

# Effective Regulatory Exam and External Audit Interviews

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## 1.0 Purpose

Going through an audit or regulatory exam interview can be a stressful experience. An auditor is given wide latitude with few restrictions on the types of questions that may be asked or the manner in which the questions may be asked. To help reduce stress and improve interview effectiveness, the following are some helpful guidelines to follow when undergoing an interview.

## 2.0 Expectations

### 2.1 Transparent Compliance

CU\*Answers will always have the goal of **transparent compliance** with any laws or regulations. CU\*Answers has designed our policies to be in compliance with all applicable laws and regulations. ***If you are following our policies and your department is found by the external examiner not to be in compliance, then the problem is with the policies and not with you or your department.*** If problems are found, the Internal Audit department will work with you and your team to help remedy whatever issues came up, if executive management agrees with the auditor that there is a problem.

### 2.2 Truthful Answers

CU\*Answers expects all employees to give truthful answers to any questions. Truthful responses allow us to discover and remedy any compliance or security issues before we suffer serious liability. Audits and exams are our way of repairing problems before we suffer a major loss to the business. Our reputation and business depends on our ability to honestly evaluate our compliance and security protocols and revise them if necessary.

### 2.3 Internal Audit Responsibilities

When undergoing an interview, there will be a member of the Internal Audit team there to take notes and help schedule follow-up meetings if needed. The Internal Auditor will not participate in the interview except to help clarify auditor requests or assist in providing evidence. The purpose of the Internal Auditor's presence is to ensure any findings made during the interview are based on true and accurate information.

## 3.0 Guidelines

When undergoing an audit or exam interview, follow these guidelines:

### 3.1 Courtesy

Be polite, sincere and courteous at all times. A vigorous examination may occasionally seem like a personal attack, but it is CU\*Answers adherence to good practices that the auditor is interested in, not the person. **Do not go on the defensive**, and answer as truthfully as possible the facts as you know them.

### 3.2 Understand the Question

Be sure you understand the question. Listen carefully to every question and be sure you

understand it before answering. **Answer only that question.** Do not ramble on or volunteer information. If you do not understand a question, say so. Never answer any question you don't understand. Feel free to request clarification from the examiner at any time.

### 3.3 Positive Answers

Give positive, clear and direct answers to every question whenever possible.

### 3.4 Expertise

Always refuse to answer a question outside the scope of your expertise. The Internal Audit department will schedule interviews with other departments to accommodate the needs of the examiner.

### 3.5 Evasive

Do not be argumentative or evasive.

### 3.6 No Coaching

Do not look to the Internal Auditor for help on questions. If you do not know an answer, the Internal Auditor will assist the examiner in finding a response.

### 3.7 Auditor Misunderstanding

If it is clear the auditor misunderstood your answer, politely clarify your response before moving on.

### 3.8 Report to the Internal Auditor

The auditor is required to report to the Internal Auditor any problems or exceptions noted in the interview. ***This does not mean there is a problem with you or your department.*** Do not challenge the auditor during the interview.

## 4.0 Follow-up

The responsibility for adhering to or challenging the findings of the any outside auditor or examiner lies with Executive Management. Our goal is to ensure that any findings are based on accurate facts. The Internal Audit department may schedule a follow-up meeting with you to be sure we understand the facts and respond to the findings appropriately.

## 5.0 Revision History

Adopted March 25, 2010.