DERBY CITY DISCLOSURES

LOUISVILLE IIA CHAPTER December, 2003

PRESIDENT'S MESSAGE

November was a busy month for the Louisville Chapter. First, Phil Bezehertny from the US Attorney's Office delivered an informative fraud presentation on the Justice Department's primary tool against corporate fraud. Phil referenced several legal cases under the "False Claims Act" in which corporations were exposed to multimillion dollar fines and penalties. In some instances, Internal Audit identified the potential risk but could not persuade management to take action or did not expand the scope of their testing.

Secondly, Heather DiEnno (Chapter Vice-President) and myself have been working hard to finalize this years seminars. The following topics and speakers have been selected. A special newsletter will be forwarded to all members with the details.

- Controlled Self Assessment – ½ day seminar (January 2004), Present by Teresa Snedigar (Audit Manager, The Titus Group and Regional IIA Representative)
- Risk Based Auditing – ½ day seminar (April 2004), presented by Jennifer Burke (Crowe Chizek)
- Analytics – ½ day seminar (TBD), presented by Barbara Clark (Assistant Vice President, The Institute of Internal Auditors)

Thirdly, I would like to thank the following members who volunteered their time to help proctor the CIA examination November 19th and 20th: Bob Aemmer, LG&E; Jim Andriot, Self Employed Contractor; Connie Davis, MSD; and Paul Tirey, LG&E.

December's luncheon will be a joint meeting between the IIA and ISACA. Come join us to hear John Gutermuth from Netgain Technologies present "Wireless Network Security". Wireless networks have made recent headlines in local and national publications not only because of their growing popularity but also their security risk.

On behalf of the Louisville Chapter Officers, Governors, Committee Chair and numerous volunteers, I would like to wish everyone a safe and blessed holiday.

John Kilroy
President

NEXT MEETING:

Tuesday, December 9, 2003 at **Vincenzo's Restaurant**

Wireless Network Security

DECEMBER MONTHLY MEETING

Wireless Network Security

John Gutermuth
Netgain Technologies

Tuesday, December 9, 2003
12:00 noon, 11:30 registration

1 CPE hour
(certificates available upon request)

Vincenzo's Restaurant
105 S. 5th Street, Louisville, KY
(parking will NOT be validated)

Menu selections:
Land and Sea
Spinach & Shrimp Salad
Fish Sandwich

Cost: $20.00
Use PayPal at www.iialou.org or remit at meeting

RSVP by Friday, December 5, 2003
Carrie Ramsey
Office: 627-4738
Fax: 627-2550
Carrie.ramsey@lgeenergy.com

About John . . .

John Gutermuth has been in the IT industry for ten years, and has worked as a consultant for NetGain Technologies for the past six years. He specializes in network infrastructure design, and holds numerous industry certifications, including: CCNP, CCDP, MCT, MCSE, CNE, CCA, ASE, and Cisco Wireless LAN specializations.

John has done consulting work for many local companies, such as Fruit of the Loom, Brown and Williamson, Caesars Indiana, Commonwealth Industries, and UPS. Last year, he designed and implemented security solutions for over 50 companies in the regional area.

In addition to consulting, John has taught classes as a Microsoft instructor at Sullivan University. John also teaches Cisco security courses for A Technological Advantage.

About Wireless Network Security . . .

John will introduce attendees to the topic of Wireless Network Security and Wireless LAN Technologies. After discussing the challenges and some how-to's of security wireless networks, John will answer any questions.

PayPal is an quick and simple way to pay for monthly IIA meetings. From the chapter web site (www.iialou.org), go to the meeting and seminar schedule page. Click the "pay now" button for the meeting you wish to pay for. If you already have a "PayPal" account, simply verify the amount, enter your log-in and password. *If you don't already have a "PayPal" account,* you will need to fill in the information for new members (similar to other e-commerce web sites such as Amazon). Once you have completed the transaction, you will be sent an e-mail receipt by PayPal and be returned to the Louisville IIA web site. The local chapter also receives an e-mail that tells us you have paid. You will **still need to contact Carrie Ramsey** with your menu choice. All information is exchanged via HTTPS protocol (secure and encrypted) and remains with PayPal.

CHAPTER NEWS

Visit www.iialou.org for more details!!

WELCOME NEW MEMBER!

We have a new member . . . Alysen Lynn Watterson, Auditor, with the United States Army Corp of Engineers.

CIA CERTIFICATION

Congratulations to Debbie Shelton, Director of Internal Audit with LG&E. She successfully passed all the requirements for the CIA Certification.

MONTHLY MEETING REMINDER

Please remember to RSVP to Carrie Ramsey for any monthly meetings you will be attending. **BUT**, if you register to attend the monthly chapter meeting and later decide you need to cancel your reservation please contact Carrie Ramsey by noon on the Friday prior to the meeting. The chapter is charged for the number of lunches submitted to Vincenzo's regardless of the number of individuals that actually attend.

LOUISVILLE CHAPTER P.O. BOX ADDRESS CHANGE

Louisville Chapter has relocated its P.O. Box from the Gardner Lane Post Office to the Galleria Branch.

The new address is: P.O. Box 70092
Louisville, KY 40270-0092

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Established leader in residential programs for persons with disabilities and disadvantaged youth has the following open positions:

Financial Control Analyst

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Assist with the responsibility for the documentation and testing of internal controls, as it relates to the adoption of the Sarbanes-Oxley legislation. This will include project management to ensure the Company is in compliance with applicable rules and regulations as they relate to internal controls. Ideally, this position will lead to an internal audit position which will assist in coordination of financial internal audit functions and annual compliance efforts.

For consideration, send cover letter (MUST SPECIFY POSITION) including salary requirements and resume to:

ResCare
Recruitment Specialist
10140 Linn Station Road, Louisville, KY 40223
lbyers@rescare.com

NATIONAL NEWS

Visit www.theiia.org for more details!

IIA responds to PCAOB proposed standard

THE IIA RESPONDED NOV. 21 to the Public Company Accounting Oversight Board's proposed auditing standard titled "An Audit of Internal Control Over Financial Reporting Performed in Conjunction with An Audit of Financial Statements." (PCAOB release.) A team from The IIA's Professional Issues Committee led the development of the response, which included input from over 370 chief audit executives and was reviewed by 75 key IIA volunteers and staff. The IIA thanks all of those involved in the preparation and review of this impo rtant response. (Read the IIA response in PDF format.)

New NYSE, Nasdaq compliance requirements added to Assessment Guide

COMPLIANCE REQUIREMENTS, effective Nov. 5, are now included in The IIA's Assessment Guide for U.S. Legislative, Regulatory, and Listing Exchanges Requirements Affecting Internal Auditing. This document, the most downloaded in IIA history, compares the key requirements of the Sarbanes-Oxley Act of 2002, proposed U.S. Securities and Exchange Commission regulations concerning of the Act, and related regulations by the listing exchanges and associations.

Auditing the risks of outsourcing projects

THE LATEST ISSUE OF *ITAUDIT* discusses the issues that internal auditors should address when their organizations outsource information technology programming and services to other countries. Also, learn about the top 20 IT security vulnerabilities for 2003.

Call for nominations

THE IIA IS SEEKING QUALIFIED MEMBERS to serve in leadership roles for 2004-2005. The call for nominations seeks eligible and willing candidates for members of The IIA's Board of Directors; trustees of The IIA Research Foundation; members to serve on International Committees; regional representatives; district representatives (North America only); and subject experts who will make themselves available for surveys, focus groups, or special projects. All nomination forms must be received by Nov. 30, 2003. Nomination forms and brochures are also available in PDF versions.

NATIONAL CALENDAR

December, 2003		January, 2004	
8 – 12	Seminars, Orlando, FL	12 – 16	Seminars, Miami, FL
15 – 19	Seminars, New York, NY	26 – 30	Seminars, Phoenix, AZ

ADVERTISEMENT POLICY

FREE recruiting advertisements are available on the local IIA Chapter website and in the monthly newsletter! Any employer is eligible for free advertising **IF** at least one employee is a member of the Institute of Internal Auditors, Louisville Chapter. Executive Search Firms will be charged a nominal fee of $50 for ½ page advertisement and one month of posting open positions on our webpage. Payment must be received prior to advertising / posting. For more information, contact the IIA Louisville Chapter President at president@iialou.org or Secretary at secretary@iialou.org.

2003 – 2004 MEETING SCHEDULE
Louisville Chapter

12/9/03	**Wireless Network Security** Netgain Technologies
1/13/04	**E-Commerce** Mike Kernen, Louisville ISACA Chapter President – *LG&E*
2/10/04	**Effect of the New Tax Bill** Margaret Kruse, Tax Attorney – *Integrity Life Insurance Co*.
3/9/04	**Auditors Role in National Security** FBI
4/13/04	**Business Continuity – State and Local Government Response to Businesses following a Local or Regional Disaster** Charles Bogart – KY Disaster Emergency Services
5/11/04	**Networking** Leslie Goldhill – *Ajilion* Ohio River Lunch Time Cruise Riverboat

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As the eighth largest public accounting and consulting firms in the United States, Crowe Chizek offers specialized services with a client focused, relationship based culture. By continually delivering on the Core Ideology: "Building Value with Value," our Internal Audit Services have established a position of leadership across the nation.

We are currently seeking experienced staff and management level professionals to lend their expertise in a wide variety of risk management and internal audit disciplines. These roles will make a significant contribution to the overall development of business infrastructure including methodology and business development. We are looking for candidates with strong backgrounds in either operational or IT audit as well as a Bachelor's degree, CPA, CIA or CISA certification and experience in various risk management roles.

Please forward you resume to:
Crowe Chizek and Company LLP
Firmwide Recruitment
Email: cbrens@crowechizek.com

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2003 – 2004 Officers, Chairpersons & Governors:

OFFICERS

President
John Kilroy
Contractor - Commonwealth Industries
(502) 741-2056
stmfd2621@aol.com

Vice President
Heather DiEnno
Integrity Companies
(502) 582-7946
hdienno@chanllc.com

Treasurer
Bob Aemmer
(502) 627-4033
LG&E Energy Corp.
Bob.aemmer@lgeenergy.com

Secretary
Michele Martin
Equity Residential Properties
(502) 477-0691
mmartin@eqrworld.com

Webmaster
Bruce Edwards
University of Louisville
(502) 852-6071
Bruce@bruceedwards.com

CHAIRPERSONS

Academic Relations
Dave Barker
University of Louisville
Dfbark01@louisville.edu

Audit
Cheri Jones
University of Louisville
Cjjone01@louisville.edu

CIA Program
Bob Aemmer
LG&E Energy Corp.
Bob.aemmer@lgeenergy.com

Government Relations
OPEN

Membership / Attendance
Jorene Logan
LG&E Energy Corp.
Jorene.logan@lgeenergy.com

Newsletter Editor
Michele Martin
Equity Residential Properties
mmartin@eqrworld.com

Seminars
OPEN

GOVERNORS

James Rose
Humana, Inc.
Jrose1@humana.com

Don Whitehouse
Commonwealth Industries
Don.whitehouse@cacky.com

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HAPPY HOLIDAYS!