President’s Message

The 2014-2015 year for the Spokane chapter of the IIA will begin September 1, 2014. The ultimate goal of the chapter for the upcoming year is to provide quality CPE training opportunities to our members that also meet the training needs of other local audit shops and companies. In order to accomplish this goal, I invite all members and non-members alike to communicate training topics that you feel will help enhance your audit career, and those which will add the most value to your respective organizations. Please reach out to me, or any chapter officer, with suggestions for training topics or formats.

Through your input we hope to identify pertinent training topics, and ideally, those which attract auditors across the various industries represented in our chapter. Therefore, my message as the new incoming President of the Spokane Chapter of the IIA is a call to action. Let’s make this the best year yet for the Spokane Chapter – one that provides good quality, cost-effective training to expand our knowledge of the profession and help promote positive changes at each of the companies we work for. I look forward to hearing from you and seeing you at an upcoming training event.

Sincerely,

David Larry Gifford Jr.
IIA Spokane Chapter President

THANK YOU!!

Congratulations to our Chapter! For the first time in our Chapter’s history we have achieved GOLD CHAPTER status for our 2013-2014 Chapter Year. We wish to thank all of our current and past officers, board, and members like you! We look forward to having another great chapter 2014-2015 Chapter Year!
Upcoming Training Opportunities

**Chapter Luncheons**

**Auditing with Excel: Intro to Macros**
September 23, 2014 – Location TBD
11:30 AM – 1:00 PM
Stephen Hunt
Staff Auditor, AmericanWest Bank

```vba
Sub Intro_to_Macros()
'Please join us this next month for our final installment of "Auditing with Excel": Intro to Macros!
Dim learnEasyMacros
Dim bringYourLaptop
Dim writeYourOwnVBA_Code
MsgBox "Stay tuned for date and details!"
End Sub
```

**About the Presenter:**

Stephen Hunt is a Staff Auditor for AmericanWest Bank, where he is assigned operational, financial, and information technology audits. Prior to joining AmericanWest Bank, Stephen’s previous roles included technical support for management and other employees at various employers, as well as for students and staff at a local university.

Mr. Hunt is a graduate of Eastern Washington University (EWU) with a Bachelor of Arts in Management Information Systems and Business Management. He sat for, and passed, all advanced Microsoft Excel classes offered at the university, along with other advanced information technology classes. His efforts at the university included a project in which he helped create a web-based Point-of-Sale system for a local non-profit theatre, coding it from scratch. Stephen has a working knowledge of various computer programming languages such as VBA, SQL, HTML, PHP, JAVA, and others.

Stephen currently serves as the Newsletter Editor for the Spokane chapter of the Institute of Internal Auditors (IIA).

**IIA Members-Only Webinars**

Visit the IIA Members-Only Webinars web site for more information and to register for these FREE training events:

- **Risks Around Social Media** (08/19/2014)
- **Hot Topics in Compliance** (09/04/2014)
- **Changes to Internal Audit in Tribal Gaming Operations** (09/09/2014)
- **Fraud and Embezzlement: Lessons from the Trenches** (09/16/2014)
- **Show Them the Way: Using Employee Career Paths to Build, Improve, and Retain Your Internal Audit Team** (09/25/2014)
- **Internal Audit – the World’s Greatest Profession** (10/02/2014)
- **The Intersection of the Audit and Risk Committees** (11/06/2014)
- **Master Data: Best Practices and New Challenges for Internal Auditors** (11/18/2014)
- **Transforming Your Audit Department With Technology** (11/18/2014)
- **Creativity and Innovation in Internal Audit** (12/16/2014)

**Stay tuned for details on additional upcoming trainings to follow soon.**

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1 Requires current IIA membership
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<tr>
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<th>SEPTEMBER</th>
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### Upcoming IIA Events

<table>
<thead>
<tr>
<th>Conference</th>
<th>Date</th>
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<tr>
<td>Governance, Risk, and Control Conference an IIA and ISACA collaboration</td>
<td>August 18–20, 2014</td>
<td>Palm Beach, FL, USA</td>
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<tr>
<td>Northeastern Regional Conference</td>
<td>September 7–10, 2014</td>
<td>Brooklyn, NY, USA</td>
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<td>2014 IT Audit &amp; Controls Conference</td>
<td>September 30–October 2, 2014</td>
<td>San Diego, CA, USA</td>
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<td>Canadian National Conference</td>
<td>October 5–8, 2014</td>
<td>Ottawa, ON, Canada</td>
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<td>All Star Conference</td>
<td>October 28–30, 2014</td>
<td>Las Vegas, NV, USA</td>
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<td>2015 General Audit Management Conference</td>
<td>March 9–11, 2015</td>
<td>ARIA / Las Vegas, NV</td>
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<tr>
<td>2015 Gaming Conference</td>
<td>April 8–10, 2015</td>
<td>The Mirage / Las Vegas, NV</td>
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<tr>
<td>2015 International Conference</td>
<td>July 5–8, 2015</td>
<td>Vancouver Convention Centre / Vancouver, BC, Canada</td>
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<tr>
<td>2015 Governance, Risk, and Control Conference an IIA and ISACA collaboration</td>
<td>August 17–19, 2015</td>
<td>Arizona Biltmore / Phoenix, AZ</td>
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<tr>
<td>2015 Southern Regional Conference</td>
<td>November 8–11, 2015</td>
<td>New Orleans, LA</td>
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**Chapter Announcements**

**CAP Report Status**

What is CAP? Chapter Achievement Points (CAP) are credits earned by the Chapter throughout the year.

The CAP program is designed to recognize activities that promote the strategic objectives of the IIA. This program provides minimum standards of performance, emphasizes the basic mission of the Chapter, encourages Chapters to perform that mission, and provides Chapters with a means to evaluate their success in accomplishing that mission.

A chapter must earn minimum CAP points annually in each of three service categories:

1. **Service to Members** – CPEs for members, social meetings, and the number of certification certificates presented.
2. **Service to Profession** – Miscellaneous services to the profession, CPEs for nonmembers, and hosting a conference.
3. **Chapter Administration** – Reporting, newsletters and leadership conference participation.

Please help us achieve GOLD status again this year by doing the following:

- Attend a chapter event (we get points for members and non-member attendees)
- Obtain your CIA, CCSA, CFSA or CGAP designation
- Submit an article to the Internal Auditor (published or not)
- Submit an article to any other professional journal
- Speak at a chapter event

- Submit questions for IIA Certification Exams
- Notify our Chapter President, David Gifford, if you make a presentation for any organization on an audit-related subject. In addition to CPE credit for you, the Chapter also receives CAP points.

**CAP Levels**

- **Bronze** 685 Points
- **Silver** 1060 Points
- **Gold** 1560 Points
- **Platinum** 10 years of Gold

We achieved GOLD Chapter status for our 2013-2014 chapter year!!

**Job Postings**

Please contact Stephen Hunt if you would like to post a job opening on the newsletter and website.
Member Spotlight

The IIA Spokane Chapter will be spotlighting various chapter members each month to find out why the member chose their profession, what they do for fun (besides audit), and what has made them successful.

Member: Stephen Hunt
Position: Staff Auditor
Company: AmericanWest Bank
Certifications: None (yet)

Q: How did you become an internal auditor?

I was an intern in AmericanWest Bank’s Compliance Department as I attended Eastern Washington University. When I graduated I convinced the Director of Internal Audit to give me a chance in the Internal Audit Department. Little did she know…

Q: What do you enjoy the most in your current position?

The best part of my current position is being the “go-to” auditor over information technology issues. I am also the administrator for our eGRC platform, and get to help set policies/procedures for the department to assist in the utilization of the system. It makes me feel important, even if I’m not.

Q: What are some of the challenges you face in your current position?

Assuming the role of an administrator over our eGRC system is a challenge, as we are still learning how to best use it to help us in our audit work. It’s given me a few headaches over the last couple of years.

Q: If you were not an auditor, what would you be doing?

I’m not sure where I would be if I wasn’t an auditor. I highly enjoy my job and what I do. One of my hobbies is computer coding/programming. If I had to do something else I would likely choose that career path.

Q: Any special skills or experiences you are proud of as an internal auditor?

The best part of audit is that every auditor brings something different to the table, whether it’s specific knowledge, abilities, or skills. Our team is no different, which is something I respect about my coworkers and the auditors I’ve worked with in volunteering for the IIA. For me specifically, technology subjects have always come easy to me, and I am proud of the skills and abilities I’ve learned. They’ve helped me in a number of audits.

Q: What are your passions or hobbies outside of internal audit?

Outside of auditing I spend a lot of my time with my family and volunteering for my church, which is important to me. I also enjoy the outdoors, and love to go backpacking and camping in the woods. My biggest hobby, however, is home improvement. My wife and I bought a duplex last year that was in need of some major repairs. Renovating a project like that was a fun and rewarding experience where I learned a lot.

Q: Any word of advice to fellow internal auditors?

The best advice I could give to fellow auditors would be to embrace technology. Technology is, and will continue to be, such an important part of business. If an auditor can stay abreast of current technology trends and abilities it will help them immensely.
Earning your certification is like having a key to the vast world of opportunities the profession of internal auditing offers placed in the palm of your hand. It can open doors you did not even know existed, as the three or four letters that now follow your name will make one powerful statement about the expertise you bring to the table.

Certifications Offered by the IIA

Certified Internal Auditor (CIA)
The CIA is the only globally accepted designation for internal auditors and the standard by which individuals demonstrate their professionalism in internal auditing. Moreover, earning the CIA designation is more than just proof of what you know and what you’ve achieved — it’s the best way for auditing professionals to communicate to the world that they are prepared to meet today’s challenges. Earning the CIA designation is a valuable accomplishment and a professional advantage for auditors at all stages of their careers, including chief audit executives, audit managers, audit staff, and risk management staff, as well as students enrolled in an accounting or other business or financial degree program.

Certified Financial Services Auditor® (CFSA®)
The CFSA is a valued specialty certification for audit professionals working in banking institutions, thrift/savings and loan organizations, credit unions, insurance companies, security and commodity services, holding and investment companies, credit agencies, financial services regulatory agencies, and other financial services organizations. If your goal is to continue to grow as a financial services audit professional and demonstrate the breadth of your financial services knowledge, the CFSA designation is for you.

Certification in Control Self-Assessment® (CCSA®)
The CCSA is a recognized professional designation for CSA practitioners at any CSA experience level who are responsible for driving organizational change. Understanding key concepts like risk and control models enables CSA practitioners from all backgrounds to master the techniques that are vital to helping companies achieve their objectives. Just as important, earning the CCSA is a great way to help you achieve your objectives as you seek to move forward in your career.

Certified Government Auditing Professional® (CGAP®)
The CGAP certification program is designed especially for auditors working in the public sector at all levels — federal/national, state/provincial, local, quasi-governmental, or crown authority — and is an excellent professional credential that prepares you for the many challenges you face in this demanding arena.

Certification in Risk Management Assurance® (CRMA®)
The CRMA is a mark of professional distinction for internal audit practitioners. Earning the CRMA will assist you in demonstrating your ability to provide assurance on core business processes in risk management and governance, educate management and the audit committee on risk and risk management concepts, focus on strategic organizational risks, and add value for your organization.
The IIA’s CIA Learning System®

Prepare to pass the CIA exam with the experts! The IIA’s CIA Learning System was created by a team of CIA-certified industry experts to be the most relevant, comprehensive, and effective CIA review program available.

This interactive self-study program combines reading materials with online study tools to teach and reinforce the entire global CIA exam syllabus in a flexible, on-demand format. Looking for more structure, guidance and motivation? Facilitator-led courses are also available around the globe in traditional classroom, online and virtual formats.

Prepare to pass the CIA exam and arm yourself with critical tools and knowledge to excel in your internal audit career. Get started today!

Six Steps to Certification

1. Decide Which Certification is Right for You
   The IIA's Certified Internal Auditor® (CIA®) certification is the only globally accepted designation for internal auditors. The IIA also offers four specialty certifications.

2. Determine Your Eligibility and Skill Level
   Each of The IIA certification programs has unique and specific education eligibility requirements that a candidate must meet to take the exam. In addition, you may want to assess your skill level by taking a practice test using the sample questions on the website. Although your score on a practice test will not necessarily indicate what your score would be on a certification exam, a practice test may assess your readiness and lets you know in what areas you need improvement.

3. Register for the Exam
   The IIA's certification exams are now offered year-round through computer-based testing at more than 500 locations worldwide.

   Apply and Register Online

4. Prepare for the Exam
   You determine the method(s) in which you need to prepare for the exam. A variety of independent third-party providers offer exam review courses. In addition, consider joining one of the exam-related social media groups to connect with others preparing for the exam. Each exam has its own LinkedIn group and there is a Facebook page dedicated to preparing for the CIA exam.

5. Take the Exam
   With the transition to computer-based testing, The IIA's certification exams are administered through the worldwide network of Pearson VUE Testing Centers. The Pearson VUE network enables candidates to take exams at over 500 sites. The Certification Candidate Handbook provides more information on the testing experience.

6. Receive Your Certificate
   Once you pass the exam and meet all other program requirements, you will be eligible to receive your certificate. To order your certificate, you must log into your candidate record in CCMS and complete the certificate order form. The certificate will be shipped directly to you using a standard postal service method at no charge. Expedited shipping is also available at an additional cost.
Sometimes it’s good to get back to the basics of something we do every day. In this section of the newsletter we will review some of the basic skills and practices that internal auditors use on a daily basis.

How Do I Communicate Bad News?

Any communication can be challenging — even when the news being delivered is positive — but when the news to be delivered is negative (e.g., identifying a control deficiency or alerting management to fraud), the job of delivering it can be even more stressful. In these situations, the internal auditor’s ability to communicate takes on increased importance. An organized, thoughtful approach can make that task easier and more constructive.

Internal auditors may find one protocol, the “ABCDE” mnemonic adapted from an article published in the October 1999 issue of the Western Journal of Medicine, helpful when planning a communication strategy: Advance preparation, Build the environment, Communicate well, Deal with reactions, and Encourage.

ADVANCE PREPARATION
As is the case with many tasks, advance preparation is an important element of effectively communicating bad news. Internal auditors can avoid wasted time and potentially embarrassing mistakes by having the facts before delivering their findings to others. This includes carefully reviewing findings and confirming their understanding of critical issues in advance.

BUILD THE ENVIRONMENT
The setting for the meeting also is an important factor, as it should allow internal auditors to maintain control over the meeting’s direction. Optimally, the meeting should occur in a place that is private, where the participants are not distracted, and where interruptions are kept to a minimum.

COMMUNICATE WELL
Using direct, clear language to communicate bad news — while still being sensitive to the audience’s feelings — is an imperative skill for internal auditors to possess. Although it may be tempting to dance around an issue or use euphemisms to try to soften the blow, that approach can add confusion — and ultimately only delays the inevitable. A straightforward, honest delivery is generally the best policy. However, internal auditors also must keep in mind that some words (e.g., scam and scheme) are emotionally charged and may elicit negative reactions from the audience.

DEAL WITH REACTIONS
Because emotions may be running high, client reactions may take the form of a personal attack on the auditor, but he or she must take care not to react defensively or place blame. Above all, auditors must keep in mind that their role is to communicate information so that appropriate corrective measures can be taken — not to engage in personal attacks or value judgments. These types of situations often can be diffused by sticking to the facts.

ENCOURAGE
Once the news has been delivered, it is time to determine the next steps. As management or the audit committee struggles to determine the necessary corrective actions, the internal auditor can make what is perhaps his or her biggest contribution to the process — providing encouragement and constructive suggestions.

The fear of unknown consequences can make bad news seem even worse. By doing some advance research to help answer these types of questions, the internal auditor can make a valuable contribution to the organization by helping contain the extent of the unknown.

Adapted from “The ABCs of Communicating Results,” by Deborah Archambeault and Morgen Rose (Internal Auditor, “Back to Basics,” December 2010).
## 2014 – 2015 IIA Spokane Chapter Officers

**Spokane IIA Chapter Officers elected for the 2014-2015 Chapter Year):**

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<th>Title</th>
<th>Officer</th>
<th>Organization</th>
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<tr>
<td>Chapter President</td>
<td>David Gifford</td>
<td>AmericanWest Bank</td>
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<tr>
<td>VP Membership &amp; Programs</td>
<td>Melanie Shanks</td>
<td>Spokane Teacher's Credit Union</td>
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<td>VP Communications</td>
<td>Stephen Hunt</td>
<td>AmericanWest Bank</td>
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<td>Treasurer</td>
<td>OPEN</td>
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<td>Secretary</td>
<td>Vanessa Scarpelli</td>
<td>Umpqua Bank</td>
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## 2014 – 2015 IIA Spokane Chapter Board of Governors

**Spokane IIA Chapter Board of Governors for the 2014-2015 Chapter Year:**

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<tr>
<td>Penny Brown</td>
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<tr>
<td>Debra Peterson</td>
<td>Washington Trust Bank</td>
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<td>Cathy Cook</td>
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