Message from the President

Dear Members,

The end of the year is fast approaching! Sound strange to hear that already? You bet, but I’m referring to the May 31, 2014 fiscal year end for our chapter. What does this mean to you? If you’re interested in volunteering for an officer position in our chapter, then the time is NOW!

The Secretary and Webmaster positions are open for the new fiscal year starting on June 1st. Big THANK YOU’s to Lori Melton and Patrick Pullins from the State Auditor’s Office for serving in these roles since 2008 and 2010, respectively. If you are interested in learning more about what these positions entail, please contact any chapter officer or board member and we can do a little arm twisting, I mean… get you the information you need.

Big THANK YOU’s also to Cathy Lucia (Department of Corrections) for serving as VP-Membership since 2011, and Susan Cardwell (Department of Insurance, Finance, and Professional Registration) for serving as a board member since 2012. Please join me in WELCOMING Albert Borde-Koufie (State Auditor’s Office), who will be taking over Susan’s spot on the board! And a big WELCOME BACK to past chapter president and officer Nicki Russell (MOSERS), who will assume the VP-Membership role!

As we look ahead to wrapping up our fiscal year, I’m very pleased to report that at the conclusion of John Hall’s fraud seminar on April 16th (see page 3 for how to register) we will have offered our chapter members the opportunity to earn 39.5 CPE hours during the year. Topics included creating a value-added internal audit department, fraud, ethics, the new COSO, tax fraud, and cyber security; all of which were highly rated by attendees!

Program planning for the 2015 fiscal year is well underway. Edmundo Calderon, Chief Internal Auditor for the City of El Paso, Texas is scheduled to be here on June 4, 2014 to present “Materiality – Are you chasing Gekkos or Alligators?” Save the date for this 3 hour CPE event! Please contact any of your chapter officers or board members with any ideas you have for seminars or speakers. This is your chapter, so we need your input to ensure we meet the education needs of our members.

Please contact me via e-mail (sandra.freese@landmarkbank.com) or phone (direct 573-441-2895) with any ideas or questions you have. Also, please consider volunteering for the Secretary or Webmaster position for your chapter.

Sincerely,
Sandy Freese, CRMA
President - Central Missouri IIA Chapter

In April we will celebrate the 25th anniversary of the Central Missouri Chapter of the IIA. Thank you to all who have made these 25 years possible!
CAP Summary
The following is the status of the Chapter Achievement Program (CAP) points for our chapter as of January 2014:

<table>
<thead>
<tr>
<th>Category</th>
<th>Minimum for Bronze</th>
<th>Chapter Points (to Date)</th>
<th>Balance to Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Service to Members</td>
<td>325.00</td>
<td>710.64</td>
<td>Achieved!</td>
</tr>
<tr>
<td>II. Service to Profession</td>
<td>200.00</td>
<td>253.09</td>
<td>Achieved!</td>
</tr>
<tr>
<td>III. Chapter Administration</td>
<td>160.00</td>
<td>174.00</td>
<td>Achieved!</td>
</tr>
<tr>
<td></td>
<td>685.00</td>
<td>1,151.73</td>
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</tr>
</tbody>
</table>

Current CAP Status: Silver

Targets:
- Bronze: 685.00
- Silver: 1,060.00
- Gold (Platinum): 1,560.00

New Members
The new year has meant we have several new members to announce. Please welcome the following individuals to the chapter:

- Eli Beck, State Auditor's Office
- Britni Campbell, Department of Transportation
- Amber Carlile, State Auditor's Office
- Katelyn Crosson, State Auditor's Office
- Anne Crowe, Public Service Commission
- Dustin Davis, State Auditor's Office
- John Ebling, State Auditor's Office
- Jason Eddy, Department of Social Services
- Amy Hadfield, First National Bank
- Robert Hill, Bass Pro Shops
- Kriste Horst, Office of the State Courts Administrator
- Holly House, Midwest Independent Bancshares, Inc
- Devin Jackson, State Auditor's Office

- Ruben Lara, State Auditor's Office
- Christopher McClain, State Auditor's Office
- Nancy McDowell, State Auditor's Office
- Nina Medlock, Legislative Research - Oversight Division
- Gwendolyn Morrison, OSCA
- Elizabeth Oliver, Department of Transportation
- Sandra Riley, Department of Transportation
- Tracey Schnakenberg, State Auditor's Office
- Kristine Schrimpf, Department of Social Services
- Amanda Sifford, Department of Natural Resources
- Suzzie Tompkins, Gaming Commission
- Keisha Williams, State Auditor's Office
- Jill Wilson, State Auditor's Office
April Seminar on Fraud

Due to membership demand, the Chapter is bringing back a popular speaker in April. John Hall is returning on April 15 and 16 to provide 16 hours of CPE on Fraud. John provided training to our chapter last April over Communication & Interpersonal Issues for Auditors and was well-received. He has been requested to return by many attendees. The April training will be in the Governor’s Office Building Room 450 from 8 to 4:30 both days. Refer to the February 16 email for further information. To register call Jon Halwes at 893-7703 or E-mail jehal@email.com.

Spotlight on IIA

You know of all the great seminar opportunities that come with being an IIA member, but did you know that you may also get discounts or other perks with your membership? The Partner Savings Program was developed by the national IIA to provide exclusive member pricing for both professional and personal savings from trusted providers — yet another return on your membership investment. You may find that these discounts go far beyond saving you the cost of your IIA membership. The IIA has partnered with well-known and respected companies to bring you additional savings.

For other benefits of membership, see the national IIA’s website.

Hurry, space is limited and 44 have already registered!
Fall Seminars

The chapter offered several opportunities for training last fall. In addition to the webinars available through the national organization, our chapter offered 3 hours of CPE in August, 8 hours in September and 2 hours in October!

Ericka F. Kranitz shared her experiences as the Director of Internal Audit at NC State University, an NCAA Division 1 public college, in August. Ericka faced a number of challenges in her goal to transform the Internal Audit department into a value-added group. She began by developing a charter and vision for the group, and was able to follow an organized approach to achieving this goal. The first important step was determining where to start and setting priorities for her efforts. The first year focus was on establishing relationships within her audit group and with internal and external constituents. The next step was to determine an audit plan based upon an effective risk assessment model. Communication with senior management, the Audit Committee and clients was emphasized. The format and presentation of the audit report itself was reviewed and revised to ensure timeliness, clarity and communication and feedback with other parties. After implementation of these efforts over 3 years, Ericka then went back to an area she had identified early on to expend energy and resources on. She focused on developing a group with specific technology knowledge to comprise an IT Unit.

Her final comments summarized the value that the Internal Audit group brings to the organization when three specific criteria are met. These criteria are: Management trust and credibility exist, External relationships are in place, and the IA team is valued.

Submitted by Debbie Bernsen, Public Service Commission

Toby Groves presented a day long program for the Central Missouri IIA on September 26, 2013 entitled: The Psychology of Fraud and Beyond the Checklist: Evaluating Internal Controls. Mr. Groves shared psychological research regarding fraud along with his own true story of the demise of his mortgage broker company. He relayed how he became personally involved in fraud and how his activities went undetected for considerable time. He challenged the audience to think beyond the data in front of them using examples such as the change in perspective when looking at documented flight data verses listening to a flight recorder when both are means to record a plane crash. His presentation included discussion of the biological links to crime, determination of psychopaths, group psychology, professional judgment and the importance of critical thinking. The day included video clips of interviews of those who had committed fraud and an interview with the Auditor of Mr. Groves’ mortgage company. One point he made was related to how much risk someone is willing to take, evaluating a potential gain or a possible loss. He asked for 2 members of the audience with competitive natures to participate. Then we watched their decisions as they attempted to bid on receiving a larger amount of money, but with the risk of paying their last bid if they did not win the item by being the highest bidder.

Submitted by Lisa Kramer, Public Service Commission

Laura Fisher, MPA, CPA presented an ethics presentation for the chapter on Monday, October 28th at the Governor’s Office Building. Fisher currently teaches Accounting at both Lincoln University and Central Methodist University. She is also currently seeking her PhD of Accounting through Capella University. Under this program, she recently completed two courses which provided the basis of her presentation, “Ethics: What’s the Big Deal? Right is right and wrong is wrong.”

Her presentation proved to be very informational, providing many examples of real-life ethical situations that have existed in the past. Within her presentation, she provided handouts on various ethical cases. She encouraged discussion of each case by table, which then led to a brief group discussion before she would conclude on the ethical situation posed and how the case actually was handled. The presentation was very engaging and informative. She also discussed white-collar crime, including the demographics and the fraud triangle.

Submitted by Angela McFadden, State Auditor’s Office