

AuditOne Advisory

From Bud Genovese, CEO

Quality Matters in Internal Auditing

We know you have a choice when it comes to selecting an independent outsourced provider of internal audit services. We at AuditOne keep overhead costs low, cut waste, and improve productivity to keep our rates in line with the industry's most competitive bidders. And importantly, we also work hard to distinguish ourselves by delivering extra elements of quality that provide enhanced value to our clients. Quality really does matter. Let's look at just a few examples.

Banks assume greater risk and face increased chances of loss and regulatory action when they hire internal audit firms that may skimp on audit scope and time in order to propose low-ball bids to win the business. Additionally, bank CPA firms have increased their criticism of internal audit functions as being inadequate and not thorough. AuditOne's proposals reflect appropriate industry standards of scope and time to pass regulatory scrutiny and mitigate loss risks. And our proposals are dollar-for-dollar competitive within the industry, providing top value.

Some internal audit firms are known to keep costs low by hiring non-banking staff and trainees with no hands-on bank expertise. AuditOne's staff is comprised of highly certified bank-industry experts, with years of hands-on experience working inside banks, who get the job done right and fast... saving you money and regulatory headache. Further, our staff delivers on-point, consultative audits that provide clients with a rich reservoir of best practices expertise from which to learn, improve and profit. Deep expertise is cost-effective.

Regulatory scrutiny often zeroes in on certain audit areas for a period of time then shifts focus to others. It's important that your internal auditor not only provide adequate coverage in all scoped areas, but also stays on top of the shifting sands of regulatory scrutiny. AuditOne was recently honored to be selected by Western Independent Bankers to partner in a survey of regulatory hot spots that banks should pay attention to in order to meet regulatory standards. Again, saving a few dollars on internal audit time and scope may actually result in increased risk and regulatory criticism and enforcement. AuditOne delivers the industry-recognized, forward-thinking real-world banking expertise that can keep you out of trouble.

When regulators place banks on MOUs and C&Ds, they almost always demand the banks find new internal audit providers. AuditOne enjoys a solid reputation in the industry, and has been consistently recommended by regulators knowledgeable about our thorough scoping and testing process.

On a practical, work process side, AuditOne employs understanding and flexibility when scheduling audits. Our auditors are punctual, consultative and unobtrusive. We've long employed a multi-layered quality control process for report writing and work paper review, and we recently innovated our work paper storage process, allowing banks to store documents themselves onsite, with an option to utilize our new protected online database storage facility. In either case, bank executives and regulators are provided faster and easier access to paperwork.

I hope these points help convince you that quality really does matter when considering an internal audit provider, and I urge you to keep these important risk and regulatory points in mind when discussing internal audit matters with your audit committee. Please give me a call when planning your internal audit strategy and program, and remember, when you think of QUALITY internal auditing, think of the value of AuditOne. Thank you.

Bud Genovese is founder and CEO of AuditOne LLC, a San Jose, California-based internal audit firm that focuses only on banks and their service providers. Mr. Genovese pioneered the concept of providing comprehensive, affordable, independent internal audit services by gathering wide-ranging, world-class expertise within one firm. AuditOne serves over 90 clients throughout California, the Western United States, and nationally.

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