From the President...

As we move into full swing with our chapter year and head toward the holidays, there are many exciting things taking place of which we should be proud.

Our pilot program for offering a specialized training, Beginning Auditor Tools & Techniques, received a great response. We filled all 15 spots very quickly! Good luck to all those attending that training beginning November 12th!

Our Kansas City chapter is submitting a bid to host the 2015 IIA Regional Conference. This is a huge event and a great opportunity for our chapter if our bid is selected. We will be in need of many volunteers. If you are interested in being a part of this team, please contact Josh Kettler at Joshua.kettler@mcgladrey.com.

I would be remiss if I did not bring attention to a wonderful recognition that one of our local chapter members received. If you missed it, please check out the June 2013 issue of Internal Auditor magazine. This issue included an article entitled “20 Under 30” highlighting leaders within the next generation of internal auditors. Kayla Carter, Manager at Protiviti, was selected and included in this article. Congratulations Kayla! We are proud of you!

We are always in search of volunteers to help in various roles within our chapter from helping out at the registration table to serving on a committee or as an officer. If you would like to find out how to get more involved, please contact me.

I look forward to seeing all of you at the next meeting!

Sincerely,
Rob Carter
2013-2014 KC IIA President
DATE: Thursday, November 7, 2013

TIME: Registration & Breakfast 7:30 AM
Program 8:00 AM – 2:30 PM
Lunch 11:30 AM
*Social Hour following event at Café Trio on the Plaza

LOCATION: The Kauffman Foundation Conference Center
4801 Rockhill Road
Kansas City, MO 64110
(One block north of the UMKC campus.)

PROGRAM: Focus on Internal Control - Is your company ready for the new COSO?
Lynn Fountain, Fountain GRC Services
This course will highlight as well as compare and contrast the critical concepts of the new
COSO 2013 that is sure to turn up the heat on management’s efforts related to internal control.
The COSO Foundation released its 2013 internal control framework in May 2013. The
framework replaces the 1992 version and includes critical guidance company’s should be using
when applying COSO within their Sarbanes-Oxley compliance as well as within their
operational efforts. Training for the new framework is predicted to be critical to successful
application of the guidelines. The new COSO Framework clearly outlines the importance of
understanding all aspects of internal control and ensuring elements are properly working
together in an effective and cohesive manner in order to affirm Internal Control over Financial
Reporting (ICFR). In this session, we will focus on a transition framework companies can
easily utilize to move to the new COSO. This includes:
1) Understanding and reviewing the recently released Frameworks and its changes along with
   contrasting it to the old framework.
2) Conducting a preliminary impact assessment
3) Facilitating broad awareness, training and a more comprehensive assessment
4) Developing and executing a COSO transition plan
5) Understanding the new tools and templates associated with the updated Framework.

CPE: 6 CPE Hours

MENU: Breakfast – Continental
Panera bagels, muffins, and danishes served with cream cheese
Lunch – Sandwiches
Granny smith apple and turkey club sandwiches, Kauffman chicken salad sandwiches, Italian
combo sandwiches, chips and cookies
Please denote any dietary restrictions when registering and accommodations will be made.

COST: Member: $95
Non Member: $110
Ms. Fountain is a Kansas CPA and also holds her MBA. She has over 30 years of experience in the business profession, which includes public and industry accounting, leadership, compliance, governance and internal and external auditing combined.

Ms. Fountain is the founder of Fountain GRC Services, a consulting practice specializing in aspects of Internal Audit, Sarbanes-Oxley, Enterprise Risk Management, Fraud, Governance and Compliance. Ms. Fountain is a highly sought after international trainer and speaker. Part of her work with Fountain GRC Services is delivering high quality training for multiple seminar and conference groups as well as individual companies and Corporate Boards. She has executed multiple trainings on the new COSO Framework as well as the overall topic of Internal Controls. In addition, Ms. Fountain has administered multiple successful e-workshops for IIA on the topics of The Auditors Role in Ethics as well as Fraud evaluations. In June 2013 Ms. Fountain was a featured speaker at the IIA International convention.

In August 2011, Ms. Fountain was named as one of the “Women to Watch for 2011” by the KSCPA and in 2012 was a nominee for the Kansas City Business Journal’s Women in Business. Ms. Fountain obtained her Bachelor of Business Administration from Pittsburg State University and her MBA from Washburn University.
Save the Date!!
2013 – 2014 Schedule of Programs

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
<th>Topic</th>
<th>Speaker/ # CPE's</th>
<th>Location</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>September</td>
<td>9/5/2013 12:00pm to 4:00pm Lunch at 11:00pm</td>
<td>Communication at Work - How to Say What You Mean and Mean What You Say</td>
<td>Mary Kay Mueller MK Mueller Enterprises 4 CPE Hours</td>
<td>Ritz Charles-Overland Park</td>
<td>$85 Member $100 Non-Member</td>
</tr>
<tr>
<td>October</td>
<td>10/3/2013 9:00am to 4:00pm Lunch at 12:00pm</td>
<td>Setting your Journey from Data Analysis to Continuous Auditing</td>
<td>Joe Oringel Managing Director, Visual Risk IQ 6 CPE Hours</td>
<td>Ritz Charles-Overland Park</td>
<td>$95 Member $110 Non-Member</td>
</tr>
<tr>
<td>November</td>
<td>11/7/2013 8:00am to 3:00pm Lunch at 11:30am Social Hour following event</td>
<td>Focus on Internal Control - Is Your Company Ready For the New COSO?</td>
<td>Lynn Fountain Fountain GRC 6 CPE Hours</td>
<td>Kauffman Plaza</td>
<td>$95 Member $110 Non-Member</td>
</tr>
<tr>
<td>December</td>
<td>12/5/2013 1:00pm to 4:00pm Lunch at 12:00pm</td>
<td>Adding Quality to Quality Assessments</td>
<td>Larry Hubbard Larry Hubbard &amp; Associates 3 CPE Hours</td>
<td>Kauffman Plaza</td>
<td>$85 Member $80 Non-Member</td>
</tr>
<tr>
<td>February</td>
<td>2/6/2014 9:00am to 12:00pm Breakfast at 8:00am</td>
<td>Time to get Real - Refocusing Controls to Fight Modern Threats</td>
<td>Daimon Geopert National Leader, Security &amp; Privacy, McGladrey</td>
<td>Ritz Charles-Overland Park</td>
<td>$85 Member $80 Non-Member</td>
</tr>
<tr>
<td>March</td>
<td>3/6/14 9:00am to 4:00pm Lunch at 12:00pm Social Hour following event</td>
<td>Innovation &amp; Internal Audit</td>
<td>Philip Flora Principal, FloBiz &amp; Associates 6 CPE Hours</td>
<td>TBD</td>
<td>$95 Member $110 Non-Member</td>
</tr>
<tr>
<td>April</td>
<td>4/3/14 12:00pm to 4:00pm Lunch at 11:00am</td>
<td>Mystery Fraud Event</td>
<td>Timothy Hungerford Hungerford Vinton, LLC 4 CPE Hours</td>
<td>Ritz Charles-Overland Park</td>
<td>$85 Member $100 Non-Member</td>
</tr>
<tr>
<td>May</td>
<td>5/1/14 9:00am to 12:00pm Breakfast at 8:00am</td>
<td>Panel Discussions*: Chief Audit Executives C-Level Management Audit Stakeholders</td>
<td>Various Local CAEs, C-Level Management &amp; Audit Stakeholders TBD 3 CPE Hours</td>
<td>TBD</td>
<td>$65 Member $80 Non-Member</td>
</tr>
<tr>
<td>June</td>
<td>6/5/14 1:00pm to 4:00pm Lunch at 12:00pm</td>
<td>Materiality: Are You Chasing Geckos or Alligators? Risk Based Auditing - Managing Your Risks</td>
<td>Edmundo Calderon Chief Internal Auditor, City of El Paso 3 CPE Hours</td>
<td>Ritz Charles-Overland Park</td>
<td>$65 Member $80 Non-Member</td>
</tr>
</tbody>
</table>
Chapter News & Announcements

Calling all CAE’s

We have recently started a new LinkedIn subgroup just for CAE’s. If you are the CAE of your group and would like to join this discussion forum, simply search LinkedIn Groups for "KC IIA CAE Roundtable" and select "Join".
Chapter News & Announcements

2013 CAP Points

We are always calculating our Chapter Achievement Program points and we need to know when our members participate in either of the following activities:

1. Speaking on an internal audit topic at a meeting, seminar, college/university or attending a CPE class.
2. Submitting an article to a trade publication such as The Internal Auditor, CAE Bulletin, IIA Educator, and other specialty newsletters.
Congratulations!!

To Robin Winslett who recently completed the requirements for the Certified Internal Auditor designation! Nice job!!

Welcome to our newest members!!

Todd Harman  
Boston Financial Data Services Inc

Mitch Mugler  
Dickinson Financial Corporation

Elyse Nguyen  
Grant Thornton

Ashley Moretti  
Grant Thornton

Ivie Uduebho  
Pittsburg State University

Justin Eichorn  
Pittsburg State University

Georgeanna Shepard  
Pittsburg State University

Christine Franklin  
Pittsburg State University

Jacquelyne Allen  
Pittsburg State University

Chao Zhang  
Pittsburg State University

Cassie Norris  
Pittsburg State University

Ciara Shantz  
Pittsburg State University

Leah Charles  
Pittsburg State University

Kendra Spears  
Pittsburg State University

Christopher Steward  
Pittsburg State University

Matthew Shotton  
Pittsburg State University

John Granda  
Stinson Mag & Fizzell

Sarah Moellenberndt  
The University of Kansas

Diana Dialet  
Waddell & Reed Financial Inc
News from the Pittsburg State University Internal Auditing Education Partnership (IAEP) Program

From Jacquelyne Allen, Pittsburg State University IIASC President & Internal Auditing Education Partnership Student Coordinator

The Institute of Internal Auditors Student Chapter at Pittsburg State University had another successful month. At the beginning of October, a group of 19 students attended the IIA KC chapter meeting held at the Ritz-Charles in Overland Park with Joe Oringel, Managing Director of Visual IQ. The students were inspired by the Continuous Auditing and Data Analysis presentation and enjoyed the day socializing with the group. That same week the organization held a meeting at Pittsburg State University featuring Roy Greenway, General Auditor for the City of Kansas City, Missouri. Mr. Greenway spoke on interviewing and interrogation skills and techniques. Yet again, we had a fantastic turnout with over 50 in attendance.

For November, we will be hosting a meeting at Pittsburg State University with guest speaker Carmen Kesner, CIA, CISA, Manager at CMS Program Office, Argus Health Systems (a division of DST Systems, Inc.). Mr. Kesner’s presentation topic is ‘How to Conduct an Internal Audit’. Mr. Kesner is also a member of the Board of Advisors for the Pittsburg State University Internal Audit Education Partnership. We anticipate another large turnout of students and faculty.

During the months of October and November, the PSU IIA Student Chapter will be conducting a coat drive with all donations to be given to the local Salvation Army. We have three locations in Pittsburg where people are able to drop off their coats.

If you are interested in learning more about the IAEP program at PSU or would like information about recruiting at PSU, please contact Becky Casey (rcasey@pittstate.edu) or Steve Haenchen (shaenchen@pittstate.edu).
Richard Chambers, CIA, CGAP, CCSA, CRMA, shares his personal reflections and insights on the internal audit profession.

Six Things Every CAE Should Do to Retain the Best Internal Audit Talent

Richard Chambers, CIA, CGAP, CCSA, CRMA, shares his personal reflections and insights on the internal audit profession.

The global economy continues to improve, and there’s plenty of evidence that organizations are investing in stronger risk management and internal control infrastructure, including internal audit functions. In fact, early indications are that almost one-third of U.S. Fortune 500 companies plan to add new internal audit staff positions in 2014.

As hard as it may be for CAEs to attract the right talent, recruitment will not be the most significant personnel challenge. It’s convincing the best and brightest internal audit stars to stay with the department when there are attractive opportunities to transition into a business unit or a service firm.

I learned early in my tenure as a CAE that retaining the best internal audit talent required a continuous effort on my part and those of the managers who worked for me. Some of the strategies I deployed to retain talented staff came through trial and error. However, I had the advantage of being guided by my own experiences. After all, I first joined an internal audit department at 21 years old, and as a restless 20-something (yes — today’s millennials didn’t invent restless ambition), I changed internal audit roles several times in the early years of my career.

So, as a CAE, I constantly reminded myself of the reasons I had changed internal audit roles in the genesis of my career, and I tried to address the things that had caused me to pull up stakes and seek out other opportunities. In the end, I focused on six things that I needed to do every day to retain the best and brightest members of my internal audit staff:

- **Challenge internal auditors with new opportunities at every turn.** Never forget that your most talented staff members will grow bored with routine assignments. The best and brightest must be constantly challenged and afforded an opportunity to grow. I left an early internal audit assignment and accepted one with a lower grade/title simply because I didn’t feel challenged.

- **Acknowledge outstanding performers.** Don’t be afraid to “play favorites” when it comes to your best performers. Acknowledge their accomplishments privately as well as publicly through awards and more prestigious assignments. Striving to acknowledge
every member of staff equally will do little to motivate marginal performers, and will
demotivate the best performers or worse yet, drive them away.

- **Showcase your best performers** and afford them the exposure they deserve. I was
fortunate in my career not to have too many bosses who “hogged the limelight” when it
came to the work that I or my colleagues had accomplished. The best CAEs for whom I
worked made a point of taking me with them when it came time to discuss the results of
an audit with senior officials. In fact, they routinely invited me to be part of audit
committee meetings when one of my audit reports was being reviewed.

- **Reward performance** not only through acknowledgement, but through tangible means
as well. Never forget that you are in steep competition for the very best talent. As much
as a member of your team may value working for you and your organization, promise of a
substantial salary increase will often prove too tempting. I left one of my first internal
audit jobs simply because there was too much money being offered by the next one. On
top of that, I didn’t feel like the CAE had even tried to match the difference.

- **Support your auditors during the face of adversity.** As I have written often, there are
times when internal audit engagements will turn contentious. The degree to which the
CAE supports his or her staff during such episodes will likely have a direct bearing on how
loyal the staff remains to the CAE down the road. Even if the staff has made a mistake or
handled a situation badly, there are usually exit strategies short of throwing the staff
under the bus with management. I recall making the difficult decision to leave my third
internal audit assignment because my timid CAE sat on a potentially contentious draft
audit report for more than six months rather than releasing it for management comment.
That was a mistake that I vowed never to make when I was hired back to take his place
less than four years later.

- **Invest in your staff like they are your most valuable asset** — because they are. In
one of my early internal audit assignments, I was hired as an internal auditor trainee (a
formal three-year program that the organization used to develop future talent). The young
man who preceded me in the program had been denied the opportunity for much of the
formal training prescribed by the program, and was not happy. The CAE had learned a
valuable lesson, and made sure that I had the opportunity to attend all of the training
programs I needed/wanted. I grew to love the assignment and the profession and have
stayed in it for 38 years. To the best of my knowledge, my predecessor left the profession
less than two years after he finished the development program and never spent another
day as an internal auditor.

As with any HR challenges, there are no magic formulas for success in retaining the best and
brightest talent. However, failing to challenge, acknowledge, showcase, reward, support, and
invest in your staff will dramatically increase their flight risks. These are lessons I learned in my
own career, and that I later used effectively as a CAE. I welcome your ideas on this important
topic.
2013 – 2014 Chapter Leadership

**Officers:**

- **Rob Carter** – President, Carterr@compassminerals.com
- **Christee Highbarger** – VP Membership, Christee.highbarger@npcinternational.com
- **Angela York** – VP Programs, Angela.York@kcpl.com
- **Tony Kisner** – Treasurer, KisnerA@bv.com
- **Josh Kettler** – Secretary, Joshua.Kettler@McGladrey.com
- **Rick Wright** – VP Services, Rick.Wright@yrcw.com
- **Luke Sims** – VP Web Services, Lsims@cardcompliant.com

**Board:**

- **Karen Begelfer**
- **Melissa Ryan**
- **Nancy Frazee**
- **Keith Ohland**
- **Monica Vegge**
- **Doug Vogl**
- **Amy Walker**
- **Randy Weih**

- **Karen.Begelfer@Sprint.com**
- **Meryan@epiqsystems.com**
- **Nfrazee@kc.rr.com**
- **Keith.Ohland@umb.com**
- **mvegge@kcp.com**
- **Dvogl@kc southern.com**
- **Amy.Walker@hrblock.com**
- **Randy.Weih@yrcw.com**

**Board – Past Presidents:**

- **Doug Welch**
- **Stephanie Jones**

- **Dwelch@kckcc.edu**
- **Stephanie.Jones@Pentana.com**

**District Representative:**

- **Stephanie Jones**

- **Stephanie.Jones@Pentana.com**

**Ex-Officio Member:**

- **Becky Casey**

- **rcasey@pittstate.edu**

If you have any questions or would like to submit an article for the newsletter, please email Rick Wright, VP Services, at Rick.Wright@yrcw.com.