

# DERBY CITY DISCLOSURES



December 2002

LOUISVILLE IIA CHAPTER

## PRESIDENT'S MESSAGE

Dear Members,

I hope everyone had a safe and wonderful Thanksgiving. We had a good turnout for our November Meeting on Auditing Health Care Benefits with Randall Light from BMI Audit Services. Although we experienced some technical difficulties, I feel that everyone is more informed on the subject. If you have further questions on Auditing Health Care Benefits, contact Randall Light at [rlightwbaker@bmiaudit.com](mailto:rlightwbaker@bmiaudit.com) or Will Baker at [wbaker@bmiaudit.com](mailto:wbaker@bmiaudit.com).

The holiday season is fast approaching and our schedules will be come more hectic as the temperature drops. Mark you calendar now for our December meeting. Rick Julien and Larry Rieger from Crowe Chizek, LLC (both formerly with Arthur Anderson) will be speaking on Corporate Governance. I have received numerous calls for information on this meeting, and anticipate a good turn out for this meeting. As seating will be limited, **REGISTER EARLY!**

Due to an expiring lease, we may lose our current meeting location. In preparation, we are researching other location options for our monthly meetings. If you have any suggestions or recommendations for another location(s), please email me at [mwelscher@kheaa.com](mailto:mwelscher@kheaa.com).

I hope every one has a wonder holiday season and I look forward to seeing you at our next meeting.

Your President,  
Michele Welscher

## NEXT MEETING:

Tuesday, December 10, 2002

### Understanding Good Corporate Governance

*See page 2 for details*

## DECEMBER MONTHLY MEETING

### Understanding Good Corporate Governance

Speaker: Rick Julien and Larry Rieger  
Partner, Partner In Charge  
Crowe Chizek, LLC

**Tuesday, December 10, 2002**  
12:00 noon, 11:30 registration

**1 CPE hour**  
(certificates available upon request)

**Kunz's Restaurant**  
107 S. 4<sup>th</sup> Street, Louisville, KY  
(parking will be validated)

**Menu selections:**  
Chicken Caesar Salad  
Parmesan Encrusted Salmon  
Hot Brown

Cost: \$20.00  
Use PayPal at [www.iialou.org](http://www.iialou.org) or remit at meeting

**RSVP by Friday, December 6, 2002**  
Carrie Ramsey  
Office: 627-4738  
Fax: 627-2550  
[Carrie.ramsey@lgeenergy.com](mailto:Carrie.ramsey@lgeenergy.com)

### About Rick and Larry. . .

Rick Julien is a CPA and CIA, with a BS in Accountancy from Northern Arizona and an MBA from Texas A&M. After beginning his career at Arthur Andersen, Rick worked with Mobil and Carolina Power and Light. He returned to Arthur Andersen in 1990 to develop its internal audit outsourcing/consulting business. As a member of the IIA's Informational Advanced Technology Committee, Rick was very informed in the Systems Auditability and Control (SAC) Report. He is currently a Partner of Internal Audit and Risk Management Services at Crowe Chizek.

Larry Rieger is a CPA with a Bachelors of Business Administration from Wayne State University. Larry is the former head of internal audit services at Arthur Andersen, where he helped develop a world-class internal audit methodology and technology platform. Larry is a member of the IIA and a former Board of Governor of the Detroit Chapter. He is currently a Partner In Charge of Internal Audit and Risk Management Services at Crowe Chizek.

**"Understanding Good Corporate Governance"** will focus on the tools needed to understand good corporate governance, a framework that defines the elements of what good governance is and a best practice knowledge base. Participants will also be introduced to the broad elements of corporate governance, the framework upon which a diagnostic and evaluation can be built, and the various stages of governance that change as a company changes.

## NEW ADVERTISEMENT POLICY

Does your company have an opening? Tell your HR Department about us!

**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. For more information on the advertising policy, contact IIA Louisville Chapter President Michele Welscher at [president@iialou.org](mailto:president@iialou.org).

**Got a meeting idea? Want to help your chapter?  
Know someone who'd make a great guest speaker?**  
*We'd love to hear from you! Your input can benefit all members. Just drop a message to any of the officers!*

# CHAPTER NEWS

Visit [www.iialou.org](http://www.iialou.org) for more details!!

## **WELCOME NEW MEMBERS!**

Two new members have joined our chapter. Please give a warm welcome to our newest members, Wayne Barber and Marlow Halliburton.

## **LUNCH, ANYONE?**

Everyone enjoys a nice lunch away from the office. And CPE hours are a bonus! Due to a lease expiration, we may lose our current monthly meeting location. Your IIA chapter needs YOUR HELP in exploring new establishment options for our monthly lunch meetings. If you have any ideas or recommendations for a new location, please email President Michele Welscher at [mwelscher@kheaa.com](mailto:mwelscher@kheaa.com). Your suggestions are valuable!

## **PAYPAL GOING STRONG!!**

Join the growing group of Chapter members using PayPal, the online option to pay for monthly meetings and seminars using a major credit card or a debit card.

The process is simple. Start at the chapter web site ([www.iialou.org](http://www.iialou.org)) and go to the meeting and seminar schedule page. You will see buttons to "pay now" for each meeting. Simply click on the button for the meeting you wish to pay for. If you already have a "PayPal" account, the process will be familiar (simply verify the amount, enter your log-in and password and you're done). *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) which includes all the typical stuff such as name, credit card, billing address, etc. 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, which you can use to pay many other on-line businesses. The risk is no greater than with any other large e-commerce site, plus PayPal is being acquired by eBay, so you can be assured of the endeavors continued presence.

### ADVERTISEMENT

#### **Position Opening: Risk Management/Internal Audit Senior Manager Crowe Chizek**

**Basic Function & Responsibilities:** The Senior Manager will lead and manage a wide range of risk management and internal audit client engagements. This role will make a significant contribution to the overall development of this business infrastructure including methodology development, recruitment, training, and business development. The Senior Manager will support partners as part of a business development team introducing this service to business executives.

**Preferred Requirements:** Bachelor's degree, CPA or MBA.

#### **Position Opening: Senior Staff Risk Management / Internal Audit Crowe Chizek**

**Basic Function & Responsibilities:** The Senior Staff Internal Audit/Risk Management will serve as a team member on a wide range of risk management and internal audit client engagements. This role will also make a significant contribution to the overall development of this new business's infrastructure including methodology development, recruiting, training and business development.

**Must Requirements:** Bachelor's degree and CPA required. **Preferred Requirements:** MBA, CIA.

Candidates for either position can contact Firmwide Recruitment [recruiting@crowechizek.com](mailto:recruiting@crowechizek.com) or Fax (574)236-7609

## NATIONAL NEWS

Visit [www.theiia.org](http://www.theiia.org) for more details!

### New training opportunities from The IIA

**IIA HAS THE TRAINING YOU NEED.** Eight new seminar topics have been introduced to meet the changing needs of practicing internal auditors. Our Web-based Training is expanding, too, with a new annual subscription training product called Skills Training that features over 1,000 NASBA-approved CPE hours for \$199. See the Training section of our Web site for more information.

### Internal auditors uncover WorldCom debacle

THE *WALL STREET JOURNAL* has published an in-depth story about the internal auditors whose discoveries played a pivotal role in revealing accounting frauds at WorldCom. Go to [www.theiia.org](http://www.theiia.org) to read the WSJ story online titled "How 3 Unlikely Sleuths Uncooked WorldCom's Books."

Key requirements of Sarbanes-Oxley, the SEC, and America's stock listing exchanges are compared and contrasted in a 26-page analysis from The IIA Research Foundation, updated Nov. 6. IIA offers a wide variety of corporate governance resources through its training and research, professional guidance, publications, and targeted initiatives. Go to [www.theiia.org](http://www.theiia.org) for more info.

### Auditwire goes electronic

BEGINNING JANUARY 2003, The IIA's bimonthly membership newsletter, *Auditwire*, will be delivered electronically. The entire newsletter will be posted in the Publications section of The IIA Web site. Each new issue will be announced via e-mail. Please log in and check your [Member Profile](#) to ensure that your e-mail address is correct. If your organization's e-mail server does not permit you to receive mass e-mails, you should change the address to your personal or home address.

### ATTEND ONE, or attend all in a series.

IIA SEMINARS ARE TAUGHT BY SOME OF THE BEST in the business. They're offered in several convenient locations — or we'll bring them to your organization through our customized on-site program.

Offerings include the core curriculum, providing a solid foundation for those just entering the profession; a seven-course curriculum that addresses the role of internal auditors in establishing and managing internal controls; an 11-course curriculum in information technology; a five-course curriculum for auditors in the public sector; and, now, Web-based training.

### NATIONAL CALENDAR

#### December 2002

- |       |                          |
|-------|--------------------------|
| 9-13  | Seminars, Orlando, FL    |
| 16-18 | Seminars, Cincinnati, OH |
| 16-20 | Seminars, New York, NY   |

#### January 2003

- |       |   |
|-------|---|
| 15-17 | <u>Industry Audit Series: Gaming Conference</u> , Las Vegas, NV |
| 20-24 | Seminars, Phoenix, AZ   |
| 27-31 | Seminars, Orlando, FL   |
| 27-31 | <u>Introduction to SAP Audit Seminar</u> , San Francisco, CA    |

### OUR SISTER CHAPTERS ARE BUSY, TOO!!

The Central Kentucky, Tri-State Evansville, Cincinnati and Indianapolis IIA chapters have busy schedules this upcoming year. Check out their sites for an update at [www.theiia.org](http://www.theiia.org) Membership, IIA Affiliates, then list by either location or region.

*Happy Holidays!*

**OFFICERS**

**President**  
Michele Welscher  
KHEAA / KHESLC  
(502) 696-7467  
[mwelscher@kheaa.com](mailto:mwelscher@kheaa.com)

**Vice President**  
Jerald Miles  
City of Louisville  
(502) 574-3256  
[jmiles@louky.org](mailto:jmiles@louky.org)

**Treasurer**  
Carl Balderson  
(502) 627-2366  
LG&E Energy Corp.  
[Carl.balderson@lgeenergy.com](mailto:Carl.balderson@lgeenergy.com)

**Secretary**  
Michele Martin  
Equity Residential Properties  
(502) 477-0691  
[mmartin@eqrworld.com](mailto:mmartin@eqrworld.com)

**Webmaster**  
Bruce Edwards  
University of Louisville  
(502) 852-6071  
[Bruce@bruceedwards.com](mailto:Bruce@bruceedwards.com)

**CHAIRPERSONS**

**Academic Relations**  
Dave Barker  
University of Louisville  
[Dfbark01@louisville.edu](mailto:Dfbark01@louisville.edu)

**Hospitality / Attendance**  
Jorene Logan  
LG&E Energy Corp.  
[Jorene.logan@lgeenergy.com](mailto:Jorene.logan@lgeenergy.com)

**Government Relations**  
OPEN

**CIA Program**  
Carl Balderson  
LG&E Energy Corp.  
[Carl.balderson@lgeenergy.com](mailto:Carl.balderson@lgeenergy.com)

**Newsletter Editor**  
Michele Martin  
Equity Residential Properties  
[mmartin@eqrworld.com](mailto:mmartin@eqrworld.com)

**Audit**  
Cheri Jones  
University of Louisville  
[Cijone01@louisville.edu](mailto:Cijone01@louisville.edu)

**Membership**  
OPEN

**Seminars**  
OPEN

**GOVERNORS**

Dr. Betty Brown  
University of Louisville  
[bettybrown@louisville.edu](mailto:bettybrown@louisville.edu)

Lynn Hilliard  
Stock Yards Bank  
[Lynn.Hilliard@syb.com](mailto:Lynn.Hilliard@syb.com)

Kelly Hopper  
Yum Brands  
[Kelly.hopper@yum.com](mailto:Kelly.hopper@yum.com)

James Rose  
Humana, Inc.  
[Jrose1@humana.com](mailto:Jrose1@humana.com)

Don Whitehouse  
Commonwealth Industries  
[Don.whitehouse@cacky.com](mailto:Don.whitehouse@cacky.com)

**LOUISVILLE CHAPTER UPCOMING SCHEDULE**

**12/10/02**      **Corporate Governance**  
Rick Julien and Lawrence Rieger  
(both formerly with Arthur Anderson)  
Crowe Chizek, LLC

**4/8/03**      **Center for Quality Management**  
James Stiffle  
CQM Louisville

**2/11/03**      **IIA National President**  
Bill Bishop  
IIA National President

**5/13/03**      **CRUISE ON STAR OF LOUISVILLE**  
Interview Skills  
Stacy Robertson

**3/11/03**      **MIS Seminar**  
*To Be Announced*

***HAPPY HOLIDAYS!***