



Monthly Reporter

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OUICKLINKS

DETROIT CHAPTER HOMEPAGE www.detroitiia.org

IIA WEBSITE www.theiia.org

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A NEW HORIZON IN INTERNAL AUDIT

This summer the IIA released their review of the 2008 calendar year – *A New Horizon in Internal Auditing – The IIA's 2008 Annual Report. A New Horizon* reviews the organization's significant successes during this tumultuous year as well as the obstacles that were overcome to achieve our goals. Perhaps more importantly, the report describes the long-term plans and future goals for our organization



and profession. As our Chapter supports the initiatives and goals of The Institute, the report is in many ways a reflection of where we have been and where we are going as a Chapter.

Despite the difficult global economic conditions of 2008, the IIA was able to accomplish significant initiatives and improve the profession as a whole, in line with the six-year strategic plan developed in 2007. The strategic plan is designed to be a "living document," adjusting to the economic environments and the needs of the organization and guiding the path for the IIA through 2013. In 2008, The Institute identified four new initiatives, which focus on building a strong global organization, promoting the value of internal auditors to stakeholders, identification of emerging issues and developing a global research process.

These initiatives are already being addressed and can be seen in many of the accomplishments from 2008, such as the release of the International Professional Practices Framework (IPPF) and the establishment of computer-based testing for an improved certification process. The Institute also made strides to reach out to new members with its devotion to Global Capacity Development (GCD), which aims to expand the internal audit profession to developing countries, and an increased awareness to students around the world through the Internal Audit Education Partnership (IAEP). In addition to these achievements, the IIA was able to increase global membership, reach 7.5 million visitors to www.theiia.org, and influence legislation in 35 countries around the world.

Continued on Page 7

PRESIDENTIAL

R E S activities. The another year

Dear Colleagues,

On behalf of the Board of Governors, Officers, and Committee Chairs of the Detroit Chapter, welcome to the 2009 – 2010 Chapter Year! The Board of Governors held its second annual retreat in June. We considered chapter strengths, weakness, threats and opportunities. While our strengths include chapter maturity, membership, commitment and quality programming our chapter faces threats as the economy and many of our member companies continue to struggle to rebound to positions of strength. The Board's focus for the coming year is to sustain membership, grow participation and remain relevant and valuable to our members, community and profession. With these considerations, we have planned a year that will provide quality yet economical programming to help us identify and assess risk in this unique economic environment along with opportunities for member networking. We look forward to your participation throughout the year.

The Board and its committees meet during the summer and throughout the year to plan meetings and activities. The Program Chair, Pam Bishop, and the committee members have worked diligently over the past few months to bring you another year of excellent programming. The input received from you via the member survey has helped us design programs to meet your educational and networking needs. So far, for the 2009 – 2010 chapter year, we have planned the following:

- Eight monthly dinner meetings
- Annual Spring Conference
- One social event
- CIA exam review class
- Full and half-day programs

Given the financial challenges facing many of our members and member companies, the Board of Governors reduced the monthly meeting fee to \$35 for members and \$45 for nonmembers. The annual spring conference will provide an excellent opportunity for effective, cost efficient local training. Please plan ahead to attend the conference in March 2010.

A key to the Chapter's success is the time and talent of many volunteers who participate on the various committees. Many thanks to the committee chairs who continue to provide service to the members including: Athena Avgousti, Social and Membership Committees; Rick Bennett, CIA Program Committee; Tanya Cooper-Crockett, Awards Committee; Bob Okopny, Academic Relations Committee; and Martin Wood, Chapter Achievement Program (CAP) Reporting Committee. Thanks also to others who work behind the scenes to develop our monthly communications: Jon Fritsch, newsletter editor; Kevin Gates, webmaster; and Nichole McCarthy for continued assistance with registration, newsletters, advertising, member information and for handling other administrative matters for the Chapter.

Congratulations and thank you to last year's president, Mark Weintraub, and the Board for achieving the IIA Platinum Award for the fifth year. This award is given to chapters that achieve the highest level of service to their membership and to the profession after 10 years of achieving the Gold Award level. Special thanks to three other members: Duane Borkowski, Dave Flynn and Martin Wood. These gentlemen have served the chapter tirelessly over the years as Board members and in various other capacities. While they have concluded their tenure on the Board, they continue to serve on various committees.

I appreciate the opportunity to serve the members this year as Chapter President and continuing the tradition of a Platinum Award again. We can't do it without you. Please feel free to contact me with your thoughts, suggestions and ideas via telephone, e-mail or in person.

Looking forward to another Platinum year,

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Sharon L Gipson, CPA President, Detroit Chapter IIA



ATTENTION!

The Membership Committee is asking all Detroit members to notify the Chapter of changes or career milestones they want recognized such as contact information changes, professional certification achievements, CAP contributions, and other career milestones. A Membership Update Form is available on the Detroit Chapter's website at the following address: http://www.detroitiia.org/Member_Update.htm

Please fill in your updated information and click submit. The form is only needed to be submitted when changes occur and will be made available at monthly Detroit Chapter meetings.

UPCOMING IIA EVENTS:

2009 Midwestern
Regional Conference
September 13 – 16, 2009
St. Louis, MO
2009 Eastern Regional
Conference
October 11 – 14, 2009
Philadelphia, PA
2009 All Star Conference
October 19 – 21, 2009
Las Vegas, NV

WEB-BASED TRAINING:

Risk-based Auditing: A Value Add **Proposition** Starts September 7,2009 **Auditing the Loan Review Function** September 10, 2009 **Foreign Corrupt Practices Act (FCPA):** The UPS Approach September 17, 2009 **Enterprise Risk** Management: An Introduction Starts October 5, 2009 **Managing GRC Cost** and Complexity -How IA Can Assist in **Reducing Costs** October 15, 2009

For event and registration details, click the links above or visit http://www.theiia.org/iia-training/ for all IIA sponsored training events.

UPCOMING CHAPTER EVENTS

SEPTEMBER DETROIT CHAPTER MEETING

Tuesday, September 8, 4:00 - 7:30 PM - CIA Recognition Night

Our first Chapter Meeting of the year will kick-off as Sajay Rai, CPA, CISSP, CISM, discusses auditing an Identity and Access Management (IAM) environment. Sajay, CEO and Founder of Bloomfield Hills based consulting firm Securely Yours LLC, will provide a basic understanding of IAM as well as techniques for how an IAM environment should be audited. Mr. Rai has published many works on the topic of information security and recently contributed to the August 2009 issue of the IIA's Internal Auditor with an IAM article entitled "Security in a Cloud."

At a time when corporate fraudsters are prevalent and fraud risk assessments are becoming a necessity, Paul Zikmund will join us to discuss his views on some of the current fraud scenarios and provide his insights into identifying and mitigating fraud risks. There will also be an opportunity for a Q&A session when the audience will have the opportunity to discuss fraud scenarios that they have experienced. Mr. Zikmund has over 20 years of expertise and will join us from Goldenberg Rosenthal, LLP where he is responsible for providing fraud investigation, detection and prevention services to both public and privately held businesses.

The meeting will take place at the VisTaTech Conference Center at Schoolcraft College in Livonia. To register* please click the following link September Meeting Registration or for group registration contact the Chapter Administrator at 1-866-895-1851 or ChapterAdmin@ detroitiia.org.

SEPTEMBER TRAINING EVENT

Wednesday, September 9, 8:30 - 4:30 PM

Interviewing is a forensic tool available to auditors and, when conducted effectively, can successfully uncover indicators of fraud during the audit. Learn how to conduct focused discussions and alert yourself to suspicious behavior and detect fraud. Join us for this informative and topical training session led by Certified Fraud Examiner and Certified Forensic Financial Analyst Paul Zikmund.

The course will be held at VisTaTech Conference Center at Schoolcraft College in Livonia. The cost of the course is \$150 for members and \$175 for non-members and includes lunch and 8 CPE's. To register, visit www.123signup.com. For further information please visit www.detroitiia.org or contact the Chapter Administrator at chapteradmin@detroitiia.org.

OCTOBER DETROIT CHAPTER MEETING

Tuesday, October 13, 4:00 – 7:30 PM

In an interesting change of format the October Chapter Meeting will be a Panel Discussion entitled "How Internal Audit is Doing More with Less." The discussion will be moderated by Dr. Robert Okopny and the panel will consist of leading members of our Chapter including President Sharon Gipson as well as prominent members within the audit community. Our esteemed panel will discuss various techniques which enable Audit Executives to continue to add – if not increase – value to their organization during an economic downturn.

The meeting will take place at the VisTaTech Conference Center at Schoolcraft College in Livonia. Registration details* will be communicated at a later date.

*Cost for Chapter Meetings: \$35 Members; \$45 Non-Members; \$20 Students & Retirees. Additional \$5 fee will be applied if paying at the door.

An Annual Calendar of Chapter Events can be viewed at the following website: http://www.detroitiia.org/Events.htm

CORNER R

CAP is short for Chapter Achievement Program, chaired by Marty Wood. Marty congratulates the Detroit Chapter for earning the CAP Gold/Platinum Awards last year. This was the 14th year in a row the Chapter achieved GOLD and the fifth time for Platinum - the highest award for the program. With everyone's help, we expect to continue the streak of 15 Golds and six Platinums in a row for Chapter Year 2009-2010.

The CAP program is the IIA's Business Score Card used to monitor and recognize the activities of the local chapters that promote the strategic objectives of The IIA.

There are three service categories of a Chapter and of the achievement program which are scored, and monitored in our CAP reporting to the IIA:

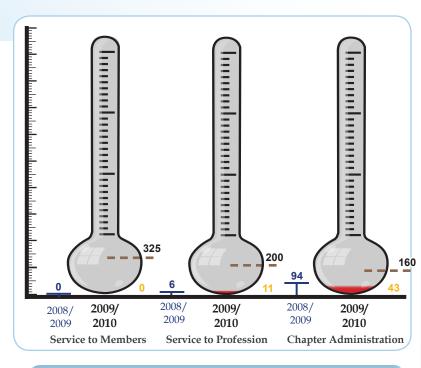
- Service to Members
- Service to the Profession
- Chapter Administration

CAP is made up of four performance levels:

- BRONZE 685 achievement credits
- SILVER 1,060 achievement credits
- GOLD 1,560 achievement credits
- PLATINUM: is a special award level created to recognize Chapters that attain Gold status for ten consecutive years.

In order to continue our success and to become the top scorer compared to larger chapters in the US, we need your assistance by providing Marty information on Chapter Member activities where we can receive CAP points. Each week we will highlight the types of activities that earn us points, and we will also provide you a status on our monthly progress towards achieving PLATINUM! The following are two important categories where we earn CAP Points:

• Speakers Bureau: Each internal auditing speaking engagement that a Chapter member completes will earn one credit per CPE hour. This includes members who speak at our own chapter meetings. IIA employees, IIA paid consultants and paid educators are excluded from being considered. Double credits are earned for engagements made outside North America.



KEY: MINIMUM POINTS REQUIRED TOTAL POINTS ATTAINED As of August 27, 2009

• Education: Any educational offering sponsored or co-sponsored by the Chapter will earn chapter achievement credits for IIA members and non-members who attend. This means the more members and non-members who attend our Chapter monthly meetings and seminars the more credits we earn.

If you are aware of chapter membership activities that will earn us CAP points or have any questions regarding the CAP program please contact Marty Wood at:

- E-Mail: Martin.wood@flintgrp.com
- Phone: 734-233-7849

Total Points Earned as of 8/27/09 54.53 Point Total as of 8/27/08
CAP Achievement Levels:
BRONZE

EDITORIAL

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Pamela Weipert, MBA, CIA, CGAP, CPA Treasurer

Michael J. Ross, CIA, CFE, CGFM Secretary

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Jeffrey Bankowski, MBA, CIA, CFF Pamela Bishop, CFE, CIA, CISA Matthew B. Burgess, CIA, CPA, CISA Tanya Cooper-Crockett, CIA, CPA Cornel G. Ivascu, CIA, CISA Dr. Robert Okopny, PhD, CIA Dr. Bruce Ring, CPA, CFE Mark Savitskie, MBA, CIA, CPA Mark H. Weintraub, CPA, CIA

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ANNOUNCEMENTS

Chapter Meeting Dinner Menu:

Roast loin of pork topped with brandied stewed apples
Parmesan crusted whitefish with lemon caper sauce
Sautéed mushrooms with garlic butter
Potato gnocchi with alfredo sauce
Waldorf salad
Hearts of palm, cucumber and mint salad
German potato salad
Walnut torte

IIA Helps Members During Tough Economy:

The IIA has taken great strides to provide continued membership opportunities during the current economic downturn. Through its Bridge Membership Program, the IIA is offering a one-year complimentary membership including online access to Internal Auditor magazine to qualified U.S. members. Qualifications for this program require you be an active member for the past two years and are actively seeking employment. To apply, complete the application form at www.theiia.org/download.cfm?file=75400 and a written request certifying you are unemployed and qualified for the program. Send both documents along with your current IIA member number to membershipdevelopment@theiia.org.

In harmony with our parent organization, the Detroit Chapter will provide complimentary attendance to two Chapter Meetings for eligible members. The Chapter understands that Chapter Meetings are great opportunities to develop professional relationships and stay up-to-date on industry hot topics. Unemployed memebrs who wish to take advantage of this benefit should contact our Chapter Administrator at ChapterAdmin@Detroit IIA.org.

2009 Member Survey: Your Opinion counts!

We have all heard that two-way communication is essential for a successful organization. In spring 2009, the Detroit IIA gave members an opportunity to communicate their preferences through the Annual Member Survey. Responses from 178 members were used as a driving force for decisions made by the Board and Programming Committee. The 12 question survey covered a variety of topics including meeting format, topics, speakers and training opportunities provided to members.

Responses from the Member Survey participants contributed to the Board's decision to reduce meeting costs (now \$35 for members). Let your thoughts be heard by keeping your eyes open for the opportunity to participate in the next Member Survey. You might just win a \$100 gas card, like this year's winner Larry Thomas from Jefferson Wells! Congratulations Larry!

ELOISE L. BRADLEY AWARD OF MERIT

The Eloise L. Bradley Award of Merit is awarded annually to a member who has provided outstanding service to the Chapter during the program year. The 2008 - 2009 recipient was Meg Wolocko, recognized for her devotion to the IIA Chapter Newsletter. Meg is a Finance Rotational employee at GMAC. She spent her first two years in the Internal Audit department and is now completing a rotation within the Global Treasury, Funding and Liquidity Controls Group. Meg attained a Finance degree from Michigan State University and is currently pursuing an MBA at Wayne State University. Let's take the opportunity to get to know our Eloise L. Bradley Award of Merit recipient:

Monthly Reporter: How did you become involved with the Detroit IIA?

Meg Wolocko: All new members within the GMAC Audit department are encouraged to join the IIA due to the advantageous networking and professional growth opportunities the Chapter provides. I was looking to become more involved in the Detroit Chapter when Mark Weintraub, former IIA President, approached me with an opportunity to spearhead the IIA newsletter.

MR: From your experience with the Detroit IIA what is the most significant "take-away"?

MW: The importance of communication. Effective communication seemed to be a frequent underlying theme during presentations at Chapter meetings, courses offered at the Spring IIA/ISACA Conferences, and amongst our Chapter's leaders. Being able to effectively communicate with auditees, peers and leadership is a very important skill no matter your career path.

MR: What does receiving the Eloise L. Bradley Award of Merit mean to you at this point in your career?

MW: Receiving the Eloise L. Bradley Award of Merit has been an empowering experience. It was very unexpected but has reinforced the idea that taking initiative and following through on projects as a young or experienced professional can have a significant impact on a group. The award also shows how strongly the Chapter values and supports the newsletter. I hope such recognition will encourage the Chapter to creatively use the newsletter to its full potential as a group communication tool.



from incoming Chapter President Sharon Gipson.

MR: What did you want to be "when you grow up"? And what do you want to do now?

MW: I use to dream of being the Treasurer of the United States. Who wouldn't want their signature on the dollar bill?! Regarding the future, I cannot pinpoint what I want to do. The constantly changing business environment is presenting new opportunities and I don't want to limit myself or miss an opportunity due to a tunnel-visioned goal. Nevertheless, my ultimate goal in any position I hold is to be a resource; a resource that colleagues can turn to with questions knowing if I don't know the answer I will certainly help them find it.

MR: I understand you are in the rotational program at GMAC, do you see yourself returning to Audit?

MW: I truly enjoyed my time in audit and would love to return. I can only imagine that my current experiences in the business would strengthen the value I could bring to an organization as an Auditor. Nevertheless, I have taken into my current role many lessons learned from auditing and I am constantly looking for ways to be more efficient. I have been told a number of times that those who leave Audit always find their way back.

MR: As an accomplished young professional do you have any advice to offer young IIA professionals?

MW: Never be afraid to ask questions! If you never ask, you may never know. Whether internally within your department or at external functions like Chapter meetings, seize the opportunity to learn from others' experiences and expertise. All you have to do is ask a question.

MR: Outside of your professional career and schooling, what do you like to do for fun?

MW: Anything and everything outside! I believe in trying everything at least once and have made it a summer goal to experience something new each week! Some favorite activities are playing soccer, kayaking, cycling, and playing the clarinet. My friends would say that I am always up to something and laugh at the fact that I keep a pair of ice skates and paddles in the trunk of my car -- you never know when you'll need them and I certainly do not want to miss an opportunity!

MEETING MINUTES

MAY 12, 2009

Our final Chapter Meeting of the program year ended on a high note as we celebrated Awards Night and voted on our incoming Board Members and Officers. We also voted to approve seven amendments to our Chapter Bylaws. The Monthly Reporter would like to congratulate our award winners and welcome our new Board Members and Officers.

Not to be outdone by our Chapter ceremonies, both of our esteemed speakers captivated the crowd with interesting and informative presentations. Bill Kowalski began the evening by discussing the growing threat of identity theft. Mr. Kowalski, of Kerby & Associates, offered some startling figures which revealed just how pervasive and destructive identity theft is. Bill proceeded to discuss new prevention techniques which financial institutions and creditors are required to implement in order to prevent theft of personal information. Finally, to show how to protect confidential information, Bill presented many of the tools and techniques used by today's cyber criminals.

The final speaker of the year was Jeffrey Siegel who is the Senior Examiner with the Federal Reserve Bank of Chicago. Jeffrey presented on "The Pillars of Effective Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) Programs" which are two topics of growing importance for financial institutions across the globe. Jeffrey began with an engaging discussion on the money laundering process and why the Bank Secrecy Act is so crucial to national security. He was also able to discuss internal audit's role in complying with BSA and AML.

Both speakers' presentations can be found at www.detroitiia.org/Handouts.



Sharon Gipson, Incoming IIA President with post-dinner speaker, Jeffrey Siegel, Senior Examiner, Federal Reserve Bank of Chicago



Sharon Gipson, Incoming IIA President with pre-dinner speaker, Bill Kowalski, V.P., Kerby & Associates



Dana Darrow and Sheila Qin Li, EMU registration assistants with Dr. Bob Okopny, EMU

ATTENDANCE:

Members - 99 • Students - 9 Retirees - 5 • Non-Members - 4

2008 IIA REPORT continued...

While reviewing the report, it is plain to see that the Detroit Chapter is clearly aligned with the interests and goals of IIA Global Headquarters. Our Chapter currently supports many of the initiatives mentioned in the report including the IAEP and a partnership with the Association of Certified Fraud Examiners (ACFE). In fact, our Chapter was recognized among others for our significant contribution to the Internal Audit Academic Advancement Fund (IAAAF).

As 2008 was such a successful year, the accomplishments listed above are but a few of the many that were realized during the prior year. Be sure to read the annual report in its entirety at www.theiia.org or click here.

CHAPTER MEMBERSHIP RECOGNITION

The Monthly Reporter would like to take the time to recognize and celebrate the following members for their milestones in membership and continued dedication to our organization. It is members like these who truly make our Chapter special. We must apologize in advance for any members who were not included but should have been. If you believe this information is incorrect, please visit the IIA website to update your profile.

10 Years:					25 years:
Michael Bartolac	Robert A. Kinsman	Jeffery A. Stamy	Amanda Nicole Drobot	Russell J. Braden	Carlton C. Caza
Carrie M. Carbone	Nikhil Kothari	Stacey J. Taylor	Jeffrey A. Lynch	Albert J. George	Marlowe D. Crawford
Lisa M. Cornejo	Sharon H. Lindstrom	Robert S. Thompson	Frank P. Mioni	Gerald L. Glasco	D. Robert Okopny
Ronald A. Dean	Joseph M. Miko	Yvette M. Thrush	Laura L. Patterson	Joseph Heydens	Louis W. Petro
Maryellen Estes	Wilbur E. Mower	Shelly R. Van Arsdalen	Chris A. Plensdorf	Wendy Iacofano	30 years:
Nadine Flowers-	Albert Nazarian	Vivian E. Verhelle	Ravi Rajagopalan	William J. Lambrose	Charles J. Mazzola
Newson	John Osborne	Jennifer L. Village	Valarie Snell	Jeanette A. Leeming	Thomas J. Newman
Iim Freels	Paula E. Patterson	Keith E. Whitacre	Bobbie A. Tarrance	James P. Martin	35 years:
Laura J. Hitchcock	Denise Reske	15 years:		Lisa S. Milliner	Larry W. Toussaint
, and the second second	Owen B. Rockentine	Mary H. Bromley	20 years:	Steven Nowicki	55 years:
Marianne N. Johnston- Hoff	Gary K. Smith	William C. Chapoton	Daniel W. Bargy	James M. Sullivan	Leland G. Clifford

NEWLY CERTIFIED INTERNAL AUDITORS

• The following individuals will be recognized at the September Chapter Meeting

Jonathan Brinks • Ravi Mehta • Corey Mulloy • Bonventure Nweze • Marshall Overlander Xiaomin Qui • Emel Sener • Yusaf Seedat • Jing Wang • Eulonda Whitmore

CHAPTER ADMINISTRATOR SPOTLIGHT

The Monthly Reporter recently caught up with our Chapter Administrator Nichole McCarthy to learn more about the vital role she plays for our Chapter. If you haven't had the opportunity to meet Nichole personally, consider this a brief introduction.

Monthly Reporter: What drew you to the Detroit IIA?

Nichole McCarthy: Well, I had just given birth to my first child so I was looking for an opportunity that would allow me to work from home and stay in the workplace. I am a people-person so I still wanted to meet with people and stay busy. My mother Rita told me about this opportunity and introduced me to former Chapter President Mark Weintraub. After meeting with Mark and hearing about the role, I knew this was the place for me!

MR: What are your responsibilities as Chapter Administrator?

NM: I really try to accommodate the needs of our members. Whether it is providing training information, sending email announcements, planning chapter meetings or providing contact information, I am the "go-to-person" for all of our member's questions. In fact, when I first started I purchased a BlackBerry so I could be more accessible to the Chapter.

MR: What has been a highlight of this position so far?

NM: Easily the highlight of this position is the Chapter Meetings. I really enjoy meeting members and helping with the events. It

is great to put a face to name of someone I've helped over the phone or through an email; it is very rewarding.

MR: What challenges have you encountered as Chapter Administrator?

NM: I think everything has been going very well, but if I had to say, it would be that I am not able to meet with our members but once a month. While emails and phone calls are a part of every job, since I am such a people-person I would much rather meet with someone face-to-face.

MR: How can you be reached by our members and what can they contact you about?

NM: Chapter members can feel free to contact me about any matters concerning the Chapter. If I cannot help them straight away, I will surely help them find someone who can. The best ways to reach me are via telephone at 866-895-1851 or through email at ChapterAdmin@detroitiia.org. Please feel free to contact me with questions and I look forward to meeting more members in my second year.