

DERBY CITY DISCLOSURES



LOUISVILLE IIA CHAPTER

November, 2003

PRESIDENT'S MESSAGE

October was a successful month for our chapter. We had 38 members and guests attend the monthly meeting on Human Resources Management. Pat Cole, from Crowe Chizek, brought a sense of realism to human resource management with his opening comments and short stories. Based on the evaluation cards, Pat received excellent ratings from the majority of attendees.

Mark your calendar for our next monthly meeting to be held **November 11, 2003** at Vincenzo's. **Fraud and the False Claims Act** will be presented by Phil Bezehertny of the U.S. Attorney's Office. Members from the Association of Certified Fraud Examiners have been invited to the meeting.

Also at the November meeting, Todd Guelda and Rick Kelley will be presented their certificates for successful completion of the Certified Internal Auditor requirements. Come join us in celebrating their professional achievement. Todd is a Revenue Assurance Analyst with the United States Postal Service, and Rick is a Controller with the Kentucky Lottery Company.

Don't forget the upcoming CIA exam to be held at LG&E: Parts I & II on Wednesday, November 19, 2003 and Parts III & IV on Thursday, November 20, 2003. We are always looking for volunteers to help proctor the exam. Contact Bob Aemmer, Louisville Chapter Treasurer and CIA Program Chairperson, for details at (502) 627-4033 or bob.aemmer@lgeenergy.com.

Good Luck to all those taking the exam and I look forward to seeing each of you at the meeting on November 11!!

John Kilroy
President

NEXT MEETING:

Tuesday, November 11, 2003 at Vincenzo's Restaurant

Fraud and the False Claims Act

NOVEMBER MONTHLY MEETING

Fraud and the False Claims Act

Philip Bezeherthy
U.S. Attorney's Office

Tuesday, November 11, 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:
Caesar Salad w/Smoked Chicken
Tortellini Buddeke
Club Sandwich

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

RSVP by Friday, November 7, 2003
Carrie Ramsey
Office: 502-627-4738
Fax: 502-217-2447
Carrie.ramsey@lgeenergy.com

About Philip . . .

Philip is an Affirmative Civil Enforcement Auditor with the U.S. Attorney's Office, Western District of KY.

Philip graduated from the University of Louisville, BSBA with high honors in Accountancy.

Philip's previous positions include Principal Assistant to State Auditor Ed Hatchett tasked to Special Examination Branch; Senior Financial & Contract Auditor, LG&E Energy Corporation Internal Audit Dept.; Experienced Staff, Arthur Andersen, LLP Audit Division.

About Fraud and the False Claims Act . . .

Philip will be discussing the history of the False Claims Act as well as it's relevance to the corporate world, statistics for qui tam lawsuits brought under the False Claims Act, False Claims Act requirements, qui tam lawsuit process, qui tam lawsuit examples.

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 MEMBERS!

We have two new members from Kindred Health Care! Please give a warm welcome to:

Richard Carrico
William Corum

Kindred Health Care
Kindred Health Care

Vice President, Internal Audit
Compliance Auditor

CIA EXAM UPDATE:

The next CIA Exam will be offered Wednesday, November 19, 2003 (**Parts I & II**) and Thursday, November 20, 2003 (**Parts III & IV**). Contact Bob Aemmer, Louisville Chapter Treasurer and CIA Program Chairperson, for details at 627-4033. Good luck to all those sitting for the exam!

COURTENAY THOMPSON COMING TO LEXINGTON

The Lexington IIA Chapter will be hosting a one-day seminar on Tuesday, December 2 at the Sheraton Suites on Richmond Road in Lexington, KY. “**Fraud 2004**” will be presented by Courtenay Thompson, a recognized authority on training managers, auditors and investigators in fraud-related matters. You can earn 8 CPE credits by attending this seminar.

The registration fee is \$175 for IIA members, \$225 for non-members, which includes continental breakfast, lunch buffet, and an afternoon snack. Registration deadline is 11/25/03, but you can save \$25 if you register by 11/14/03! To register, contact Jayme Kloss at 1-859-357-7885 or jjkloss@ashland.com.

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

INTERNAL AUDITOR Lexmark International, Inc.

Perform financial and operational audits in accordance with internal audit standards. Requirements: Bachelor's degree in Accounting or Finance is required (MBA, CPA, CIA, highly desirable). Five plus years of previous audit experience. Able to travel on 2-3 international trips per year. Trips are 2- 3 weeks in duration. Spanish skills a plus.

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NATIONAL NEWS

Visit www.theiia.org for more details!

Getting what they deserve?

HAVE EXECUTIVES BEHIND THE RECENT spate of financial frauds received fair treatment? In the October issue of *Internal Auditor*, several experts weigh in on the U.S. government's response thus far to corporate malfeasance.

IIA to respond to PCAOB proposal

THE PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD (PCAOB) has released for comment its proposed auditing standard titled "An Audit of Internal Control Over Financial Reporting Performed in Conjunction with An Audit of Financial Statements." ([Release](#); [briefing paper](#).) If adopted, this document would be the standard for attestation engagements referred to in Sections 404 and 103 of the Sarbanes-Oxley Act. Comments on the proposed standard are due to PCAOB by November 21, 2003.

New courses offer timely PCAOB information

IIA SURVEYS REVEAL that most organizations are not ready for Sarbox implementation. [Sarbanes-Oxley Act: Implications and Impact for Internal Auditors](#) will demystify 302 and 404, and [Sarbanes-Oxley Act: Impact on Information Technology](#) will clarify the ramifications of the law from an IT perspective — a point of view too critical to ignore. Plus, both courses provide timely information regarding the PCAOB's recently released [exposure](#) draft. [Register today!!](#)

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

November, 2003

10 – 13 Vision University, Orlando, FL
10 – 14 Seminars, San Diego, CA
10 – 14 [Security, Auditability, and Control of PeopleSoft Systems](#), Columbus, OH
10 – 21 Small Audits Shops-Formulas for Success, Phoenix, AZ

December, 2003

8 – 12 Seminars, Orlando, FL
15 – 19 Seminars, New York, NY

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

- 11/11/03** **Fraud-False Claims Act**
Phil Bezehertney, CPA, CFE, CIA – *US Attorney's Office*
- 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

ADVERTISEMENT

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

Visit our website: www.crowechizek.com

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Happy Thanksgiving!