To My Fellow Chapter Members,

It’s hard to believe that as I write this, our home team’s pitchers and catchers have reported to Florida. This is a time-honored tradition in the world of professional baseball, one which signals the anticipation of spring and the start of a new chapter of promise.

We are more than half way through our own Chapter’s season, and we’ve scored some great successes with our programs. Since my last writing, we’ve held our annual joint event with ISACA. This was a sold-out event which featured topics around challenges and solutions in the areas of data security and privacy, particularly in a “cloud computing” environment. Our thanks go to Ram Vijayanathan and Michelle Hayes for their planning efforts, and Todd Havens and his team at KPMG for providing their facilities.

Earlier this month, the Chapter presented a webinar in conjunction with ACL: “Using Audit Analytics for Purchasing Card Transactions”. This was our 2nd webinar of the year, drawing over 100 attendees. Clearly this is a cost-efficient venue for delivering content, and we will continue to utilize this medium going forward. Thanks go to Jonathan Marks and Crowe Horwath for coordinating the event.

Looking ahead we have some great programs on the horizon:

- Our annual joint conference with ACFE and FIRMA is scheduled for March 9 at Exelon’s Philadelphia office. This will be an 8-hour CPE program, “The Volatile Economy and Fraud”. Given the early registration tallies, this is shaping up to be still another sold-out event. Thanks go to Joe Murphy and his colleagues at ACFE and FIRMA for developing the program, and to Joe Kobulsky at Exelon for hosting the attendees.

- We’ve scheduled a networking event March 20 to be held at the offices of Experis (formerly Jefferson Wells). Sam Monastra has secured a speaker from the law firm of Jackson Lewis, Alex Nemiroff, who will speak about the risks with social media. Following Alex’s presentation, attendees can enjoy cocktails and member networking. In addition to Sam, we appreciate the efforts of Mafalda Dennett and Monica Lucas from our Membership Committee for coordinating the event, and Experis for providing their offices. Be alert for an email to register.

- Registration is open for our annual spring conference on April 2 at the Philadelphia Marriott. The title is “Internal Auditing – Advocate for Doing the Right Thing”, and in keeping with that theme, we’ve secured three keynote speakers who will recount their personal stories of involvement with some of the highest profile accounting scandals in Corporate America history: Sherron Watkins – whistleblower at Enron; Aaron Beam – co-founder and former CFO of HealthSouth; and Sam Antar – former CFO at Crazy Eddie’s. A well-deserved shout-out goes to Alec Arons, Bill Donehower, and the planning committee for putting together this great program.
In addition to our Chapter programs, there are a few newsworthy topics to bring to your attention:

- The 2012 IIA International Conference, “Revolutionizing Internal Audit!” is scheduled for July 8-11 in Boston, Massachusetts. I can tell you from firsthand experience that Boston in the summer is a great destination. Wrap a few days of vacation around the conference and take in one of our country’s exciting and historical cities. Registration is open at http://www.iaa2012ic.org/.

- Our Chapter is a test site for a new IIA website built on a SharePoint platform. Amy Gagliardi has been working with HQ to both improve navigability and develop content. I’ve seen the mockups and I can tell you that it will be a significant improvement over our current website. We expect to go live in early April.

- Our Academic Relations Committee chaired by Anthony Leusner and Jim Stoltz has been very busy. Anthony has been a guest lecturer at Drexel as part of a newly introduced Internal Auditing course, and committee member Anne Knapper plans to speak later this month. Also, the ARC is in process of finalizing the case that will be utilized for the Chapter’s annual case study competition. They are coordinating with the PICPA, Villanova, Drexel and possibly ISACA to use the same case study in order to attract more participants.

I encourage you to access the Chapter website at http://www.theiia.org/chapters/index.cfm/view.events/cid/5 to stay connected. I will also periodically send e-mails outlining Chapter events and news to keep you informed. Please keep your IIA contact information current so we can be sure you receive Chapter and event details.

I look forward to your continued interest and support, and hope to see you at a future Chapter event.

Best wishes,

Jerry Stussy  
President  
IIA Philadelphia Chapter  
jstussy@aclordi.com
## Audit Scope—Calendar of Events

### Institute of Internal Auditors — Philadelphia Chapter

February 2012 Volume 3, Issue 1

### 2012 Upcoming Events through May, 2012

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Topic</th>
<th>CPE’s</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friday, March 9, 2012</td>
<td>8:15 am-5:00 pm</td>
<td>ACFE and FIRMA</td>
<td>8</td>
<td>Exelon Headquarters</td>
</tr>
<tr>
<td>Tuesday, March 20, 2012</td>
<td>5:00 pm — 8:30 pm</td>
<td>Member Networking Event and Discussion on Auditing Social Media</td>
<td>1</td>
<td>Experis Office</td>
</tr>
<tr>
<td>Monday, April 2, 2012</td>
<td>Registration 7:15 am</td>
<td>IIA Spring Conference</td>
<td>8</td>
<td>Philadelphia Marriott Downtown</td>
</tr>
<tr>
<td>May 11, 2012</td>
<td>8:00 am — noon</td>
<td>Internal Audit’s Role in Due Diligence</td>
<td>4</td>
<td>DuPont Hotel</td>
</tr>
</tbody>
</table>

*** Note: Event details are subject to change. ***

### MEMBERSHIP COMMITTEE

Chairperson 2011-2012 chapter year— Monica Lucas / Mafalda Dennett

**MEMBERS -**

**PLEASE UPDATE YOUR IIA PROFILE!!**

If you are not receiving chapter newsletters and invitations to monthly events, it is likely because your IIA Profile has not been updated with your most current email and contact information.

Log on to the [IIA](http://www.theiia.org) and update it now!

---

Check back for our April/May issue!
New Members

January through February 2012

David Knittel    John Piatkowski    Jason Kowalski    Stanley Drake
David Wong       Lynn Quinn         Troy Saunders     Thomas Tusler
Monique Fowlkes  Anthony Gesell    Michael Wilkes   Allison Hill
Joshua LeCure    David Lindsay     Michael Donahue  Diana Sellers
Moni Maniruzzaman Sean Funderburg  Mary Cherian     Thomas Ofsharick
Wayne Reichert   Lynette Lee       Gavin Robinson   Elizabeth Lee
Christina Bland  Jennifer Filko    Meghan Loughran  Walter Mingo
Stanley Jones    Michelle Beard    Alex Brown       Joseph Kulesza
Sean McErlean    Robert Jones      Daksha Sorathia  Alicia DeMarco
Wayne Franco     Michael Eroh       Thomas DeBolt   Robert Passeri
Jesse Chando     Jared Marge       Vincent Martino  Walter Telech
Jonathan Burns   Daniel Fernandez   Michele Wind    Mary Anne Kania
Stacey Armstrong Tony McFelin      Deborah Maull    Christian Kemmerer
Ann DiGiovanni   Richard Dabek     Christopher Hildreth Linh Doan
Ayesha Chowdhury Mark Emmett       Jacqueline Thomson Jeff Martin

Angeleen Cappolino

Stay tuned for our newly certified members!
### 2011-2012 Chapter Officers

<table>
<thead>
<tr>
<th>Position</th>
<th>Chair</th>
<th>Vice-Chair</th>
<th>Secretary</th>
<th>Treasurer</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>Jerry Stussy</td>
<td>AC Lordi</td>
<td>Trisha Silvasy</td>
<td>Saint Joseph's</td>
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</tbody>
</table>

### 2011-2012 Board of Governors

<table>
<thead>
<tr>
<th>Position</th>
<th>Chair</th>
<th>Vice-Chair</th>
<th>Secretary</th>
<th>Treasurer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall Conference Chair</td>
<td>Jonathan Marks</td>
<td>Amy Gagliardi</td>
<td>Joe Hayes</td>
<td>Michelle Hayes</td>
</tr>
<tr>
<td>Spring Conference Chair</td>
<td>Bill Donehower</td>
<td>Alec Arons</td>
<td>John McLaughlin</td>
<td>Dave Naser</td>
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### 2011-2012 Committee Chairs

<table>
<thead>
<tr>
<th>Committee</th>
<th>Contact Information</th>
<th>Chairperson</th>
<th>Contact Information</th>
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</thead>
<tbody>
<tr>
<td>Academic Relations</td>
<td>Anthony Leusner / James Stoltz</td>
<td>Fall Conference</td>
<td>Jonathan Marks</td>
</tr>
<tr>
<td>Capologist</td>
<td>Tonya Digiuseppe</td>
<td>Fall Conference</td>
<td>Amy Gagliardi</td>
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<td>Certifications</td>
<td>Jim Frank</td>
<td>Spring Conference</td>
<td>Bill Donehower</td>
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<tr>
<td>Chief Audit Executive</td>
<td>Todd Havens / Marie Hendrixson</td>
<td>Spring Conference</td>
<td>Alec Arons</td>
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<td>Employment</td>
<td>Dave Aubrey</td>
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<tr>
<td>Finance</td>
<td>Jim Stoltz / Gretchen Gray / Amy Gagliardi</td>
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<tr>
<td>Membership</td>
<td>Monica Lucas / Mafalda Dennett</td>
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<td>Newsletter</td>
<td>Louanne Cavalieri</td>
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<tr>
<td>Nominating</td>
<td>Nilu Shroff</td>
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<td>Programs</td>
<td>Jonathan Marks</td>
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<tr>
<td>Publicity/Social Media</td>
<td>Sam Monastra / Amy Gagliardi</td>
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<tr>
<td>Social Events</td>
<td>Joe Hayes</td>
<td></td>
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<tr>
<td>Strategic Planning</td>
<td>Matt Bogusch</td>
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<td>Volunteers</td>
<td>Joe Kobulsky</td>
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<td>Website</td>
<td>Joe Kobulsky / Amy Gagliardi</td>
<td></td>
<td></td>
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<tr>
<td>District Representative</td>
<td>Joe Murphy</td>
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</tbody>
</table>
Audit Scope—Help Wanted
Institute of Internal Auditors — Philadelphia Chapter

The Help Wanted section is open to all Philadelphia Chapter members to post brief job postings. Please limit your posting to 100—150 words.

And don’t forget to visit the Chapter’s website for a complete listing of all current job postings at www.theiia.org/chapters/philly

Internal Audit Positions—Phila, NY, DC, CA

Senior Associate
Senior Auditor—Center City
Senior IT Internal Auditor
Information Technology Auditor—QVC
IT Security Auditor—QVC
IT Auditor—David Wayne
IT Auditor—Business Analysis/Data Analytics—Verizon
IT Auditor—Verizon
Senior IT Auditor III—Philadelphia
Staff Auditor—Everest Global Services

Details on these positions can be found on the website.

Please check the website often as positions are added each week!
Planning for Changes from The IIA

My message to all the chapter members this month is to commit yourself to your professional development in 2012. For those who have yet to pass the CIA exam, now is the perfect time to get started. You have most of 2012 ahead of you, and I know with the right study plan you can pass all parts of the CIA before the year’s end. For those of you who are already CIAs, consider completing your Continuing Professional Education (CPE) early this year so you won’t be rushing at the end of December.

With 2012 came some changes to both the CIA exam and the reporting of Continuing Professional Education for those already certified. Beginning January 1, 2012, The IIA reduced the number of non-scored questions on the CIA exam from 20 to 10, and as a result, the total questions (scored and non-scored) were reduced from 100 to 90. This change has no impact on the scoring of the exam as the non-scored questions are used to pre-test items and are not counted in the final score.

Furthermore, the total time allowed to complete the CIA exam has been reduced from 3 hours to 2 hours and 30 minutes. The reduction is a result of (1) reducing the number of questions to answer and (2) The IIA’s removal of the tutorial. The tutorial is now available on The IIA website in all languages in which the exam is offered. As a CIA candidate, complete 20-question quizzes in 30 minutes so you will be prepared to appropriately budget your time on the actual exam.

Using the Gleim CIA Review System, these changes shouldn’t affect you because you will have plenty of practice answering multiple-choice questions in an exam-like environment. With Gleim, you also receive access to a Personal Counselor who can provide assistance with your study plan and ensure you are able to manage your time effectively on exam day!

Chapter members who are already CIAs should be aware of the changes to CPE reporting. In late 2011, The IIA’s Global Board approved the implementation of several key changes to the CPE reporting process. These changes became effective January 1, 2012, and will affect the CPE requirements, as well as the reporting period and process. Certified professionals will now report their CPE every year versus every other year. The IIA also changed the reporting date from May 31 to December 31.

As an active CIA, you will need to report 40 hours of CPE every year. Plan to complete 4 hours a month and you will avoid cramming lots of continuing education hours into the final months of 2012.

I would like to hear from you. How was your exam experience? Do you have any tips or advice to provide to fellow exam takers? What advantages of being certified have you experienced? Email Gleim at iiachapters@gleim.com with your questions.

Remember, as a Philadelphia Chapter member, you will receive a discount on Gleim material. Gleim has been helping CIA candidates pass the CIA exam since 1980.

Melissa Leonard
Chapter Coordinator
melissa.leonard@gleim.com
Register now for the Spring Conference!

2012 Spring Conference
“Internal Auditing—Advocate for Doing the Right Thing”

Monday, April 2, 2012
7:15 am-8:00 am—Registration
8:00 am-5:00 pm—Conference

Continental Breakfast and Lunch are Included

Earn up to 8 CPE

Keynote Speakers
Sherron Watkins - Enron
Aaron Beam - HealthSouth
Sam E. Antar - Crazy Eddie’s

Rate: The registration fee is $225 for Members, $275 for Non-Members. Educational discount rate is $60 for full-time students, $100 for professors, verification may be requested.

Payment Information: Please note that full payment for your registration is due in advance or on site. No one will be admitted without payment. If you are mailing your payment, please give ample time so that the payment will reach our offices no later than March 26. If you cannot guarantee payment will arrive by this time, we suggest you bring your payment with you the day of the conference.

In Transition Rate: Attention IIA Philadelphia Chapter Members who are currently out of work. The chapter would like to extend to you a 50% discount registration rate of $112.50. Please register to pay by check and then contact our event manager at events@phillyiia.org to make the adjustment to your registration.

Group Discount: If there are 4 or more registrants from one company, you are entitled to a 10% discount pricing. $202.50 for each member, $247.50 for each non-member. This discount pricing is only available with a check payment. In order to qualify for the group discount, payment must be made for all registrants at one time with one check. No exceptions.

We hope to see you there!
The International Internal Audit Standards Board (IIASB) of the Institute of Internal Auditors (IIA) 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*. The mission of the IIASB includes developing, issuing, maintaining and promoting the *Standards*. The proposed changes result from IIASB deliberations over the past two years. The changes reflect consideration of input the IIASB has received from internal auditors and stakeholders, as well as global surveys and other research focused on the *Standards*.

**Exposure Period**
Part of the established process includes the exposure of the proposed changes to the *Standards* to stakeholders of the profession to ensure that the modifications are clear, understandable, and consistent with the practice of internal auditing. The proposed revised *Standards* will have a 90-day exposure period from February 20, 2012, to May 20, 2012.

**Purpose for the Exposure**
The proposed changes include the following topics:

- Clarifying the responsibilities of internal auditors, the Chief Audit Executive (CAE) and the internal audit activity for conforming with the Standards.
- Increasing focus on the Quality Assurance and Improvement Program requirements and clarifying ways in which conformance may be achieved.
- Clarifying the CAE's role to communicate unacceptable risk.
- Explicitly requiring timely adjustments to the internal audit plan for changes.
- Increasing coverage of risks to the achievement of strategic objectives.
- Adding more examples of functional reporting to the board.
- Adding the definitions of "overall opinion" and "engagement opinion" into the glossary, as well as changing the definitions of "risk" and "board."

A number of the proposed changes provide improvements in clarity of the wording of the *Standards*, not changes to the intent of the *Standards* themselves. The IIASB believes that the proposed changes will be beneficial.

**How to Respond**
To facilitate your response to this exposure draft, you will complete an online survey that guides you through each of the proposed changes to the *Standards* and glossary. The survey — which is available in English, French, German, Italian, Korean, Montenegrin, Polish, Portuguese, Romanian, and Spanish — will allow you to vote on whether you agree with the proposed additions or revisions and to provide additional comments.

In addition, The IIA will be hosting a free webinar on March 7, from 1:00 pm to 2:00 pm (US Eastern Standard Time) to review the proposed changes.

For access to the exposure instructions, online survey, and the webinar, go to: [https://www.globaliia.org/standards-guidance/mandatory-guidance/Pages/2012-Standards-Exposure.aspx](https://www.globaliia.org/standards-guidance/mandatory-guidance/Pages/2012-Standards-Exposure.aspx).

Your input is vital to ensure that the IIASB has a complete view from our practitioners and stakeholders. After considering comments, the IIASB may modify the proposed changes before releasing the final revised *Standards*.

Thank you in advance for your time and for your continued support of the profession.

Best regards,

Andrew J. Dahle, CIA
Chairman – International Internal Audit Standards Board
DO YOU LIKE TO WRITE?
DO YOU WANT TO WIN $50.00?

The Newsletter Committee will now be giving away $50, every other month, to two members who’s articles are featured in our Chapter Newsletter. If you would like to submit an article, please contact Newsletter Chairman, Louanne Cavalieri, at lcavalieri@aclordi.com

Network with other Members!
Stay up to date on chapter news!

The IIA Philadelphia Chapter is now on Facebook and Linkedin.
Click the links below and you will be sent directly to our pages.

You can like us on Facebook:
IIA Philadelphia Chapter - Facebook

And join us on Linkedin:
IIA Philadelphia Chapter - Linkedin
PROGRESS THROUGH SHARING.

Executive Reminders!

- Don’t forget to save the date for the upcoming events—see page 2 for a complete list.
- Update your membership information to ensure you receive the newsletter and invitations to upcoming events—visit the website at www.theiia.org/chapters/philly and select update profile.

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Thursday of every month (September through May, 2012)</td>
<td>12—1 pm</td>
</tr>
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</table>