



**GOLD
CHAPTER
2009**

Derby City Disclosures

Louisville IIA Chapter News

www.ialou.org

April 2010

Special points of interest:

- New Officers Announced
- Chapter Reaches Platinum Status!
- New Practice Guide Issued

Welcome New Member!

Samuel Wornor
AAF McQuay Inc.

Message from the President

Our chapter has reached GOLD status! This is a terrific accomplishment. Our new officers have been elected for next year. Derrick will do a great job leading the chapter along with his team of officers and Board of Governors. This month's meeting presenter, Renee Fulton, wrote an article entitled "Confessions of a Micromanager", after reading it I knew I had to see if we could invite her to speak to our group. I am sure the topic will resonate with many of us. On April 20 we will host our third meeting in the east end of the county at the offices of ResCare. Anita Clemons, Manager of Investments with Stock Yards Bank will be speaking on the Current Economic Conditions. The east end meetings have been well attended, we look forward to seeing you there.

Over the past few years we have scheduled a "destination" location for our final meeting of the year. Many departments take the opportunity to bring their staff and not only earn CPE but take time to enjoy the location of the meeting. This year, the last meeting will be held on Friday, May 7 at the Louisville Slugger Museum. Tony Belak will be on hand to present on the topic of "Managing Differences Between Us".

If you have ever participated in one of our meetings where Tony has spoken, I know you won't want to miss this meeting. A tour of the factory and admission to the museum will follow the meeting; everyone on the tour will receive a souvenir bat. I am not sure about you, but I have never taken the tour and am looking forward to seeing one of Louisville's treasures.

We are in the home stretch and I hope you will join us for the last three meetings of the year and *Experience the Opportunities* your chapter has to offer.

Warmest regards,
Jodi Renn



New Officers

We had a great slate of candidates to choose from this year. I am thrilled with the increased interest in the chapter. The individuals that were elected are:

President – Derrick Singletary
Vice President – Melissa Minch Koellner
Secretary – Jenni Schelling
Treasurer – Jim Andriot

Melissa and Derrick will travel to Orlando to attend the Imia's Leadership Academy in April in preparation for the new Chapter year that begins June 1. Look for an e-mail in May with a link to a member survey and help the Board of Governor's create programs that meet your needs. Your input is important.



Member Spotlight—James Rose, CIA, CISA, CPA, CISSP

James Rose is the Corporate Director of Internal Audit at Humana, a publicly traded health benefits company headquartered in Louisville, Ky. He is responsible for information technology, compliance, financial, and operational audit engagements. In addition, Mr. Rose helped establish and currently leads the organization's Enterprise Risk Management program. As part of those duties at Humana, Mr. Rose facilitates the meetings of the Audit Committee of the Board of Directors, the Senior Risk Management Committee, and the Operating Committee. He has more than fifteen years experience in audit and consulting on operations, performance, compliance, risk management, and financial matters.

Rose began his career as a Foreign Service officer with the Office of the Inspector General of the U.S. Agency for International Development, reviewing foreign economic assistance programs in Central and Eastern Europe, Russia, and Central Asia. He also worked as Director of Financial Audit with the Auditor of Public Accounts of the Commonwealth of Kentucky, leading the effort to create the department that now conducts operational reviews of state programs.

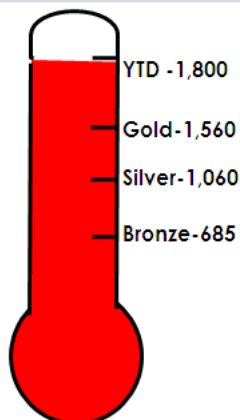
Rose has a master's degree in diplomacy from the Patterson School of Diplomacy and International Commerce and a bachelor's degree in accounting from the University of Kentucky. He holds the Certified Internal Auditor, Certified Information Systems Auditor, Certified Public Accountant (with active license), and Certified Information Systems Security Professional designations.

A member of The Institute of Internal Auditor's (IIA) Louisville chapter, Rose currently serves on The IIA's International Professional Issues Committee which drafts the practice guidelines for the profession worldwide. He is also a member of the Audit Director Roundtable of the Corporate Executive Board as well as the Conference Board's Strategic Risk Management Council – which brings together Chief Risk Officers and Chief Audit Executives from Fortune 500 organizations to discuss the management and governance of enterprise risks.

Best Practices Solicitation

As you know, the IIA motto is *Progress Through Sharing*. In order to encourage this, we are developing a new column in our monthly newsletter entitled Best Practices.

We are looking for members to share best practices that you think could benefit other members. If there are some best practices that you are willing to share please send a brief description to our newsletter editor Gabriela Keemer (Gabriela.Keemer@mcmcpa.com) and we may include them in future issues of our newsletter. Thank you in advance.



CAP Update

I've been talking about it all year, and it finally happened...we have officially reached Gold and Platinum status! The CAP total is currently up to 1,800. During March, 60 people attended the monthly meeting on Fraud Detection, and the CAE Roundtable was also a success with 22 in attendance. 200 of March's CAP came from our chapter's "JA Done in a Day" program at Sanders Elementary. Thank you to all members that participated in these events, and to everyone involved in helping our chapter achieve Platinum status.

April 13th Meeting—Bristol Bar & Grill

Confessions of a Micromanager — 1 CPE
 Noon – 1 p.m.; Registration begins at 11:30 a.m.
 Cost \$20 members/\$25 nonmembers

Menu Options:

- 1) STEEPLECHASE SALAD – Fried boneless chicken breast topped with melted Jack cheese over fresh greens with hard-boiled egg, tomato wedges & cucumber. (Side of Honey Mustard dressing)
- 2) CRAB CAKE SANDWICH – Select crab meat, pan fried and served on an onion bun with roasted red pepper mayonnaise and slaw.
- 3) VEGGIE STIR FRY – Stir-fried peppers, onions, mushrooms, & snow peas with Thai chili sauce over rice.

Please RSVP by 5pm on April 9th to membership@iialou.org with menu selection.

Speaker Profile: Renee Fulton

Renee Fulton is the President/ Owner of Talis Group, Inc., a staffing company which concentrates on hiring professional level personnel for client companies in the areas of accounting, legal, engineering, healthcare, human resources, administrative and clerical. Talis Group can place personnel with your company on a direct hire basis (for a fee) or temporary basis in most professions.

Prior to operating Talis Group on a daily basis, Renee was the Controller at Porter Paints/PPG for over a decade. She is a CPA coming up through the ranks of Arthur Andersen & Co. and then into internal auditing at National City. Renee provides free monthly workshops with Business First on “Grow Your Career-Resume Writing and Interviewing Techniques” and writes articles for The Kentucky CPA Journal and Kentucky SHRM magazine.



April 20th—Economic Conditions—1 CPE

4 – 5 p.m.; Registration begins at 3:30 p.m.
 Cost \$10 members/\$15 nonmembers—Appetizers will be served

This CPE opportunity will be held at the ResCare offices, located at 9901 Linn Station Road, Louisville, KY 40223. Enter through the front door (facing Plainview Kroger) and tell the security guards that you're here for the IIA/KY LOMA Society event. Visitors will be directed to the elevators so that they can travel to the 7th Floor to the Conference Center. Registration for the event will be on the 7th Floor beginning at 3:30pm.

Please RSVP by 5pm on April 16th to membership@iialou.org

Speaker Profile: Anita Clemons, CFP, AAMS, AIF

Anita is the Manager of Investments for the Investment Team at Stock Yards Bank. Her responsibilities include supervision of the Investment Professionals, public speaking engagements, co-management of the Investment Process and investment management of account relationships.

Anita has 29 years of Investment Management experience and holds the Certified Financial Planner license, Accredited Asset Management Specialist and Accredited Investment Fiduciary designations. She is a graduate of the University of Louisville with a Bachelor of Science and post-graduate work in Economics and Finance. Prior to joining Stock Yards Bank, Anita was Chief Investment Officer of the 200+ year old Presbyterian Foundation where she was a manager of managers for the endowments of the Foundation as well as an expert in socially responsible investing.



RSVP to
membership@iialou.org
 to register for meetings.
 You can pay for
 meetings at
www.iialou.org using
 PayPal.

May 7th Meeting—Louisville Slugger Museum

Managing Differences Between Us —1 CPE

Noon – 1 p.m.; Registration begins at 11:30 a.m.

Cost \$20 members/\$25 nonmembers

About the Event:

Included in the cost of this event is lunch, a guided tour of the factory, entrance into the museum, a souvenir bat, and of course 1 CPE credit. More details will be provided shortly.

Due to restrictions imposed by the venue, **late registrations CANNOT be accepted.** Please ensure that you meet the deadline.

Menu Options:

- 1) **Smoked Ham & American** - Please specify white or wheat bread. Failure to specify will result in a default choice of white bread.
- 2) **Roast Beef & Swiss** - Please specify white or wheat bread. Failure to specify will result in a default choice of white bread.
- 3) **Turkey Club & American** - Please specify white or wheat bread. Failure to specify will result in a default choice of white bread.
- 4) **Vegetarian** - Spinach & Mozzarella on Focaccia Bread.

Please RSVP by 5pm on April 30th to membership@iialou.org with menu selection.

Speaker Profile: Tony Belak



Tony Belak is a member of the faculty at The Institute for Workplace Transition and has taught conflict resolution at Sullivan University, the University of Louisville Louis D. Brandeis School of Law, Indiana University Southeast College of Business, and MBA courses and seminars at the Vienna campus of Webster University and Bratislava, Slovakia.

He is the first attorney graduate of the George Washington University Interagency Institute for Federal Health Care Executives (1992) and former Regional Counsel and Senior Dispute Resolution Counsel for the Department of Veterans Affairs. He was an original founder of the Louisville Bar Association ADR Committee and served for eight years on the Kentucky Bar Association ADR Committee and as its chair for two years. He was an initial member of the Civil Justice Reform Act Committee for the Western District of Kentucky, former assistant Commonwealth Attorney, special assistant U.S. Attorney, and President of the Federal Bar Association, Kentucky Chapter. He also is past two term chair of the Louisville Bar Association ADR/Mediation Section and past President of the Mediation Association of Kentucky.

Tony has travelled throughout the United States and Europe lecturing and training in mediation and dispute resolution.

Governmental Auditors and The IIA

Just how important are government auditors to The IIA? Government auditors represent approximately 15 percent of the IIA's North American Membership and are the largest industry grouping. Thousands of auditors work for the city, county, state, provincial or federal government and are charged with adding value and strength to their organization while performing their jobs within tight budget constraints and under public scrutiny. The governance roles of oversight, insight and foresight may appear daunting in a world of ever increasing transparency, yet the need to provide accountability and protect the core values of government has never been greater. That's why the IIA has developed a specialty certification, program options and customized training to meet the needs of today's government auditors.

Certification

The Certified Government Auditing Professional® (CGAP®) is a specialty certification designed for and by public-sector internal auditing practitioners. The exam tests a candidate's knowledge of the unique features of public-sector internal auditing — fund accounting, grants, legislative oversight, confidentiality rights, and more. The program's broad scope emphasizes the internal auditor's role in strengthening accountability to the public and improving government services. For more information regarding the CGAP certification visit the IIA at <http://www.theiia.org/certification/specialty-certifications/cgap/>

Programming

The Government Audit Program, designed by government auditors for government auditors, includes affordable training, free and discounted products, access to International Standards and a professional code of ethics, and exclusive networking opportunities with your peers. Currently, more than 100 government audit agencies and more than 8,000 individuals in the United States, Canada, and the Caribbean are already participating in the Government Audit Program entitling them to full IIA member benefits at substantially reduced rates. For more information regarding the Government Audit Program visit the IIA at <http://www.theiia.org/membership/join-now/gap/>

Training

Ten of the IIA's most popular seminars have been redesigned to focus specifically on government related issues and case studies. In addition, the Auditor Roles in Government Performance Measurement Project has trained hundreds of IIA chapter members on auditing Performance Management Systems, Auditor Roles, Assessing the Quality of Performance Information and Reporting, as well as Reliability and Relevance of Performance Information. For more information regarding the "Auditor Roles in Government Performance Measurement Project" visit the IIA at <http://www.theiia.org/chapters-institutes/leader-support/chapter-leaders/service-to-members/audit-roles-project/>

Did You Know

GAIN Flash Surveys allow you to tap into a vast wealth of resources, including audit leaders who have successfully conquered many of the challenges your organization may be confronting. Joining the network will assist you in staying current on issues other auditors are facing by receiving and having the opportunity to participate in all GAIN benchmarking surveys. You can learn more and join by visiting www.theiia.org/gain.

2010 Standards Exposure

The IPPF process requires that all guidance be reviewed at least once every three years to ensure that it remains current, relevant, and timely. The IASB's Internal Audit Standards Board (IASB) has recently conducted a comprehensive review of the International Standards for the Professional Practice of Internal Auditing (Standards) and is proposing changes to some of the Standards as well as recommending new Standards. Part of the established guidance process includes the exposure of proposed changes in mandatory guidance to stakeholders of the profession to ensure the modifications are clear, understandable, and consistent with the practice of internal auditing.

The proposed changes and new Standards have a 90-day exposure period from **Feb. 15, 2010 to May 14, 2010**. To facilitate your response to this exposure draft, we encourage you to complete an online survey that will guide you through each of the proposed changes to the Standards and glossary. The survey (<http://iasurvey.theiia.org/flashsurvey/se.ashx?s=0B87D7844DFAA21F>) will allow you to vote on whether you agree with the proposed additions or revisions and to provide additional comments.

The IIA hosted a webinar on Feb. 19, 2010 to review the proposed changes. The IASB chair and vice chair provided background and additional explanations regarding the Standards exposure. Go to <http://www.theiia.org/guidance/standards-and-guidance/2010-standards-exposure/> to watch a replay of the webinar and see answers to the questions asked during the webinar.

Are You Taking Responsibility For Taking Responsibility?



When we take full responsibility for our behavior - when we really own what we do and the impact of our choices - we immediately impose a range of extremely hardy pressures on ourselves to do the right thing. These pressures range from wanting to be proud of a job well done to wishing not to be humiliated or punished for doing the wrong thing. By contrast, the less responsible we feel for our actions or the less we care about their impact, the greater the distance we can create between ourselves and those extremely helpful pressures.

None of this is any great revelation and, in fact, it is all arguably common sense. However, it is usually forgotten when discussing the causes of ethical and legal problems in both individuals and organizations alike.

The point here is that when our efforts to build and maintain better ethics are exclusively focused on teaching the rules and building compliance programs, we are systematically missing the boat where the prevention of ethics problems is concerned.

Why? Because the more exclusively we focus on compliance as a goal in itself, the less we are focused on helping employees learn to understand and take responsibility for the actual impact of their decisions, whether those decisions are good ones or not. Once you add that focus - and once you show employees that doing the right thing is a tool for their personal success and not just the success of your company - then it will be much easier for them to focus on keeping ethics problems from developing; they will simply be more motivated to do so.

by Christopher Bauer

New Knowledge Brief issued by the IIA

Evaluating Corporate Social Responsibility (CSR) / Sustainability Development—CSR presents significant risks and opportunities for many organizations. Stakeholders expect boards and management to accept responsibility and implement strategies and controls to manage their impact on society and the environment, to engage stakeholders in their endeavors, and to inform the public about their results. The proliferation of regulation and voluntary standards has made CSR management a complex endeavor.

Internal auditors should understand the risks and controls related to CSR objectives. Where appropriate, the CAE should plan to audit, facilitate control self-assessments, verify results, and/or consult on the various subjects. Internal auditors should maintain the skills and knowledge necessary to understand and evaluate the governance, risks, and controls of CSR strategies.

The guide will assist internal auditors in understanding the following:

The risks (operational, reputational, etc.) associated with CSR activities and how to use such knowledge in audit planning

The approaches to evaluating CSR activities, including auditing, facilitating, and consulting

Audit considerations such as use of the audit opinion, independence and objectivity, and types of resources

Considerations in developing the internal audit program, including whether CSR information is consistent with standards and how management communicates and sets priorities for CSR strategies

Members can obtain a free copy at the IIA's website www.theiia.org.

CIA Learning Systems

The Louisville Chapter of the IIA and Sullivan University have scheduled the following CIA Learning System Courses. To register please visit Sullivan University at <https://secure.sullivan.edu/coursetraining/courses.aspx>.

Course	Course Name	Beginning	Ends	Description	Price
36	CIA (Certified Internal Auditor)	5/15/2010	6/12/2010	Saturdays May 15, 22 Jun 5, 12, 19	\$2,995
37	CIA (Certified Internal Auditor)	4/12/2010	5/12/2010	Mon & Wed Apr 12 - May 12, 2010	\$2,995
38	CIA (Certified Internal Auditor) "Boot Camp"	5/15/2010	5/19/2010	Mon – Fri May 15 - 19	\$2,995

Please contact Bob Aemmer (Bob.Aemmer@eon-us.com), Certifications Chair with any suggestions regarding the course and how we can better serve your needs. Questions regarding course registration can be directed to Richard Brien (rbrien@sullivan.edu), Director Corporate Development & Training at Sullivan University.



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