

# Data Mining, Analytics & Security

Dear Members and Friends,

Greetings and wishing you all a very productive 2016. The remainder of our year programs will focus on the world of Data, Governmental Auditing, Risk Assessment, Fraud and Excel & Visio training. Visit our website for detail of each of these events as we continue to provide excellent programs reasonably priced at the historical Los Angeles Athletic club. We completed two collaborations so far with the ACFE-LA and ISACA-LA. We will continue this path as sharing of knowledge between such organizations provide the platform for growth and professional development.

I want to take this opportunity to express my thanks to all our volunteers, Board of governors and Officers. Without their efforts and time dedications we will not be able to bring you the quality programs that we offer. I invite you to join our team of volunteers even if you can only give one hour of your time every month. Visit our website or contact any of the officers listed on this newsletter.

We look forward in seeing you in our monthly meeting which is normally held every **second Wednesday of the month**. This month meeting is scheduled for Wednesday, January 13, 2016. Please contact me at [President@theiia-la.org](mailto:President@theiia-la.org) for any suggestions and/or question you may have. Best wishes.



~Arnold J Blanshard, CPA, MBA, CRMA  
IIA LA Chapter President



## Inside This Issue

- Data Mining Invite
- December Event Recap
- Hot Links
- Advocacy Corner
- Upcoming Events
- Join the LA Chapter
- Volunteer Opportunities
- Leadership Team Highlight

## Hot Links

[www.theiia.org](http://www.theiia.org)

[IIA-LA Chapter](#)

[Homepage](#)

[IIA Certification](#)

[IIA Bookstore](#)

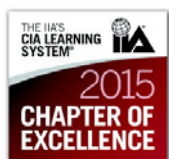
[IIA Standards and](#)

[Guidance](#)

[IIA-LA Chapter Job](#)

[Postings](#)

[Audit Channel TV](#)



JOIN OUR GROUP ON



## December Highlights

### Advocacy Corner

On behalf of the IIA-LA Chapter, our advocacy officer Doug Hileman attended the National Association of Corporate Directors in Los Angeles. The themed event "Calibrating Strategy and Risk" was well suited to internal audit and other certifications granted by the IIA.

Some of the highlights brought the attention to recent statistics that indicate:

- 61% of boards are improving risk related information flowing to the board,
- 53% are considering the strategic alternatives and
- 47% are monitoring strategy.

With these outstanding results our advocacy officer posed a question to the panelist about the value of internal audit and shared how scenario planning can be utilized as a part of risk assessment audit planning and fraud brainstorming.

[click here for full recap](#)



The IIA-LA Chapter joint event with the ISACA- LA Chapter in December 2015 featured speakers reporting on the cybercrime process and the role the Fusion Centers throughout Los Angeles and Orange county. Intensity and amazement filled the room as cybercrime risks and threats were shared and discussed from the perspective of law enforcement. The rule of thumb “see something, say thing was given as a final memorable thought. The evening ended with good networking, prizes and lots of dancing as we celebrated our last IIA-LA & ISACA Chapter event of the successful year!

### JANUARY KEYNOTE SPEAKERS



Lauralynn  
Rogers, Dine  
Equity Inc.



Stephanie  
Sales, Dine  
Equity Inc.



Michael Scofield,  
Professor of Health  
Informatics

### Upcoming Events For The 2015/16 Year

Be on the lookout for more information regarding the exciting events below:

- **2/10/16** – Governmental Auditing; Lunch & PM; 5.5 CPEs
- **3/9/16** – Risk Conference & Emerging Risks; Full Day; 9.5 CPEs
- **4/6/16** – Fraud Conference; Full Day; 9.5 CPEs  
– CAE Meeting
- **5/4/16** – Excel and Visio Training; Full Day; 9.5 CPEs

The LA Athletic Club in Downtown LA will be the location for all of the above events.

### JOIN THE LA CHAPTER

If you would like to join The IIA, please click [here](#), and then, click on "join or renew" and complete the application. Enter "Los Angeles" in the optional field that says chapter affiliation.

Are you already a member of the IIA, but a different chapter? Or, don't know to which chapter you belong? In order to officially join the Los Angeles chapter, you must update your chapter affiliation.

To update a chapter affiliation, call the IIA HQ at (407) 937-1100 or, you can update your IIA profile by clicking [here](#), and then, clicking on "Update Your Profile" .

### VOLUNTEER

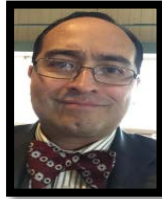
The IIA Los Angeles Chapter is seeking enthusiastic volunteers who are committed to make a difference and advancing the profession.

If you want the opportunity to interface with a vast diversity of internal audit professionals, individuals interested are encouraged to contact [vp-membership@theiia-la.org](mailto:vp-membership@theiia-la.org)

### EMPLOYMENT

For a list of employment opportunities [click here](#) or to post a job email [webmaster@theiia-la.org](mailto:webmaster@theiia-la.org)

## IIA Leadership Team Highlight:



### **Daniel Montes** **Professional Development Chair** **IIA LA Chapter**

**Question: Happy New Year's Danny!...Can you give us a summary of your professional background and IIA affiliation?**

HAPPY NEW YEAR! I started down the internal audit road almost 11 years ago. Fresh out of college, I was fortunate enough to get a role in Grant Thornton's Business Advisory Services group in Chicago. I did a lot of SOX work (both financial and IT controls) for clients in manufacturing. This is also when I first joined the IIA.

I left GT after 3 years to become an auditor for Ryerson Incorporated. That was one of my favorite roles. While at Ryerson, I was able to travel to almost all 50 states and I spent 2 months in China. This work was also SOX oriented, but I was also able to get heavily involved in operational audits as well.

After spending 4 years at Ryerson, I left to try my hand in the tech world at Orbitz. They needed help remediating some ITGC deficiencies and I was the person for the job. My time there was short-lived, however.

At that time in my life, I was toying around with the idea of moving home (southern California) when I found a role at Harbor Freight Tools. 3.5 years later I am still here. My work at HFT is focused on internal control (financial and IT), process improvements, and operational reviews. The fast pace of the company's growth makes HFT an exciting place to work.

[See next page for Daniels additional interview](#)

Throughout my career, I have participated in some way with the IIA, but it wasn't till I moved back to LA that I took a more active role. I have been working as the Co-Chair of Professional Development for almost a year now. I really enjoy the group of officers I get to work with at the IIA. I am a huge fan of our events (although I have a bias) and the social hours afterward.

**Question: Our next event is on Data mining, analytics and security. Describe your first experience with Data Mining and the wow factor that captured you?**

I first experienced the benefits of data mining while at a client site in Chicago. The client was a developer of predictive analytics software and I was amazed by what their ability to sort through and make sense of ENORMOUS datasets. I was fortunate enough to use their software while in grad school as well. I think it is awesome that there are tools available to auditors that can slice and dice complex datasets!

**Question: Speaking of capture...was there anyone special you spent the holidays or New Year's Eve with?**

HMMMMM...At the moment, I am single, if that's what you mean. I love my family and I spent the holidays spoiling my nieces and nephews. Perhaps next year, I will have a better answer;

## IIA Leadership Team Highlight: *continued*

Question: As auditors, we appreciate data tools and techniques because the answer is usually starring right at you. So, we'd like to first test your manual skills by giving you 5 minutes to complete this word search [click here](#). So tell us how you did?

OK, I started this and got a handful right off the bat, but I was called away and never returned to it. I used to love word searches as a kid and I think it's neat that you made one for data mining!

Question: If there is any particular tool or technique you would like to utilize at Harbor Freight, tell us what would it be and why?

We actually have a very robust data and analytics team here. For my audits, I like to work with them to get the data I need. For my day to day needs, I find Excel to be quite useful. I know there are many other tools out there for analyzing data, but to be honest, I have limited experience with any of them.

Question: Lastly, can you tell us your secrets to staying sharp and on top of the latest techniques and give any final thoughts of advice to auditors in the retail arena?

The internet, the IIA Magazine, and, IIA chapter meetings are my go-to methods of staying sharp and on top of the latest auditing and data analytics techniques. As far as advice goes to other auditors in the retail arena...I'd have to say, validate, validate, validate. There are few things worse than spending time chasing a rabbit down a hole that leads nowhere. By constantly validating your findings with others on your team, you can save time and present concrete findings and recommendations to management.

