


<h2>Compliance, Internal Audit, and Legal: An Independent, Integrated Approach</h2>		
<p>Tuesday, Feb 24, 2009</p> <p>Becky Learner</p> <p>SVP/Compliance Officer</p> 		

		<h2>Integration as Evolution</h2>
<ul style="list-style-type: none"> <li>• Considerations <ul style="list-style-type: none"> <li>– Size <ul style="list-style-type: none"> <li>• Revenue</li> <li>• Employees</li> <li>• Service Areas</li> </ul> </li> <li>– Corporate Structure</li> <li>– History <ul style="list-style-type: none"> <li>• Organizational</li> <li>• Departmental</li> </ul> </li> </ul> </li> </ul>		

		<h3>3 Unique Perspectives</h3>
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Compliance = Performance to Rules  
Internal Audit = Performance to Controls  
General Counsel = Performance to Laws

		<h3>Key Success Factors</h3>
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- Understanding between Departments:
  - Who does What?
  - What does “What” mean?
  - On what schedule?
  - Who leads on multi-faceted issues?
- Agreement with Board and/or Committees
  - Audit Committee Support
- Communication within Company
  - Department Heads Understanding

		Examples
		<ul style="list-style-type: none"> <li>• Risk Assessment               <ul style="list-style-type: none"> <li>– Led by Internal Audit</li> <li>– Input from Compliance, Legal, et. al.</li> <li>– Becomes Compliance Monitoring Framework</li> </ul> </li> <li>• Claims Processing               <ul style="list-style-type: none"> <li>– Compliance Review</li> <li>– Internal Audit</li> </ul> </li> <li>• New Legislation (passed) and New Regs               <ul style="list-style-type: none"> <li>– Compliance Review</li> <li>– Legal Verifies</li> </ul> </li> </ul>

		Communications
		<ul style="list-style-type: none"> <li>• Compliance Committee</li> <li>• Board Audit Committee</li> <li>• Executive Team</li> <li>• Directors' Team</li> </ul> <p style="margin-left: 40px;">– Consider Who Needs to Know What</p>

		An Example
		<ul style="list-style-type: none"><li>• Internal Audit Reports<ul style="list-style-type: none"><li>– Department Heads</li><li>– VPs and Above</li><li>– Audit Committee</li><li>– Reviewed Quarterly during Business Planning Updates</li></ul></li><li>• Regulatory Agency Site Visit Reports<ul style="list-style-type: none"><li>– Department Heads</li><li>– VPs and Above</li><li>– Audit Committee</li><li>– All Employees (if appropriate)</li></ul></li></ul>

		Q&A/Discussion

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