



**GOLD
CHAPTER
2009**

Derby City Disclosures Louisville IIA Chapter News

www.ialou.org

January 2010

Special points of interest:

- Two new CIAs receive their framed Certificates
- New Guidance issued by the IIA
- Student reception is scheduled

Welcome New Members!

Greg Maggard,
PwC LLP

Douglas Sharps,
Trover Solutions Inc

Message from the President

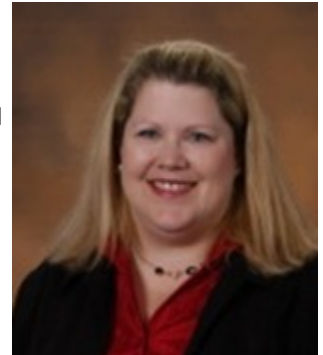
Oh, the weather outside is frightful, but the fire is so delightful, since we have no place to go, let it snow, let it snow, let it snow. I write this month's message from North Carolina where I am visiting my 92 year old Grandfather. I have many blessings to be thankful for this year including the Louisville Chapter. We have accomplished so much this year and I would like to thank the Board of Governors and Committee Chair's for their hard work putting together a successful chapter program and to the members who have taken time from their busy schedules to attend many of our events. The IIA's vision statement *Progress Through Sharing* can only be achieved if we take advantage of the programs offered by the Chapter and the IIA.

We have some great events planned for 2010, including two meetings in the east end of the county; the first one scheduled for January 19th is a joint meeting with the Association of Certified Fraud Examiners. In response to comments made in the surveys from the November meeting (we really do read them), we are offering a fantastic 8-hour program on February 19 for those members interested in getting more information on identifying fraudulent behavior and how to identify and document fraud. In March we are sponsoring a CAE roundtable which will be facilitated by a former IIA Chairman and current CAE with Continental Airlines, he has also agreed to speak at our March 9th monthly meeting. Stay tuned to our newsletter and website for more information.

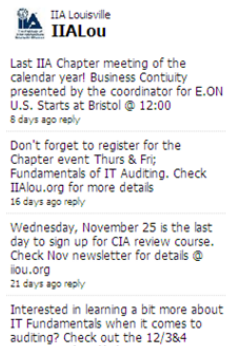
Networking with other Internal Auditors is a great way to find contacts to reach out to when dealing with unfamiliar issues that we encounter in the important work we perform. Look for details on a couple of upcoming social events we are scheduling in 2010.

As we close out 2009, may you and your family have a wonderful and blessed holiday season. Great things are happening in the Louisville Chapter and I encourage you to become involved and *Experience the Opportunities!* I look forward to seeing you in 2010.

Warmest regards,
Jodi Renn



Did You Know?



IIA Louisville
IIALou

Last IIA Chapter meeting of the calendar year Business Continuity presented by the coordinator for E.ON U.S. Starts at Bristol @ 12:00
8 days ago reply

Don't forget to register for the Chapter event Thurs & Fri; Fundamentals of IT Auditing. Check IIALou.org for more details
16 days ago reply

Wednesday, November 25 is the last day to sign up for CIA review course. Check Nov newsletter for details @ IIOU.org
21 days ago reply

Interested in learning a bit more about IT Fundamentals when it comes to auditing? Check out the 12/3&4

The Louisville Chapter is on Twitter! We tweet on various items dealing with the chapter including newsletter releases, registration deadlines, and event information. All members following [@IIALou](https://twitter.com/IIALou) in the next 5 days will be entered to win \$20 off the next chapter event. To participate please ensure that we can link your Twitter name to you (Feel free to direct message if you have any doubts). We would also like to hear possible suggestions regarding potential posting material. Please feel free to direct message [@IIALou](https://twitter.com/IIALou) or membership@ialou.org with any comments you may have.

Member Spotlight—Clark Spader



Clark Spader, CPA is the Director of Internal Audit with Papa John's International, Inc and is responsible for both domestic and international audit oversight. Prior to his 10 years in internal audit, he has an additional 9 years experience in public accounting and management of corporate accounting/financial reporting functions. Clark serves as a member of the Audit Committee at Southeast Christian Church. In addition, he coaches his son's baseball teams with the goal of developing better ball players, but more importantly leveraging game and practice situations to teach the boys life lessons and develop character. In his time away from the job and his volunteer activities, Clark enjoys spending time outdoors with his family and friends; whether it be hiking a trail, fishing a stream, kayaking/

canoeing a creek, throwing Frisbee in the backyard, or just having a cookout.

New CIAs

The Chapter recognized Scott Miller and Shanon Simons, who recently received their CIA certification, with the presentation of their framed certificates at the December meeting. Scott Miller and Shanon Simons both in attendance received their certifications .

The Chapter offers members the benefit of framing CIA certificates upon completion of the designation requirements.

Pictured: Bob Aemmer, Certifications Chair (right), presents Shanon Simons (left) with her framed certificate.



CAP Update

The CAP total is now over 1,100 points! We're up another 330 points from last month, and have officially passed Silver status at 1,060. Gold status is within our reach, and if we obtain Gold standing again this year, we will have achieved Platinum status. The IIA recognizes chapters with Platinum status once they have reached Gold 10 out of 11 years. A big THANK YOU goes out to all members for your support and involvement over the years.

Another exceptional CAP month was a result of the 2-day IT Fundamentals seminar held in early December, and the monthly meeting that brought in 49 attendees. Also, thanks to chapter members Jody Grizz, Jim Andriot, and Meredith Hettinger, we are receiving extra CAP points for their speaking engagements. Jody spoke for a total of 8 CPE hours on business continuity, including 1 hour at our December meeting; Jim spoke for 2 CPE hours on fraud awareness; and Meredith spoke about the Internal Audit profession to students at Atherton High School.

January 12th Meeting—Bristol Bar & Grill

International Financial Reporting Standards — 1 CPE

Noon – 1 p.m.; Registration begins at 11:30 a.m.

Cost \$20 members/\$25 nonmembers

Menu Options:

- 1) GRILLED CHICKEN & SPINACH SALAD - with roasted garlic, red onion, sun-dried tomatoes, bacon, goat cheese & balsamic Vinaigrette on the side.
- 2) BEEF STEW – Sirloin beef tips with carrots, potatoes & onions. Served with a corn muffin.
- 3) LINGUINI PIETRO – pasta tossed with mushrooms, sun-dried tomatoes & capers in white wine & olive oil.

Please RSVP by 5pm on January 8th to membership@iialou.org with menu selection.

Speaker Profile: Jim Tenzca, CPA

Jim Tenzca joined Cotton + Allen in 2009 as an officer in the firm's assurance practice. Jim's focus is providing assurance, audit, accounting, and related services to a variety of companies. He has a combined 19 years of experience with global accounting firms, including Ernst & Young. Jim joined Ernst & Young in 2000 as an audit senior manager and was promoted to partner in 2005, where he was responsible for providing audit and business advisory services to various types of organizations - primarily public companies and large multi-national companies. His experience covers a wide range of industries including chemicals, energy, manufacturing, real estate, and service organizations.



January 19th Meeting—Springhurst Republic Bank

Social Networking – The Good the Bad and the Ugly — 2 CPEs

3 p.m. – 5 p.m.; Registration begins at 2:30 p.m.

Cost \$10 members/\$15 nonmembers

Joint meeting with ACFE

Please RSVP by 5pm on January 15th to membership@iialou.org.

Speaker Profile: Mark McChensey

Mark McChesney is the Information Security Officer (ISO) for the Kentucky Retirement Systems (KRS). Prior to joining KRS, he held various senior information technology management roles within Kentucky State Government and was responsible for the architecture, management and operation of enterprise voice, video and data infrastructures, as well as security related activities.

Mark has served as a Regional President and on the Board of Directors for the National Association of State Technology Directors (NASTD). He was the NASTD Security Special Interest Group (SIG) chairperson from 2003-2008. He also chaired the NASTD Information Exchange Committee in 2008. He is a member of the National Association of State Chief Information Officers (NASCIO) and serves on their Security and Privacy Committee. Mark is a member of the Executive Advisory Committee for the Information Systems Security Association (ISSA) Bluegrass Chapter.

Mark holds the Certified Information Security Manager (CISM), the Certified Information Systems Auditor (CISA) and the Certified in the Governance of Enterprise IT (CGEIT) certifications from the Information Systems Audit and Control Association (ISACA) and the Certified Information Systems Security Professional (CISSP) certification from the International Information Systems Security Certification Consortium (ISCC2). He also holds the GIAC HIPAA Security Implementation (GHSC) certificate from the SANs Institute.



RSVP to
membership@iialou.org
to register for meetings.
You can pay for
meetings at
www.iialou.org using
PayPal.



Work Readiness | Entrepreneurship | Financial Literacy

JA Done in a Day

The Louisville IIA chapter is looking for 22 volunteers to teach 11 classes at Sanders Elementary in February or March 2010 for a “JA Done in a Day” event. JA Done in a Day is a program that allows volunteers to teach five lessons in about 4 hours in one day as opposed to the traditional approach of visiting the classes once a week for five weeks for 50 minutes. If you haven’t participated in Junior Achievement before, it is a very simple program to teach and only your business experience is needed. JA provides a one hour training class (during the lunch hour) and provides a very easy step-by-step teacher manual and all the supplies and materials you’ll need. There is some lecture involved, but it is mostly activities and class interaction. For Done in a Day, you will be partnered with another IIA member, so you won’t be by yourself, and the teacher is also required to be in the room at all times to assist.

If you are unable to participate in JA Done in a Day, but still have an interest in teaching Junior Achievement to elementary, middle, or high school students – or – if you already plan to participate in Junior Achievement through your employer (teaching a class or helping with a fundraiser) anytime from June 1, 2009 – May 31, 2010, also email Derrick.Singletary@syb.com. The IIA would like to know of Louisville chapter members participating in Junior Achievement this year. For more information on Junior Achievement and needs in the Kentuckiana area, please go to <http://www.jaky.org/>. For those who have already indicated interest in participating, you should receive additional information by January 31, 2009.

Background Information:

In 2005, The IIA signed a Memorandum of Understanding (MOU) with Junior Achievement (JA) Worldwide to partner in support of good governance and strong ethics in the business community. This partnership is helping to educate K- 12 students on business issues such as ethics, integrity, corporate accountability, and financial literacy. Through age-appropriate curricula, JA programs begin at the elementary school level, teaching children how they can impact the world around them as individuals, workers and consumers. IIA headquarters staff takes time to work as JA volunteers in the community to raise awareness of The IIA and how internal auditors bring value to an organization. Members are encouraged to volunteer with their local JA to make a difference to tomorrow’s business professionals.

Why Volunteer?

- The students need you! You can make a difference by helping shape someone's future.
- It is a chance to mentor young people who will soon be part of the work force.
- It is an opportunity to share your experiences and personal stories with young people.
- You can contribute something of value to your community.
- It can be a learning and self-development experience for you, too.
- Your profession needs you! You can explain to tomorrow’s professionals what internal auditors do and illustrate the value they bring to an organization.

How Chapters Benefit: In addition to helping our local JA office and teaching students in our community, the chapter earns Chapter Achievement Program (CAP) points for each volunteer for each activity.

Please contact
Derrick.Singletary@syb.com
if you are interested in
being a volunteer!

Chapter Officers – Elected

The newly enacted bylaws require that the officers be voted on regularly. The following lists the positions and their duties as described in the Chapter Manual/Bylaws.

PRESIDENT

1. Serve as the main point of contact between the chapter and IIA headquarters (HQ).
2. Preside at all meetings of the chapter, the board of governors, and the nominating committee.
3. Enforce the *Bylaws* of both The IIA and the chapter.
4. Appoint all chapter committee chairpersons and committee members, except as limited by the chapter *Bylaws*.
5. Establish chapter goals based on input from other officers and committee chairpersons.
6. Identify and implement services for chapter members to serve the needs of the membership.
7. Ensure a succession plan by identifying future leaders for local and international positions.
8. Chair a transitional meeting at the end of the chapter year to transition outgoing and incoming officers.

VICE PRESIDENT

1. Perform the duties of the president in case of the absence or disability of the president.
2. Manage the activities of committees reporting to the vice president.
3. Advise and assist the president in staffing chapter committees.
4. Assume primary responsibility for education programs, including coordination of chapter events such as meetings, seminars and conferences.
5. Perform other duties as assigned by the president.

SECRETARY

1. Prepare, publish, and maintain all minutes of meetings of the board of governors and the chapter.
2. Maintain chapter membership records.
3. Coordinate publication and mailing lists for meeting notices, newsletters, and directory.
4. Establish communication flow concerning chapter member issues among all committees.
5. Notify members of all chapter events.
6. Perform as corresponding secretary for the chapter.

TREASURER

1. Maintain chapter financial records and receive/disburse chapter funds as authorized by the board of governors.
2. Prepare a preliminary budget based on input from committees for submission for approval to the board of governors.
3. Prepare monthly financial reports with comparative budget figures for presentation to the board of governors.
4. Make financial records available to the chapter auditor and submit independently reviewed financial reports to IIA HQ as required.
5. Ensure a sound financial plan for chapter funds with the approval of the board or as authorized by the chapter *Bylaws*
6. File required financial documents with the appropriate legal entities or taxing authorities, such as the United States Internal Revenue Service. [Form 990 is due in October and the 1099 is due in January.]

Chapter Committees – Volunteer

The Chapter has some positions to fill for the 2010-2011 year which includes committee chairs for the Seminars, Audit, and Nominating committees. If you are not sure about being a chair, consider serving on one the Chapter's committees listed below. Contact membership@ialou.org or the current chair if you are interested in volunteering.

Academic Relations – To develop and support relationships through educational programs among practitioners, educators, students, educational institution administrators, and business / government communities, which enhance knowledge, skills, understanding, and use of internal auditing.

Governmental – To provide services to auditors employed by governmental and other public institutions, and to encourage growth of government auditor membership.

Seminar – To provide a challenging educational program on the subjects related to internal auditing and of interest to internal auditors with the purpose of improving the auditing competency and effectiveness of chapter members.

Audit – Arrange for the timely independent review of chapter records at the close of each chapter year and submission of the signed report.

Certifications – To develop marketing plans and recognition programs to promote IIA certifications. To encourage internal auditors and other professionals to register, prepare and obtain the Certified Internal Auditor (CIA) (premier designation), Certification in Control Self-Assessment (CCSA), Certified Financial Services Auditor (CFSA), and/or Certified Government Auditing Professional (CGAP) designations. To promote continuing professional development programs to current certified professionals, both members and nonmembers.

Nominating – To submit to the chapter members the formal nominations, as provided for in chapter *Bylaws*, for all officers and board of governors' vacancies.

Experience
the
Opportunities
by volunteering to
serve the Louisville
Chapter as an
officer, committee,
or member

Send notification to
membership@ialou.org

if you are interested in
one of these positions

Save the Date

Friday, February 19, 2010 the Louisville Chapter will be hosting an 8 hour seminar entitled Internal Investigations, Avoiding Investigation Pitfalls and Behavioral Indicators of Fraud. John Straub, CPA/CFF, CFE, CIA, CFFA a forensics expert and Laini Molaskie, M.B.A., PhD a professor and author will lead this engaging and interactive seminar. The cost for the event will include a continental breakfast and lunch. Early bird registration \$100 members/\$125 nonmembers (before February 1, 2010). Participants will receive a case study in advance and are asked to become familiar with the facts of the case and be prepared to work in groups to answer questions.

Guidance from IIA

Two new pieces of IIA guidance are geared to help internal auditors deal with fraud. The first, *Internal Auditing and Fraud*, will increase internal auditors' awareness of fraud and provide guidance on how to address fraud risks during internal audit engagements. The second, *GTAG 13: Fraud Prevention and Detection in an Automated World* provides an overview of IT-related fraud risks and techniques for effectively engaging technology to assess those risks. Both of these publications and others are available to download free to members, visit the IIA website at <http://www.theiia.org/guidance/standards-and-guidance/ippf/practice-guides/> to obtain a copy.

Does Your Company Promote Values or Sling Slogans?

In the course of reviewing values statements, I frequently come across values that, though they sound good on the surface, don't actually describe values at all. Although the most common problem is simply a lack of clarity, in many cases the problem is that what has been written is actually a slogan rather than a value.

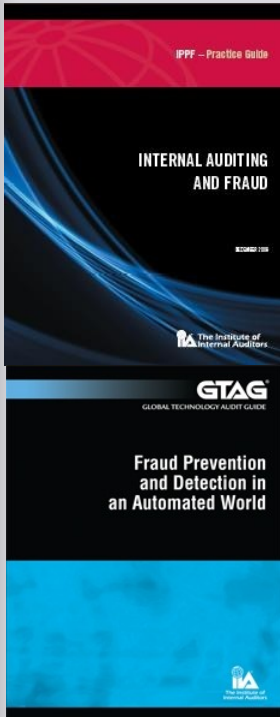
For example, if GE were to place their slogan ("Bringing Good Things To Life") into their values statement, how would that help their employees judge the appropriateness of their behavior in the course of the workday? My money says that it wouldn't be very helpful. That's not because it's a lousy slogan; in fact, I think it's a great one. Rather, it is because there aren't a lot of choices most of us face each day that would let us clearly say whether we were or were not actually appropriately engaged at that moment in 'bringing good things to life'.

However, if your values statement refers to attributes like honesty, accountability, teamwork, etc., any or all of these can be clearly and immediately given a 'thumbs up' or 'thumbs down' judgment in terms of whether or not your behavior aligns with those values. In other words, most any action is clearly honest or not, shows accountability or not, and so on. If your values statement reflects these types of behavioral expectations, then your employees - as well as their co-workers and supervisors - will have a great set of filters through which to judge the appropriateness of pretty much any choice they have made or intend to make. Could that be valuable all day, every day? I certainly think so.

A well-written slogan is a truly great thing both for marketing and for use as a rallying cry for your organization. Just don't make the mistake of substituting slogans for values.



Christopher Bauer provides humorous keynotes and seminars on how to reduce employee ethics risks on the job. He also helps companies reduce their risk for potentially catastrophic legal, financial, and public-relations nightmares by providing consultation on ethics and values training program development and implementation.



2009-2010 Schedule of Meetings

Date	Time	Speaker	Topic	Location
2/9/2010	12 - 1 p.m.	Jennifer Elliott	Privacy Issues	Bristol
2/19/2010	8 – 5 p.m.	John Straub; Laini Molaskie	Internal Investigations	TBD
2/22/2010	4 – 6 p.m.	IIA/ISACA	Student Reception	University Club
3/9/2010	12 – 1 p.m.	Steve Goepfert	Fraud	Bristol
3/9/2010	3 - 5 p.m.	Steve Goepfert	CAE Roundtable	TBD
4/13/2010	12 - 1 p.m.	Renee Fulton	Confessions of a Micromanager	Bristol
4/20/2010	3:30 - 5 p.m.	Anita Clemons	Economic Conditions	ResCare
5/14/2010	12 - 1 p.m.	Tony Belak	TBD	Slugger Museum

➤ Registration begins 30 minutes earlier than posted times.

Student Reception

The Accounting and CIS student reception is scheduled for February 22, 2010 at the University Club at the University of Louisville from 4 to 6 PM. Students from all of the local colleges are encouraged to attend. This reception is jointly sponsored by the IIA and ISACA. Please plan to

Survey Winner

Jenise Hale won the December Survey drawing and selected \$20 off a chapter meeting as her prize. To be eligible for the drawing, you must complete the meeting survey, including your name and select to participate in the drawing, you then choose from either a \$20 off a chapter meeting or \$20 off a chapter seminar. Thank you to everyone who took time to complete the survey and Congratulations Diane!

CIA Certification Information

The Louisville Chapter of the IIA and Sullivan University have scheduled two CIA Learning System Courses for the winter. The courses are scheduled on Monday and Wednesday nights from February 22 to March 17 and on Saturdays from February 27 to March 20. We appreciate your intended participation and hope that we will be able to help you with your future training needs including the CIA classes we have scheduled. To register please visit Sullivan University at <http://www.sullivan.edu/cia/>.

Please contact Bob Aemmer (Bob.Aemmer@eon-us.com), Certifications Chair with any suggestions regarding the course and how we can better serve your needs. Questions regarding course registration can be directed to Richard Brien (rbrien@sullivan.edu), Director Corporate Development & Training at Sullivan University.

The IIA's Certified Internal Auditor® (CIA®) is only one of four certifications offered by the institute. The IIA also offers three specialty certifications. They are the Certified Government Auditing Professional (CGAP), Certified Financial Services Auditor (CFSA), and Certification in Control Self-Assessment (CCSA). CIA candidates who have successfully completed the examination requirements for one of these professional certifications are eligible to receive credit for Part 4 of the CIA exam through the Professional Recognition Credit (PRC4) option, in lieu of sitting for Part 4. CIA candidates who have passed an IIA specialty certification exam will automatically receive PRC4 and do not need to register for PRC4 or submit further documentation. For more information regarding these certifications visit the IIA at <http://www.theiia.org/certification/certification-resources/>.

Mark Your
Calendars!

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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 per month of \$50 for a ½ page or \$100 for a full 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.



**The Institute of
Internal Auditors
Louisville Chapter**