept of providing comprehensive, affordable, independent risk management/ internal audit services by gathering wide-ranging, world-class expertise within one firm. AuditOne now serves over 130 clients throughout the Western United States, and nationally. Contact Bud Genovese at 408-980-8099 or bud.genovese@audit-one.com