

# DERBY CITY DISCLOSURES



**LOUISVILLE IIA CHAPTER**

**November 2006**

## PRESIDENT'S MESSAGE

Dear Louisville IIA Members,

Hi! I hope everyone had a Happy Halloween and weren't scared by the ghosts and goblins that were out and about. Can you believe Thanksgiving is just around the corner? I hope everyone enjoys family, friends, and lots and lots of good food.

I would like to thank John Bowman for his presentation on COSO ERM Framework. He did a wonderful job! I would also like to thank those who attended the meeting. I hope everyone got a chance to pick up some of the IIA information that John brought for us.

I want to let you know that there has been a change in the speaker and presentation for this month. I am sorry to say that Don McKay was unable to present this month. However, I am really looking forward to our presentation on Voluntary Compliance with Best Governance Practices presented by one of our own IIA members, and VP of the chapter, Roger LeMaster, and Bob Miller from the Louisville Water Company. Roger LeMaster is the Director of Internal Audit and Bob Miller is the Chief Financial Officer for the Louisville Water Company. Their presentation will be at the Bristol on November 14, 2006. I want to thank Roger and Bob for their offer to present to our group.

Also, I want to apologize to the members for not getting the roundtable discussion scheduled before the end of the year. However, we are planning to have it in mid to late January, so be on the lookout for more information on this.

I am pleased to announce that the Louisville Chapter and Jefferson Wells are presenting a two day (16 CPE Credits) seminar on the Introduction to Audit Command Language (ACL) on December 6 & 7, 2006, at the Louisville Water Company. The cost of the seminar is \$350 for members and \$400 for non-members, and includes a continental breakfast, lunch, and snack for both days. The Louisville Water Company is providing parking on the top floor of their garage for attendees. Please mark your calendars and let Michelle Beumel know if you plan to attend and if you have any dietary restrictions. Space is limited.

I want to thank everyone who completed the CBOK survey. We are in second place in our region. If 10% of our members complete the survey, we will receive 5 CAP points! So far 9.4% have answered the survey. Way to go! I know we can reach the 10%. The more people who respond the more points we get!

I am pleased to announce that Corey Koellner has volunteered to be our new Newsletter Chairperson. Corey works for Ernst & Young in their Business Risk Services. I look forward to working with him the rest of the chapter year. Michele Martin will be stepping down in December from this position. She did a wonderful job editing the Newsletter. We will miss her and wish her the very best in the future.

Please do not hesitate to contact me if you have any questions or suggestions. I look forward to seeing everyone at this month's meeting.

Connie A. Davis  
Chapter President

## NEXT MEETING:

**Tuesday, November 14, 2006**

**at the Bristol Downtown**

**Voluntary Compliance with Best Governance Practices**

*See page 2 for details*

# NOVEMBER MONTHLY MEETING

## Voluntary Compliance with Best Governance Practices

Roger LeMaster, Director of Internal Audit  
Bob Miller, Chief Financial Officer  
Louisville Water Company

**Tuesday, November 14, 2006**

12:00 noon, 11:30 registration

### **1 CPE hour**

(certificates available at the meeting or contact Michelle Beumel)

### **Bristol Bar & Grille Downtown**

614 West Main Street  
(parking will NOT be validated)

**Cost: \$20.00**

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

### RSVP by

**THURSDAY, November 9, 2006**

Michelle Beumel

Office: 627-2098 Fax: 217-2738

[michelle.beumel@eon-us.com](mailto:michelle.beumel@eon-us.com)

### **Menu selections:**

#### **Hot Brown**

*Turkey breast with bacon and tomato on French bread, baked with Mornay sauce.*

#### **Chicken Salad Sandwich**

*Breast meat with toasted almonds, raisins and orange flavored mayo on whole wheat bread. Served with chips.*

#### **Steeplechase Salad**

*Fried boneless chicken breast topped with melted Jack cheese over fresh greens with hard boiled egg, tomato wedges and cucumber with Honey Mustard dressing.*

## **About Roger . . .**

Roger A. LeMaster, CIA, CPA, is Director of Internal Audit for the Louisville Water Company, where he has been responsible for all phases of internal audit since 2001. Prior to joining the Louisville Water Company, he worked for Tichenor & Associates, CPAs, where he led government audits at the local, state, and federal levels. Roger is a graduate of the University of Louisville, where he earned a Bachelor's degree in Accounting and a Master's in Business Administration.

## **About Bob . . .**

Robert K. Miller is Chief Financial Officer at Louisville Water Company, serving in that role for fourteen years. He is responsible for financial operations, information technology resources, risk management and long-range planning. He has a Masters Degree in Business Administration from Indiana University and he is a Peer Reviewer for the American Water Works Association.

**PayPal** is a quick and simple way to pay for monthly IIA meetings. From the chapter web site ([www.iialou.org](http://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 Michelle Beumel** with your menu choice. All information is exchanged via HTTPS protocol (secure and encrypted) and remains with PayPal.

# CHAPTER NEWS

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

## OFFICERS

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## WELCOME NEW MEMBERS

Six new members! Please welcome: Terence Williams, Tonya May, Carey Fansler, Piyush Patel, and William Walker of Kindred Healthcare; and Sabine DeFilippo of North American Stainless.

## CGAP CERTIFICATION

Congratulations to Michael Norman for his successful completion of the CGAP (Certified Government Auditing Professional)! Way to go Michael!

## ACL SEMINAR

Our chapter will be hosting the seminar, Introduction to Audit Command Language, presented by Jefferson Wells. The seminar will be held 12/6 and 12/7/06, 8:15am to 4:45pm, at the Louisville Water Company, 550 South 3<sup>rd</sup> Street. The cost for this 2 day seminar is only \$350 for IIA and ISACA members and \$400 for non-members. To register, contact Michelle Beumel by 11/27/06 at [michelle.beumel@eon-us.com](mailto:michelle.beumel@eon-us.com). See page 6 of this newsletter for more information on this seminar.

## NEWSLETTER EDITOR UPDATE

Michele Martin will be stepping down as the Newsletter Editor at the end of December. Corey Koellner of Ernst and Young has volunteered to take on this fun task. Many thanks to Corey for volunteering his time to contribute to our chapter!

## CIA EXAM REMINDER

Parts 1 & 2 of the CIA exam will be given on Wednesday, November 15; parts 3 & 4 will be given on Thursday, November 16. The application deadline was Saturday, September 30. For more information, contact Bob Aemmer at [bob.aemmer@eon-us.com](mailto:bob.aemmer@eon-us.com).

## REFER-A-FRIEND PROGRAM

The IIA's Refer-A-Friend Campaign launching this fall. For each new member referred from October 1 through November 15, 2006, The IIA will send them a US \$5 specialty coffee gift card as a thank-you and will enter them to win one of three US \$500 Visa<sup>®</sup> gift cards. Thank you in advance for helping make The IIA's 2006 Refer-A-Friend Campaign a success, and for showing your colleagues the benefits of IIA membership!

## CHAIRPERSONS

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# NATIONAL NEWS

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

## Headlines from [www.theiia.org](http://www.theiia.org) . . .

### **IIA responds to SEC concept release on Sarbanes-Oxley 404**

The IIA has responded to the U.S. Securities and Exchange Commission's (SEC) request for comments on its *Concept Release Concerning Management's Reports on Internal Control Over Financial Reporting*. The IIA emphasizes the intent of Sarbanes-Oxley can be met with only two attestations — management's attestation and the external auditor's attestation over management's attestation. The IIA believes the SEC should provide additional principles-based guidance for companies of all sizes and made two recommendations to the SEC: 1) work with stakeholders to develop a corporate governance standard by which companies can assess their practices, and 2) commission a working group to establish a joint position on internal controls and an assessment framework.

### **COSO to develop new guidance**

COSO has issued a request for proposals to develop guidance on monitoring internal control quality. The end product, scheduled for delivery by the end of 2007, will help organizations comply with the U.S. Sarbanes-Oxley Act of 2002.

### **Help understand, guide, and shape the future of internal auditing**

Rarely is there found within the halls of a profession anything of more importance than that unique profession's common body of knowledge. It comprises testament, concepts, ideas, solutions, and tactics and serves as the foundation for the future evolution and perfection of professional practices. Participate in the development of The IIA's common body of knowledge by taking a survey.

### **Register now for a 2007 IIA conference and save**

For a limited time, The IIA is discounting the price on its annual conferences. Register for any 2007 IIA headquarters conference by Oct. 31, 2006, and enjoy the benefit of attending at this year's prices. Check out the [2007 conference schedule](#) and reserve your seat before the price increase.

### **News update on Guide to the Assessment of IT General Controls Scope Based on Risk (GAIT)**

This GAIT status report is an effort to fulfill a long-recognized need to create a communications vehicle among the GAIT Core Team, The IIA, and the various constituencies who have expressed interest in the GAIT initiative.

## **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](mailto:president@iialou.org) or Secretary at [secretary@iialou.org](mailto:secretary@iialou.org).

## *Did You Know . . .*

**The IIA is making great strides in the areas of information technology (IT) for auditors and senior management?**

For more information, refer to the IIA's website, [www.theiia.org](http://www.theiia.org)

## **NATIONAL TRAINING CALENDAR**

### **NOVEMBER, 2006**

1 – 3  
Seminars  
Atlanta, GA

6 – 10  
Seminars  
Phoenix, AZ

13 – 17  
Seminars  
Mississauga, Ontario

### **DECEMBER, 2006**

4 – 8  
Seminars  
Lake Buena Vista, FL

11 – 15  
Seminars  
Las Vegas, NV

**2006-07 Calendar of Events**  
**Louisville Chapter of the IIA**

<b>11/14/06</b>	<b>Voluntary Compliance with Best Governance Practices</b> Roger LeMaster & Bob Miller Louisville Water Company
<b>12/6-7/06</b>	<b>ACL Seminar</b> presented by Jefferson Wells at the Louisville Water Company
<b>12/12/06</b>	<b>Communication Skills w/ ISACA</b> Michael Vincent Humana, Inc.
<b>1/9/07</b>	<b>IT Audit</b> Bob Boyle Strothman & Company
<b>2/13/07</b>	<b>Business Continuity Disaster Recovery</b> Doug Hamilton
<b>Mid-February</b>	<b>Data Mining Seminar</b>
<b>3/13/07</b>	<b>Credit Card/Purchasing Card Fraud</b> Phil Noble US Secret Service
<b>4/10/07</b>	<b>Standards Refresher Professional Practices Framework</b> TBD
<b>4/27/07 AM</b>	<b>Seminar-Third Party/Contract Auditing</b> Tom Carlisle Cinergy Services
<b>4/27/07 PM</b>	<b>Contract Fraud</b> George Mullins Health South
<b>5/8/07</b>	<b>Diversity on the Audit Team</b> at the Ali Center

The Louisville Chapter  
of the  
Institute of Internal Auditors

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**Learn the  
Basics of  
ACL**

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**Earn  
16  
CPE Credits**

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presents

## Introduction to Audit Command Language

<i>When:</i>	December 6 <sup>th</sup> & 7 <sup>th</sup> , 2006 from 8:15 a.m. to 4:45 p.m.
<i>Where:</i>	Louisville Water Company 550 South 3 <sup>rd</sup> Street Louisville, KY
<i>Fee:</i>	\$350 for IIA and ISACA members; \$400 for non-members
<i>Registration:</i>	Please contact Michelle Beumel at michelle.beumel@eon-us.com

### Why attend?

When it comes to analyzing data during an audit, ACL is one of the premier data analysis tools available. This basic level course is designed to ensure the most meaningful and accurate results when you use ACL.

This hands-on workshop will expand your skills using a wide range of ACL features including a detailed explanation of the most widely used ACL commands. You will explore how to develop and use filters and how to create views used for reporting. You'll also learn various best practices including the use of different directory structures, naming conventions and ways to perform maintenance.

This workshop requires completion of some pre-work including loading files on your laptop computer. The files are accessed during the workshop to reinforce your understanding of many of ACL's features. You will need to bring your laptop computer on both days.

### Who should attend?

Financial and operational auditors and IS professionals who want to learn the basic functions and uses of ACL.

### What skills will you develop?

By the end of this workshop you will be able to:

- Navigate effectively throughout the ACL package
- Define, read and process various data file types
- Set-up and modify preference settings
- Document your applications/activities
- Graph and report data
- Access, understand and manipulate data
- Identify data exceptions or anomalies
- Recognize ways to effectively obtain data

NOTE: ACL is the registered trademark of ACL Services Limited. This workshop has not been authorized or certified by ACL Services Limited.



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## WORKSHOP AGENDA

*Day One*

- How ACL processes information, including reading and processing various data file types and structures
- Overview of processing considerations including naming conventions and maintenance procedures
- Review commands and icons within the “ACL for Windows” menu. Detailed explanations of suggested preference settings will be provided
- Overview of the ACL documentation features and how to best document your applications/activities
- Using commands, logic operators and functions

*Day Two*

- How to use ACL filters
- How to use ACL commands, logic operators and functions using actual data examples. Then Participants will:
  - ◆ Consider data formats
  - ◆ Create, modify and delete ‘global’ data filters
  - ◆ Create, modify and execute batches
  - ◆ Define, modify and delete input fields for PC/LAN and EBCDIC files
  - ◆ Define new computed fields, including tables and Boolean logic
- Practice using each command against test files

Please direct inquiries regarding complaint and refund policies to: Jefferson Wells, Learning & Development,  
200 South Executive Drive, Suite 440, Brookfield, WI 53005. Telephone: 800-826-5099

## JEFFERSON WELLS UNIVERSITY

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Jefferson Wells' vision is "revolutionizing value in professional services." Jefferson Wells University for Professional Development was founded with training as a critical part of our value proposition. The University offers quality professional development programs of special interest to internal auditors, accountants and tax professionals. We strive to provide you with learning opportunities to advance both your skills and career and help you meet the goals of your organization.

## JEFFERSON WELLS UNIVERSITY'S FACULTY

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Our faculty includes individuals who are both practitioners and experts in their fields. They are recognized as experts in the content, processes or methodologies covered in the workshops they present. Their involvement in the development and delivery of Jefferson Wells University programs ensures that you have access to the most current thinking in your profession, and to proven practices and methodologies. Faculty members are chosen for their ability to facilitate instructional workshops, ensuring an effective learning experience for all who attend.

## JEFFERSON WELLS UNIVERSITY'S PROGRAMS

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Our programs are designed to be relevant, practical, and to recognize the effects of changing technology. Best of all, they are offered in your own community to save you time and travel expense.

## JEFFERSON WELLS INTERNATIONAL

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Jefferson Wells International is a global provider of professional services in the areas of risk, controls, compliance and financial process improvement. We deliver services to clients by providing professional staff augmentation, project solutions and thought leadership within our three service lines – internal controls, finance operations and tax operations. Through our salaried Professionals we have served 4,000 clients including more than half of the Fortune 500.

For more information on Jefferson Wells, please contact our Business Development Manager, visit our website at [www.jeffersonwells.com](http://www.jeffersonwells.com) or call our corporate headquarters toll-free at 800/826-5099.