WELCOME TO OUR
2019-2020 CHAPTER YEAR

Rise Up! Step Forward!

DetroitIIA.org
I feel honored and humbled to have been given this chance as the President of the IIA’s Detroit Chapter. The year has gone by so fast primarily because we have had history of a very strong board, and this year was no different. We as a chapter accomplished a lot this year.

Besides having quality monthly meetings and seminars, we had record attendance at our spring conference (which is jointly held with ISACA Detroit Chapter). We also had a lot of fun at our social event (Top Golf) and saw our membership in Detroit Chapter reach record levels. We awarded scholarships to 3 students; shared career tips during our annual student night; and recognized individuals as Rock Stars of the Month.

Behind the scenes, we had a lot going on as well. At the start of the year, our long time treasurer (Pam Weipert) decided to leave the board and we undertook a project to migrate our book keeping to an external vendor. Thanks to Pam for all the hard work she did for number of years to keep our financial records.

Towards the end of the year, we had to say good bye to another long-time associate, our administrator Nicole. Nicole decided to move to Texas. Thanks to Nicole for all her support and dedication to this chapter. We will miss both Pam and Nicole.

The migration to the Event Management Tool (EMT) was another big effort during the beginning of the year. The migration had some issues which affected our membership’s registration ability during the first couple monthly meetings but were resolved soon after that. Duane Borkowski, although not part of our Board, did great work in making this migration successful.

And finally, I could not have done my duties as a President if it was not for our Madame-Elect President (and 1st VP) Karen Muglia. Her constant guidance and support made my job much easier. And this also makes me confident that as we transition the Presidency to Karen, we are in great hands and can expect greater and better things from Madame President.

Sajay Rai
2018-2019 President, The IIA Detroit Chapter
“Rise Up! – Step Forward!”

I am honored and grateful to be the incoming President for the IIA Detroit Chapter and I’m very proud of our role and achievements. The Detroit Chapter has a 76-year history of promoting the internal audit profession, providing excellent educational programs to members, giving support for certifications, and providing meaningful networking opportunities for members. With increasing risks and ever-changing technology, the IIA is more relevant today than ever, and Internal Auditors play a vital role in protecting organizational value and are agents of positive change.

I have been involved with the Detroit IIA for over 14 years and this involvement has benefited me both professionally and personally. It has enabled me to expand my knowledge in internal audit and risk management and I have applied this knowledge in my career in direct roles, in consulting, and now as the owner of my own LLC, In Control Consulting Services. In addition, I’ve had the opportunity to meet and interact with colleagues in our area and across the country from diverse companies and industries. I have been a Detroit IIA volunteer and Board member for several years and it is an enriching experience to work with our amazing Board and members. Contributing to the continuous improvement of our Detroit Chapter gives me a great deal of pride and satisfaction.

In the coming year, I look forward to working with our team to expand membership and participation, and to further enhance offerings to members. We are planning some terrific programs and speakers, and will hold meetings in various locations in Detroit, Southfield and Livonia to connect with more members. I welcome suggestions for improvement from everyone. Together, we will “Rise Up! and Step Forward!” See you in September!

Karen Muglia
Karen Muglia, CICA
2019-20 President, The IIA Detroit Chapter
Did you know our chapter has more than 1,000 active members? We offer quality events and training, networking activities, and volunteer opportunities to our members. To ensure that you receive communications and invites from us, be sure to update your IIA Membership Profile especially if you have moved, been promoted or changed employers. Your membership profile can be accessed by logging in at www.theiia.org -> Go to My Preferences, Click Chapters, and ensure that “Yes” is selected for email so that you receive email communications from the Detroit Chapter. Also, take time to update your profile, if needed.

And be sure to check your email “junk” box to ensure that chapter communications are not being routed there.

**Do you know anyone interested in becoming a member? If so, encourage him/her to join.**

The launch of the new Certification Candidate Management System (CCMS) is quickly approaching. The CCMS allows you to apply for IIA Certification Programs, register for certification exams, update your personal information and much more. Prepare for the conversion by accessing your CCMS profile to verify or update your primary email address so you can easily access the system after the launch. Update your profile today at:

https://i7lp.integral7.com/durango/do/login?ownername=ia&channel=ia&basechannel=integral7
Mr. Chambers is a world-renowned leader in internal audit and risk management. He has been the IIA’s President & CEO for over ten years.

Richard will share his valuable insights with our membership and sign his new book, “The Speed of Risk: Lessons Learned on the Audit Trail”

More information will be posted in our website in July and August.
The IIA’s membership crossed a key threshold and now exceeds 200,000 worldwide. Over its 78-year journey, The IIA has established itself as the global organization for all internal auditors who desire to practice with the highest level of competence and professionalism. Thank you for your dedication to our profession.

The IIA has a new practice guide: Assessing the Risk Management Process. Visit their website to get your copy today.

Each year, billions of dollars are lost to fraud corruption. Put your organization in the best position to support anti-fraud management efforts by providing necessary assurance services over internal controls designed to detect and prevent fraud. The IIA released the Position Paper: Fraud and Internal Audit. Visit www.theiia.org

Book of the Month—Create Your Own Sale!

In June 2019, Chapter members can save 20% off one title published by the Internal Audit Foundation. Choose from products such as Sawyer’s, 7th Edition; The Speed of Risk: Lessons Learned on the Audit Trail, 2nd Ed.; and Applying The International Professional Practices Framework (IPPF), 4th Edition. Use Promotion Code JUNCHAP, expires June 30, 2019. Place your order today at www.theiia.org/bookstore

The IIA has a free webinar on June 18, 2019 at 1 PM EST—Members of The IIA’s Professional Responsibility and Ethics Committee will review how internal auditors can apply the Code of Ethics’ Rules of Conduct for Integrity, Objectivity, Confidentiality, and Competency to everyday professional situations. IIA Members register at www.theiia.org
CHAPTER ACHIEVEMENT PROGRAM (CAP)

The CAP recognizes chapter activities that align with The IIA North American Strategic Plan. Chapters earn points from providing service to members and the profession. The program also provides a means to evaluate chapter success based on minimum standards set by The IIA. We earned 6,368 CAP Points and have maintained our Ruby status. Help our chapter earn CAP points by letting us know about your recent internal audit articles, speaking engagements, presentations, participation in Junior Achievement, or interns hired. Kudos to our chapter for maintaining our top tier status!

Professors!!! As you plan your academic year, feel free to reach out to the Chapter Board. Our Board members would love to come and meet with your students to discuss an audit topic. Also, keep your students aware of our monthly meetings and events. We would love to meet and network with them!!!!

Certification News

If you are not currently certified, we encourage you to earn an IIA Certification that will open doors of opportunity to you. The IIA offers a CIA Learning System to help you on your journey. Learn more at www.learncia.com and explore www.theiia.org for additional resources to help you with preparing for the CIA, CGAP, CRMA, CFSA, and other certifications. And if you are currently studying, GOOD LUCK to you! You can do it!
Saltana Alsoofy recently earned her Certified Internal Auditor designation. She is a Senior Auditor at Wayne State University Office of Internal Audit. She was recognized as the 2018 Internal Auditor of the Year by the IIA Detroit Chapter. We asked Saltana for some tips for preparing for the CIA exam and her reason for wanting the designation.

What tips would you give someone studying for the CIA exam?

When I was studying for the CIA designation I received a lot of advice from my family, peers, and coworkers on the best way to study - and you will too. But at the end of the day, no one knows you best –except you. Take all that information and do what works best for you. Determine a realistic study plan based on your workload and other responsibilities and stick to it. Be consistent. Once you gain some comfort in the material you are reviewing then schedule your test date and work toward that date. The last tip and most important is to communicate to your family, friends, (or whomever you deem necessary) the importance of the CIA designation to you, and what support you will need from them during your studies. We all know studying takes time and effort. There will be times you may not be available or cannot commit to things like you used to, or will need someone to step in for you. It’s important to communicate that to those individuals. Be sure to thank them and let them know they are appreciated.

Why did you want your CIA designation?

I obtained my CIA designation to grow professionally and advance my career. The CIA designation will also add to my creditability as an Internal Audit Professional.

What material did you use to study? Was it helpful?

I used Gleim for parts 1 and 2. I used the IIA study material for part 3. They were both helpful because good explanations were provided for the multiple choice questions. They also provided practice exams and allowed you to customize your tests based on strengths and weaknesses.
The Awards Committee will be seeking 2019-2020 nominations from Detroit Chapter IIA members for the following:

- The IIA Rock Star of the Month
- The Internal Auditor of the Year Award
- The Eloise L. Bradley Distinguished Service Award

These awards provide the opportunity for our members and your employees to be recognized for hard work, promoting the profession and dedication. Recognition is a great way to show appreciation!

Congratulations again to our 2018-2019 awardees!!!!

Internal Auditor of the Year
Rick Lowe, State of Michigan

The Eloise L. Bradley Distinguished Service Award
Tara Lukas, Blue Cross Blue Shield

IIA Rock Stars of the Month

Kamilla Williams, Wayne State University, November 2018
Amanda Spikes, KPMG, December 2018
Taylor Woodward, Ford Motor Company, January 2019
Dr. Bes Ndakwah, Mercedes-Benz Financial Services, February 2019

See the chapter website for the eligibility and selection criteria, award recipient expectations and the nomination form at www.detroitiia.org and the mobile app IIA Detroit Chapter. Nomination forms should be forwarded to the Chapter website at Chapter2@iiachapters.org.
To implement a project means to carry out activities proposed in the application form with the aim to achieve project objectives and deliver results and outputs. Success depends on many internal and external factors. Some of the most important ones are a very well organized project team, clearly defined policies and procedures and effective monitoring of project progress and related expenditures.

The most important thing that needs to be known about a project is the purpose and the promises. What is the end all goal of the project that makes it valuable to the organization? Many times when a project is “pitched” to management there is no goal or focus and the benefits portrayed may just be the result of the “pitchers” rose colored glasses. Audit should assess that all projects contain a clear mandate and the process of project assessment is clearly defined and transparent. Audit should ensure that project mandates address a need of the organization and align properly with enterprise strategies.

A recent example of how an assessment went wrong is with the new construction of the Stonehenge road tunnel. A recent audit report shows that the costs to build a tunnel under Stonehenge did not consider problems with preserving the site and costs to maintain and operate the tunnel. It also predicted the benefits of the tunnel using a rather arbitrary method that cannot be tested or assumed accurate. In fact, it inserted a figure based on “cultural heritage”. Additionally, the project will only deliver benefits presented if seven other projects are also completed. The business case analysis did not address this dependency, nor did it address the expected costs of these other projects.

Secondly, Audit should assess the effectiveness of project monitoring controls to ensure that anticipated problems are addressed and communicated to management as soon as possible so that contingencies can be considered, if necessary. Often, management gets a report showing costs to date, original budget, and a statement of known problems. Earned value management calculations should be included in management reports, and if possible, these should be done pictorially to help management see emerging milestones, successes, or problems. This will give management a clearer picture. Audit should help ensure that reports are timely and accurate. Some issues they need to look for is the late processing of payments so that costs are deferred, showing costs more in line with budgets. Audit should also ensure that earned value management calculations are accurate and interpreted correctly.
Audit may be part of the construction team, as an onlooker or perhaps a gatekeeper. If a project needs to hit certain milestones as they progress, audit will be able to meet an assessment as to whether or not they are ready to proceed. To keep independence the auditor cannot make decisions, but can inform executive management of any facts that need to be considered.

Audit can be used in their traditional role to verify accuracy of invoices, ensure compliance with corporate policies, and to ensure controls are in place to verify accuracy. An auditor may assume what would make the project a success; however, Audit should meet often with executive management to find out their concerns and what they deem a successful project should be. These concerns should be built into the audit plan and test steps developed to address the concerns. Open communication with executive members can help ensure that Audit is adding value to management and that the project is successful.

Denise Cicchella is a Certified Internal Auditor, Certified Fraud Examiner, and Certified Construction Auditor. She is the founding president of Auspicium (www.auspicium.com), a boutique management consulting firm specializing in construction auditing and project management. She is an author and regular speaker on the topics of project management and construction audit. Feel free to send questions to denise.cicchella@auspiciumco.com
To Our 2018-2019 Officers and Board of Governors, we thank you!
Your IIA Detroit Chapter Board Members are here to serve you! Many thanks to our chapter officers and board of governors who volunteer their time to support the chapter and promote the internal audit profession. Please know that you are appreciated!

Chapter Officers
Sajay Rai, CPA, CISSP, CISM-President
Karen Muglia, CICA - 1st Vice President
Lola Foster, CIA, CFSA, CRISC - 2nd Vice President
Christine Dobrovich, CRMA - Secretary
Alan Demir, CPA, CIA, CGMA, CICA - Treasurer

Administrative Roles
Richard Cozart, Website & Newsletter
Nichole McCarthy, Administrator
Mike Ross, Photographer

Board of Governors
Carolyn P. Hafner, CIA, CRMA, CBA
Rick Lowe, CIA, CPA, CISA
Rick Hinston, CIA, CISA, CRMA
Brian Smith, CIA, CPA
Erin S. Erickson, CIA, CISA, CRMA
Sharon Gipson, CPA
Peter Hartung, CIA
Dr. Robert (Bob) Okopny, CIA, CMA, CFE
John Pagac, CPA, CFE
Matt Pear, CPA
Kevin Suksi, CPA
Eulonda Whitmore, CIA, CRMA, CCA
Dan Wiechec, CIA, CPA, CISA, CISSP, CFE, CITP
Andy Rosick, CIA, CRMA

Matt Pear and Andy Rosick will be rolling-off of the Board. We THANK YOU for your dedication, hard work and service to the IIA Detroit Chapter. We will miss you as Board members!

And a big thanks to Sajay Rai for being a dedicated President for the 2018-2019 Chapter Year!
To our 2019-2020 Officers and Board of Governors
We look forward to the Chapter Year!

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John Pagac, CPA, CFE
Sajay Rai, CPA, CISSP, CISM~1st Past President
Brian Smith, CIA, CPA
Amanda Spikes, CPA
Kevin Suksi, CPA
Molly Tripp, CIA, MBA
Eulonda Whitmore, CIA, CRMA, CCA ~ 2nd Past President
Dan Wiechec, CIA, CPA, CISA, CISSP, CFE, CITP
Thank you for your support!

Connect with Us

Please be sure to check out our website for employment, volunteer, and scholarship opportunities as well as for upcoming meetings and trainings. Be sure to download The IIA Detroit Chapter App that is available for IPhone and Android. Also, connect with us on:

LinkedIn at www.linkedin.com/groups/3773050

Twitter at @DetroitIIA