

# DERBY CITY DISCLOSURES



**LOUISVILLE IIA CHAPTER**

**December 2008**

Dear Louisville IIA Members and Non-Members,

I write this message a few days before we celebrate Thanksgiving and usher in the holiday season. While we all have much to be grateful for, I thought of a few specific items we as the Louisville Chapter can be thankful for this year:

- 1) Increased member participation: We come together each month, at least in part, to share ideas and network – greater numbers further promote this effort. Invite a co-worker or former colleague to join us at the next meeting.
- 2) Committed volunteers: We couldn't ask for a more dedicated group of volunteers. From chapter members who present at our monthly meetings, to the officers working behind the scenes to ensure those speakers have the appropriate audio-visual equipment. Perhaps you will be next to help plan a meeting, participate in the upcoming student reception, or serve as an officer.
- 3) Creation of chapter library: This is an impressive and continually growing source of reference material any member may use to further develop their core competencies. Our upcoming Ethics seminar at Sullivan University on December 5<sup>th</sup> will provide a convenient opportunity to visit our library. For more information on the seminar, see the registration information within the newsletter.
- 4) Re-designed chapter website: Bruce Edwards is working to develop a more interactive and informative website with a *members only* area. Look for this to be released in the near future.
- 5) Bristol's cheesecake: I mean seriously, it's delicious!

Thanks to Jenni Shelling (Government Relations Chairperson) for arranging Joe Parker of the U.S. Secret Service to speak with us on Counterfeiting at our December meeting. Please note this will be our first 2-hour CPE presentation of the year; however, the price will remain at \$20 member / \$25 non-member – what a deal!

Happy Thanksgiving to all!

Corey Koellner  
Chapter President

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

# DECEMBER MONTHLY MEETING

## COUNTERFEITING

Joe Parker  
U.S. Secret Service

**Tuesday, December 9, 2008**  
12:00 noon, 11:30 registration

### 2 CPE hours

(Note this month's meeting will end at 2:00 p.m.)  
(certificates available at meeting or contact  
[Tim Brown](#))

### Bristol Bar & Grille Downtown

614 West Main Street  
(parking will NOT be validated)

**Cost: \$20.00 member / \$25 non-member**  
Use PayPal at [www.ialou.org](http://www.ialou.org) or remit at  
meeting – No change in price for this 2 hour  
session

**RSVP with your menu selection by**  
Thursday, December 4, 2008 to

Tim Brown  
Office: 627-4580 Fax: 217-4003  
[membership@ialou.org](mailto:membership@ialou.org)

### Menu selection:

#### SPINACH SALAD

*with roasted garlic, red onions, sun-dried  
tomatoes, bacon, goat cheese, & Balsamic  
Vinaigrette.*

#### MUFFALETTA

*turkey, ham, Swiss & Havarti cheese served  
warm on Foccacia bread with olive relish &  
marinated tomatoes & onions. Served w/ chips*

#### CHICKEN FLORENTINE

*sautéed chicken breast tossed with a creamy  
sauce of spinach, green chiles, cheddar &  
parmesan cheese. Served with rice & fresh  
vegetable*

## About Joe and the U.S. Secret Service . . .

The United States Secret Service is a federal law enforcement agency with headquarters in Washington, D.C., and more than 150 offices throughout the United States and abroad. The Secret Service was established in 1865, solely to suppress the counterfeiting of U.S. currency. Today, the agency is mandated by Congress to carry out dual missions: protection of national and visiting foreign leaders, and criminal investigations.

Joe has been with the Secret Service since November 2007 and assigned to the Louisville Field Office since June of 2008. Prior to joining the U.S. Secret Service, Joe was a Virginia State Trooper for five years. Joe is a graduate of James Madison University in Harrisonburg, VA (May 1999) with a Bachelor of Science Degree in Biology.



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

# LOUISVILLE CHAPTER NEWS

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

## OFFICERS

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## Welcome New Members

Five new members! Please welcome: Melissa Bayer of Humana Inc., Dana Hopkins of the U.S. Department of Agriculture, Tim Howell of Ernst & Young LLP, Todd Oberhausen of Hilliard Lyons, Inc and Ted Wahl of Farm Credit Services of Mid-America.

## Congratulations New CIAs

Congratulations to Barry Scott, Rich Dowdell, and Ingram Quick on becoming CIAs! The Chapter has received their certificates and is in the process of having them framed. This is another great benefit of being a member of the Louisville Chapter.

## Junior Achievement

If you have an interest in teaching Junior Achievement to elementary, middle, or high school students – or - if you already plan to participate in Junior Achievement (teaching a class or helping with a fundraiser) anytime from June 1, 2008 – May 31, 2009, please email [Derrick.Singletary@syb.com](mailto: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/>.

## IIA / ISACA Student Reception

As a reminder to members to stay tuned, the annual IIA / ISACA Student Reception will be held in February 2009 at the University of Louisville. Volunteers will be needed, and an exact date will be determined in the near future.

## Monthly Survey Winner

The winner of November's Survey drawing is Scott Shelton. Congratulations Scott! Scott, selected the \$20 off a Chapter Seminar as his prize. To be eligible for the drawing, you must complete the meeting survey, including your name (we had two people that completed the survey but forgot their name) and select to participate in the drawing, you then choose from either a \$20 Thornton's Gift Card or \$20 off a Chapter Seminar. Thank you to everyone who took time to complete the survey.

## CHAIRPERSONS

### Academic Relations

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# **2008-09 Calendar of Events**

## **Louisville Chapter of the IIA**

\*additional seminars to be added as confirmed

- December 5, 2008**     **Christopher Bauer, Speaker/Training**  
- Ethics and Values Statements Seminar (5.5 CPEs)
- December 9, 2008**     **Joe Parker, Secret Service**  
- Counterfeiting (2 CPEs)
- January 13, 2009**     **Elizabeth Burkhart, PricewaterhouseCoopers**  
- IFRS (1 CPE)
- February 10, 2009**     **Robbie Chitwood, Resources Global Professionals**  
- Social Networking (1 CPE)
- February 20, 2009**     **Hernan Murdock, MIS Training Institute**  
- Using Risk Assessment to Build Individual Audit Programs Seminar (7 CPEs)
- March 10, 2009**     **Bob Miller, Municipal & Financial Services Group**  
- Governance (1 CPE)
- April 14, 2009**     **Paul Tirey, Lisa Buckner and Tim Brown - E-On US**  
- Continuous Auditing (2 CPEs)
- May 15, 2009**     **Brandy Baltz, Harrah's Entertainment - Horseshoe**  
- Social Meeting (1 CPE)

## OTHER NEWS...

### The CAP Chat:

We continue to be ahead of our total goal at this point in the year. Due to the great attendance at the QAR seminar and the recent article authored by one of our chapter members (hopefully to be published by Internal Auditor magazine; see below to read the entire article), Heather DiEnno, we are now exceeding our goal for the "service to members" category. We are fortunate to have an active membership and the officers hope to be delivering relevant and timely topics and seminars this year. We believe we are on the right path for gold chapter status again this year! As a reminder, the three key areas evaluated by the IIA are service to members, service to profession, and chapter administration. The Chapter Achievement Program is made up of three performance levels; BRONZE 685, SILVER 1,060, and GOLD 1,560. The total goal for the Louisville Chapter is 1655 credits this year. For the complete YTD goal versus actual results, please see below.

IIA Louisville Chapter - CAP Goal Summary YTD									
	Budget						YTD ACTUAL	YTD	
	JUN	JUL	AUG	SEP	OCT	NOV	TOTAL	Var	
<b>SERVICE TO MEMBERS</b>	-	5	-	32	32	32	101.00	118.37	17
<b>SERVICE TO PROFESSION</b>	27	27	84	38	38	38	251.91	321.44	70
<b>CHAPTER ADMINISTRATION</b>	42	20	60	44	22	12	200.00	219.00	19
<b>CAP TOTALS</b>	69	52	144	114	92	82	553	658.81	105.90

### CIA Review Course Update

The inaugural CIA review course partnership between the Louisville Chapter and Sullivan University has come to an end. The chapter is currently in the process of preparing for the 2009 CIA review course offerings and is preparing a survey to gather feedback on the schedule. Additionally, as part of this process the chapter is looking to create a list of potential instructors. If you are a CIA, have attended the IIA Instructor Development Course or have experience teaching at the adult level, and would be interested in learning more about facilitating the course please contact Bob Aemmer at bob.aemmer@eon-us.com.

### National IIA News and training opportunities links:

#### News

[New IIA President Selected](#)

[PCAOB Names IIA Board Members to Standing Advisory Group](#)

[The IIA Responds to the Global Financial Crisis](#)

#### Training

[Dashboards - The Metric Tool to Manage Your Department](#)

[New Fraud Curriculum](#)

## Association of Certified Fraud Examiners – Seminar – “Investigating By Computer”

**When:** February 2 and 3, 2009  
**Where:** Louisville, KY  
**CPE Credits:** 16 CPE Credits  
**Presenter:** TBD  
**Cost:** Available using below link

Are you using technology to the best of your advantage? Presented in nontechnical terms, this course will teach you how to use the computer and the Internet to effectively conduct fraud examinations and locate information.

As part of this instructor-led course, learn the necessary procedures for requesting and using the data you seek, as well as methods for preserving this electronic evidence. Learn about legal issues affecting computer investigations, how to do public record searches online, how to use data mining and analysis and how to trace the origins of e-mail communications central to your examination. Registration, pricing and course description information are available using the following link: [Louisville ACFE Seminar](#)

## Using Risk Assessment to Build Individual Audit Programs

**When:** Friday, February 20, 2009  
**Where:** Masterson's Conference Center Louisville  
**Cost:** Registration and Pricing Information TBA  
**CPE credits:** 7 CPE Credits  
**Presenter:** Dr. Hernan Murdock, Senior MIS Instructor  
Delivered by MIS Training Institute ([www.misti.com](http://www.misti.com))

In this revealing one-day seminar you will learn how to use risk assessment -- generally applied to annual audit plans -- to help build individual audit programs that will boost auditor productivity and provide the control assurance required by Sarbanes-Oxley. You will explore the differences between traditional, control-based risk assessment and a new, business risk-based approach that addresses management's concerns at the individual audit level. This progressive risk-based approach will demonstrate how assurance and consultative auditing can be performed simultaneously to maximize your audit resources and generate high-impact outcomes.

You will learn how to recognize primary risks critical to any organization and to evaluate if there are appropriate controls in financial, information systems, compliance, and operational audits. You will then investigate the innovative methodology in a practical, case-based work session that will lead you step-by-step through the development of an individual audit program that can be executed in your own organization. You are encouraged to bring an audit subject and background information to use in this class exercise. Attend this timely seminar to learn how to focus your audits on the business concerns of the audit committee, senior management, and the organization's operations.

# Louisville IIA Chapter Seminar Opportunity: Ethics and Values Statements (Two Integrated Programs)

**When:** Friday, December 5, 2008  
**Where:** Sullivan University Louisville Campus  
**Cost:** Members - \$200 (Ethics and Values Statements) / \$125 (Ethics Only)  
Nonmembers - \$225 (Ethics and Values Statements) / \$150 (Ethics Only)  
**CPE credits:** 5.5 for both programs  
**Includes:** Continental breakfast, lunch and dessert, and materials.  
**Presenter:** Christopher Bauer, PhD

## **Morning Ethics Program (3 CPE Credits) – 8:30 am Breakfast, Program 9 am - Noon**

This won't be a review of the ethics code, case studies, or case law! Instead, it will be a unique program designed to help assure that you and your entire organization are able to truly 'walk the talk' of great ethics.

Ethics and fun aren't two words you normally hear in the same sentence. However, Dr. Christopher Bauer has been making professional ethics both straightforward and fun for international audiences for more than twenty-five years. He will talk about ethics differently than you have probably ever experienced before. The tone will be conversational and the ideas immediately applicable. You will leave with easy, practical ideas and tools to reduce your risk for ethical and legal difficulties while simultaneously reducing the risk of your colleagues, coworkers and entire organizations.

What will you learn? This surprisingly humorous program will show you the ethics risks you never knew you had and what you can do right now to make sure those risks don't turn into potentially extremely costly problems. You'll also learn how to re-think your definition of ethics so that you can work through ethical challenges more easily, how to help yourself, colleagues, and coworkers keep ethical principles constantly in mind throughout the course of day-to-day decision-making, the essential do's and don'ts of confronting others on ethics issues, do's and don'ts of consulting on ethics concerns, and much, much more.

## **Afternoon Values Statements Program (2.5 CPE Credits) – 1:00 – 3:30 pm**

Ultimately, our core values - whether stated, unstated, or misstated - actually drive all business decisions and are integral to every aspect of our performance on the job. Yet, neither most companies nor most accounting or auditing departments have values statements or, if they do, they have been written as a PR-type document rather than as a strategic tool able to drive better leadership, management, and achievement. Auditing professionals are even less likely to have personal values statements than are their companies or departments. Yet, creating one in the right way has incredible power to drive our achievement and satisfaction both on and off the job.

This program will provide you with the basics of writing (or re-writing) and implementing a values statement that will bring significant additional power to your leadership and management skills as well as an improved focus to the entire range of your professional activities. Time will also be taken to discuss ways to use personal values statements to increase your success and life-satisfaction while simultaneously improving performance on the job. Powerful stuff!

### **About Chris...**

*Christopher Bauer is a licensed psychologist with over twenty-five years of experience as a trainer, speaker, author, and consultant. Between coaching, speaking and consulting, he has worked with front-line workers to senior executives and everyone in-between. Clients of Dr. Bauer have run the gamut from small- and medium-sized businesses and organizations to every level of staff and management at Fortune 500 corporations.*

*Although ethics and fun are not words typically found in the same sentence, Dr. Bauer's programs have long been helping international audiences build and maintain great ethics while having a terrific time. His keynotes and seminars are frequently billed as "Serious Ethics Programs That'll Make You Laugh!"*

*Dr Bauer's articles on how to build and maintain great professional ethics have appeared in such journals as CEO Refresher, CFO Magazine, and many others. The latest edition of his book, "Better Ethics NOW: How To Avoid The Ethics Disaster You Never Saw Coming" has been a business ethics Top Seller on Amazon.com and he publishes a free "Weekly Ethics Thought" seen by thousands of subscribers worldwide.*

*Because of his unique contribution to the prevention of ethics problems, Dr. Bauer has been recognized with the prestigious Certified Fraud Specialist designation by the Association of Certified Fraud Specialists.*

Additional information on Dr. Bauer's programs as well as a free subscription to the Weekly Ethics Thought is available at his website ([www.bauerethicsseminars.com](http://www.bauerethicsseminars.com)).

**Payment information is as follows:**

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Organization \_\_\_\_\_ Address \_\_\_\_\_

Number of Member(s) Attending: \_\_\_\_\_ x \$200 (full day) = \_\_\_\_\_ Total to Remit

Number of Nonmember(s) Attending: \_\_\_\_\_ x \$225 (full day) = \_\_\_\_\_ Total to Remit

Number of Member(s) Attending: \_\_\_\_\_ x \$125 (Ethics-only) = \_\_\_\_\_ Total to Remit

Number of Nonmember(s) Attending: \_\_\_\_\_ x \$150 (Ethics-only) = \_\_\_\_\_ Total to Remit

All day registrants, please indicate your lunch selection:

Sliced Roast Beef Sandwich \_\_\_\_\_

Roasted Vegetable and Hummus Sandwich \_\_\_\_\_

Grilled Chicken Caesar Salad with Roll (no side included) \_\_\_\_\_

Vegetarian \_\_\_\_\_

Name(s) of Attendee(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Remit Payment to:** Louisville Chapter of IIA P.O. Box 70092 Louisville, KY 40270  
Or pay via PayPal through the Chapter website at <http://www.ialou.org/meetsem/meetsem.htm>.

## **Changing Perceptions: Audit Services Open House** **By Heather DiEnno**

“Internal Audit”...what is the first thing that comes to people’s minds when they hear those words? Boring? Hard-nosed? Number-cruncher? The police? If you are an internal auditor, you have undoubtedly experienced some, if not all, of these less than savory perceptions. Perhaps you have been at a party, where you can see the change in facial expressions when you answer the question “So, what do you do?” Or, maybe you have noticed at work that some of your non-auditor co-workers go out of their way to avoid “The Auditor”.

In addition to experiencing perception problems, our internal audit department was also experiencing difficulties in recruiting internal candidates for open positions. We often would get only a handful of candidates from within the company, if any at all, to post for our vacancies. Because company and industry experience is a great asset for an internal auditor, we wanted to make efforts to increase the number of internal candidates.

Our department formed a workgroup to discuss how to change the perception of the audit department in our company. Over several months, many ideas were generated and discussed. Through these discussions, the group decided to host an open house, providing an opportunity for company employees to come and get to know the current auditors and learn more about the department and what we do.

### *The Open House*

Our first step was to communicate the open house through Company articles on our Company daily electronic news transmission. The event was held during lunchtime to accommodate more employees. We offered the following stations and displays to our guests:

**Slideshow:** We created a PowerPoint slideshow to run continuously throughout the event. The slideshow provided information about the department, including our mission and vision. We included pictures of department outings and events, including barbeques and group volunteer activities. We also showed pictures of auditors out in the field, to demonstrate that we do not sit at a desk all day.

**Alumni Wall of Fame:** We created a display of company employees that were once in the audit department to show the career value of gaining internal audit experience. The alumni list included those who had moved on to positions such as managers, the Controller, and the Senior Vice President of Information Technology.

**Quotables:** Quotes from current and past audit department employees were solicited regarding their internal audit experiences and how it helped them in their careers, mounting the quotes on foam board and posting them in the department.

**Refreshments:** As auditors, we know bribery is unlawful, but we thought cupcakes and soda might entice some visitors!

**Where Were They Then:** We made a display showing each of the auditors along with a list of former job titles. Visitors could lift the photo of each auditor to see what interesting former position they held. This showed that we don't all have the "typical" auditor background.

**Demonstration of Audit Software:** A demonstration of our automated workpapers and analysis software was set up for guests to view to show them internal auditing does require some information technology skills that can be learned or used to build upon current IT skills.

**Hosts:** Audit Services employees were staged in various areas and some were assigned to mingle through the crowd to answer questions and hand out additional information.

**Don't Walk Away Empty Handed:** Of course, what's a party without favors? Each guest was presented with two brochures sharing additional information and career opportunities within Audit Services, along with a little reminder of our department. Paper clip holders, in bright, sunny yellow with a smiley face and the Audit Services' name, were presented to each guest. These were designed to perch upon employees' computer monitors as a friendly reminder of their audit colleagues and the career potential in our field.

#### *Measuring Success*

The last station provided guests an opportunity to complete a survey about the internal audit department. It was important to us to measure the success of the open house. Based on the survey results, 55 percent of respondents said that their perception of the Audit Department changed since coming to the open house and 90 percent of the respondents said that they learned something new about the audit department. The survey results showed that 39 percent of respondents would have posted for an open audit position prior to attending the open house. However, after attending, 48 percent of the respondents stated that they would consider posting.

While we know that we still have work to do to change the perception of the Audit Department and educate our clients on our role, the survey results show that we made strides in both efforts!