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LOUISVILLE IIA CHAPTER

October, 2004

PRESIDENT'S MESSAGE

Dear Members,

I want to thank everyone who attended the September meeting. A special thank you to Jennifer Burke from Crowe Chizek for speaking to us on the topic of financial auditing. I hope that everyone enjoyed our new meeting facility at the Bristol!

Join us for our October meeting when Dave Calzi, a partner with Ernst and Young, will speak to us about what we have learned from Sarbanes-Oxley and what we can expect next.

Remember, the CIA exam is coming soon! The exam will be administered at LG&E on November 17 and 18. Good luck to those taking the exam! If anyone is interested in helping to proctor the exam, please contact Bob Aemmer, Louisville Chapter Treasurer and CIA Program Chairperson, for more information.

The IIA is currently holding a "Membership Madness" until October 31. During this campaign, new members can join for only \$85 with NO application fee. That is a savings of \$85! For more details, please contact Jorene Logan, Louisville Chapter Membership Chairperson.

As a reminder, if you find you are unable to attend a monthly meeting that you have already RSVP'd to, please contact Carrie Ramsey to let her know you will not be able to make it. We are charged for all RSVP's, even the no shows. Help keep our costs low so that we can continue to provide affordable CPE to our members.

I look forward to seeing you all at the next meeting!

Heather DiEnno
President

NEXT MEETING:

Tuesday, October 12, 2004

at the **Bristol Downtown**

Sarbanes-Oxley Act: Where Are We Now?

See page 2 for details

SEPTEMBER MONTHLY MEETING

Sarbanes-Oxley Act: Where Are We Now?

Dave Calzi
Partner, Ernst & Young

Tuesday, October 12, 2004
12:00 noon, 11:30 registration

1 CPE hour
(certificates available upon request)

Bristol Bar & Grille Downtown

614 West Main Street
(parking will NOT be validated)

Menu selections:

Blackened Tuna Nicoise Salad
Hot Brown
Chicken Salad Sandwich

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

RSVP by THURSDAY, October 7 2004

Carrie Ramsey
Office: 627-4738
Fax: 217-2447
Carrie.ramsey@lgeenergy.com

About Dave . . .

Dave is a partner in the assurance division of the Louisville office of Ernst & Young LLP. Dave has extensive experience consulting and providing assurance services to businesses varying in size including those that are public with international operations as well as companies that are private or closely held. Industries that Dave serves include manufacturing, real estate, wholesale distribution and other service industries.

A graduate of the University of Kentucky, Dave is also the Partner in charge of Recruiting for the Louisville office and for the past two years has been responsible for the Kentucky division of the Ernst & Young Southern Ohio/Kentucky Entrepreneur of the Year Award Program. He is also involved in the community and presently serves on the board of directors of Hospice of Louisville, the Muhammad Ali Center and the advisory board of the University of Kentucky School of Accounting.

PayPal is a 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.

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.

CHAPTER NEWS

Visit www.ialou.org for more details!!

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WELCOME NEW MEMBERS

WOW!! A record 11 new members have joined our little group since August 17. Please welcome: Mary Hicks and Terri Reisz of Americal International Group; Susan Isaac of Baptist Healthcare System; Doug Spurr of Buchen, Borger, Darst & Eggers LLC; Linda Gray, Scott Olinger and Kevin Peercy of Harding, Shymanski & Co; Dana Kyles and our very own Carrie Ramsey of LG&E Energy LLC; Jeremy Allen of National City Corporation; and J.J. Gilmore of YUM Brands Inc.

CIA EXAM COMING UP

If you want to add the CIA designation to your list of accomplishments, your opportunity is fast approaching. The CIA exam is coming up! Mark your calendars - the exam will be administered Wednesday and Thursday, November 17 & 18. Proctors are also needed for these dates. For more information, contact our CIA chairperson Bob Aemmer at 502-627-4033 or bob.aemmer@lgeenergy.com.

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 THURSDAY prior to the meeting. The chapter is charged for the number of lunches submitted to the Bristol regardless of the number of individuals that actually attend.

EVANSVILLE CHAPTER HOSTS COURTENAY THOMPSON

The Evansville Chapter will be hosting the one-day seminar "Increasing Auditor Effectiveness in Recognizing and Detecting Fraud," presented by Courtenay Thompson. The seminar will be Thursday, November 4 at the Old National Bancorp's new building, at the corner of Riverside and Main Streets in downtown Evansville, IN.

The deadline for this seminar is Friday, October 1. However, the deadline is Friday, October 15 for members of the Louisville IIA Chapter, pending available seating. See page 6 for registration information. Tony Mattingly with any questions at 812-461-9761.

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Government Relations

OPEN

Seminars

OPEN

NATIONAL NEWS

Visit www.theiia.org for more details!

Membership Madness - September 1 - October 31, 2004

By recruiting new members, you will strengthen and grow The IIA and its local chapters. A stronger association will maximize professional recognition, boost member networking opportunities, and increase training and educational resources. Members will also have the personal satisfaction of knowing that they have introduced a colleague to The IIA, which will provide benefits and services throughout their career. With every new member that's recruited, the chance for your chapter to win a FREE IIA On-site seminar will increase! What a great opportunity for you to share the benefits of The IIA with your colleagues and be rewarded in the process. If you have any questions about the campaign or IIA membership, please contact Jo-EI LaBorde +1-407-937-1306 or jlaborde@theiia.org.

Internal auditors answer hurricane restoration call to duty

For a group of Florida Power & Light Co. internal auditors, Sarbanes-Oxley control work is playing second fiddle to statewide power restoration efforts associated with Hurricanes Frances and Charley.

Insider fraud doesn't require high-tech skills, study says

Ordinary employees using basic commands commit most insider abuse of bank computer systems, according to a new study. Learn about this and the latest IT and audit news in the Sept. 15 [ITAudit](#).

COSO's ERM framework to be released Sept. 29

The long-awaited COSO *Enterprise Risk Management — Integrated Framework* will be released at a news conference in New York on Sept. 29. Authored by PricewaterhouseCoopers, the framework will define essential ERM components, discuss key ERM principles and concepts, suggest a common ERM language, and provide clear direction and guidance for enterprise risk management. An executive summary of the framework will be available at www.theiia.com for free download at 1:00 p.m. ET on the 29th.

IIA Educator promotes student, practitioner relationships

Articles about mentoring students, internship experiences, and hosting exchange students are featured in the September/October edition of [IIA Educator](#). Also find information about key academic awards presented in 2004 and The IIA's relationship with Beta Alpha Psi's International Advisory Forum.

ADVERTISEMENT

IT Audit Consultant

Brown Forman is currently seeking to fill the position of IT Audit Consultant. The IT Audit Consultant assists in managing projects from beginning to end. These projects are typically related to Information Technology (IT) and focus on improving business systems and processes to enable management to achieve their business objectives. The IT Audit Consultant requires frequent communication with IT management to develop and execute a comprehensive program of IT audit coverage for BFC. The scope of this coverage includes assessment of risks and evaluation of processes for the IT organization. In the performance of responsibilities, the IT Audit Consultant will effectively partner with IT Directors, System Engineers, and IT Staff to assess and report on the IT control environment. The Company has significant world-wide operations that will necessitate travel (approximately 20%) both domestic and international.

Must Requirements: Bachelor's degree in Accounting, Finance, IT, or related field and 3+ years progressive IT Auditing experience.

Preferred Requirements: Certified Public Accountant (CPA); Certified Internal Auditor (CIA); Certified Information Systems Auditor (CISA); MBA; M.S in Computer Science or related discipline.

Please apply on-line at Brown-Forman.com – Req # 320BR

NATIONAL CALENDAR

OCTOBER, 2004

4 – 8
Seminars,
San Diego, CA

11 – 15
Seminars,
Orlando, FL

17 – 20
Conference,
Williamsburg, VA

25 – 29
Seminars,
Las Vegas, NV

NOVEMBER, 2004

1 – 5
Seminars,
Glen Mills, PA

8 – 9
Conference
Lake Buena Vista,
FL

8 – 12
Seminars,
Long Beach, CA

15 – 19
Seminars,
Dallas, TX

29 – 12/3
Seminars,
Dallas, TX

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Internal Auditor Job Posting

As one of the largest diversified healthcare providers in the United States, Kindred Healthcare, Inc. continues to set the standard for high-quality long-term care by expanding our Internal Audit Department to meet the current and future demands of the financial markets and our changing industry. Due to this expansion, we have Internal Auditor positions available at our corporate office in Louisville, Kentucky. The **Internal Auditor** position is responsible for performing financial and internal control audits of the company's nursing centers, pharmacies, hospitals, hospital cost reports, and/or corporate office operations. One of the open positions requires up to 20% travel to our facilities that are located nationwide, and one position will be primarily responsible for Sarbanes-Oxley compliance (requires up to 10% travel). A minimum of two years of internal auditing, public accounting, or Medicare/Medicaid cost reporting experience is necessary. A Bachelor's Degree in Accounting or Finance is required. A CPA and/or CIA certification is a plus.

These positions are excellent opportunities to gain valuable operational experience and to develop expertise in a department filled with career enhancement opportunities. Successful candidates for these positions will be dynamic, self-motivated individuals who think creatively and are able to thrive in a challenging work environment that rewards performance.

If you or someone you know would be interested in these opportunities with Kindred, please contact us at the following address:

KINDRED HEALTHCARE, INC. –
ATTN: MS. TERRI MONTGOMERY
680 SOUTH FOURTH AVENUE
LOUISVILLE, KY 40202

Fax: (502) 596-4722

or Email to

Terri.Montgomery@KindredHealthcare.com

2004 – 2005

MEETING SCHEDULE

Louisville Chapter

10/12/04	Sarbanes-Oxley Act: 1 ½ Years Later Dave Calzi - Partner, Ernst & Young
11/9/04	Systems Development Life Cycle Auditing Teresa Snedigar IIA District Rep.
12/4/04	Fraud Hotline and Compliance Program Jodi Renn KY Housing Corp.
1/11/05	TBA Norm Williams Williams Financial Investigations
1/13-14	Seminar – Data Analysis Mark Negrini
2/8/05	Privacy Act Mike Cook The Cook Group
3/7/05	Seminar w/ Central KY Chapter - Interview & Interrogation Techniques Walter Palmer
3/8/05	Forensic Accounting Tim Snoddy Snoddy Consulting
4/12/05	Economics of Baseball Anthony Ward – Comptroller, Cincinnati Reds
5/10/05	TBA

Register Today

Increasing Auditor Effectiveness In Recognizing & Detecting Fraud by Courtenay Thompson Jr., CPA, MBA November 4, 2004

**** We still have space available for this program, but seating is limited. As of 9/27/04, we can accommodate 14 more participants. Consider reserving your seat today! Please feel free to share this information with individuals who are not members of the Tri-State Chapter i.e. local CPAs, Corporate Security Personnel, etc. The course outline & description are provided below:**

Internal auditors and public accountants are under fire. Some doubt their ability or willingness to detect fraud. There seems to be an increasing expectation that internal auditors detect fraud in routine audits. Yet most auditors get very little fraud training. Standards for auditors, including those issued by the IIA, AICPA, and government, call for auditors to be knowledgeable about fraud exposures and symptoms of fraud in areas audited.

Increasing Auditor Effectiveness in Recognizing & Detecting Fraud provides specific approaches and steps to help auditors in recognizing and detecting fraud. It is a "how to" course which presents suggestions for detection and for creating an environment which promotes discovery of fraud.

This one-day course includes:

- Establishing an environment for handling fraud
 - Understanding management response
 - Establishing a policy for fraud
- The Five Step Approach to Fraud Detection
- Understanding what can go wrong
- Recognizing symptoms of fraud
- Using and misusing red flags of fraud
- Understanding fraud in purchasing
- Detecting fraud in the computerized environment
- Monitoring for fraud
- Dealing effectively with informants
- The Four Step Approach to Fraud Prevention

Participants receive a student notebook containing discussion notes, exercises and narratives. Exercises are used to reinforce the lecture and case examples and ensure that exposures and symptoms of fraud are understood.

COST

- \$250 (8 CPE Hours)
- A light continental breakfast and afternoon snack will be provided with paid registration. Refreshments i.e. coffee, water, soda, etc. are also included. **Lunch will not be provided.**
- Date: Thursday, November 4, 2004
- American General Finance Midtown II Training Room at 947 Bond Street in downtown Evansville, IN

Refund Policy: A \$50.00 administration fee will be assessed for all cancellations. *No refunds will be made after Friday, October 15, 2004.*

Complete Registration Information Below

Registration Information

To register, detach the registration portion of the brochure and mail it with your deposit of \$50 (check or money order) made payable to **Tri-State Chapter IIA** to the following address by **Friday, October 1, 2004**:

Tri-State Chapter IIA
P.O. Box 3153
Evansville, IN 47731-3153

YES! Please register me for the one-day **Increasing Auditor Effectiveness in Recognizing and Detecting Fraud** seminar!

Name: _____
Profession: _____
Organization: _____
Address: _____
City: _____
State: _____ Zip: _____
Work Phone: _____
Email: _____

May we send you email notices about upcoming seminars? ____ Yes! ____ No thanks

Note: The balance for the course can be paid at the door or in-advance by sending a check or money order to the address listed above.

For additional information, please contact Tony Mattingly at 812-461-9761 or via e-mail at tony_mattingly@oldnational.com.