President’s Message
Denise Behl, CIA

Our Chapter is very fortunate to have its own monthly newsletter to share information on upcoming events, news about members, and important changes or updates to the Audit world we live in. Thank you to all who contribute to this wonderful addition to our chapter every month. Your membership also offers you access to an array of tools and references to keep your audit knowledge current.

One tool is the Internal Auditor magazine which will have a new refreshed look coming soon. In February, watch your email for the February Issue of Ia magazine, where you’ll find:

- A refreshed look compatible with digital environments.
- Enhanced readability—featuring charts, graphs, and quick facts.
- The high-quality writing addressing timely, relevant topics you have come to expect.

Internal Auditor magazine is starting a new chapter in its 65-year-plus history. Soon you’ll be able to connect to the news and information affecting the internal audit profession whenever, wherever you need, and in a new and different way—get your mobile devices ready.

Champions of Change
Staci Crane, CISA

Jeffrey Berk, CPA, is a process consultant and author of the book Champions of Change, The Managers Guide to Creating Sustainable Improvements in Business Processes. He taught in the graduate programs at Northwestern University (Kellogg School) and Loyola University. He created a methodology that teaches process improvement techniques. Over 50 IIA chapters and Internal Audit departments have taken this business process audit workshop, Champions of Change.

This seminar will provide the auditor with tools to complete operational audits. Champions of Change provides a methodology of process improvement and tools to execute it. During the seminar, Mr. Berk will discuss the role of historic data analysis in process improvement, how to build effective questionnaires and conduct powerful focus groups, hear the 17 key components for managing and optimizing processes, gain practical tips to managing business risk within the processes, take away action plan templates and understand the importance of change management in improving processes.

This seminar will be held at the Northfield Center on February 16, 2012 from 8:30 a.m. to 4:30 p.m. Lunch will be provided at 12:00 noon.

You can register for the seminar by emailing Chapter Secretary and Seminar Registration Chair Joelle Egger at Springfield.IIA@comcast.net by February 10th.
Lesslie Morgan, CPA, CIA, CISA, CGFM

5 Years Ago – February 2007

Tina Neely, CIA, CGAP, served as the Chapter’s President. The February meeting was held at the Northfield Center. The half-day seminar was “COSO’s Enterprise Risk Management Integrated Framework,” presented by Michael J. Head, CIA, CPA, CMA, CBA, CISA, Managing Director Corporate Audit with TD Ameritrade, Omaha, Nebraska. Jay Wagner, CISA, provided the Message for the month focusing on tips for reducing your child’s vulnerability.

Congratulations were extended to Brian James Bond, CPA (AKA 007), on his new assignment to improve several DHFS’ monitoring processes. Then Brian will resume his regular duties with former Chapter CIA Chair Tom Fitzgerald.

10 Years Ago – February 2002

Brian Bond, CPA, was the Chapter President. This month’s meeting was a “Bosses’ Luncheon” at the Springfield Hilton. Treasurer Judy Baar Topinka was the speaker who gave a presentation on the functions of the State Treasurer’s Office regarding investments and unclaimed property. This month’s member profile was Terri Rauworth, EDP Auditor, Department of Corrections. The internal audit function at CMS was selected to receive The IIA’s “Commitment to Quality Improvement Award.” CMS was 1 of 14 internal auditing departments in the world to receive this award for 2001 for demonstrating a commitment to improving quality in the area of professional excellence, service and outreach. Congratulations to Bob Schwarz, CISA and his staff.

15 Years Ago – February 1997

Larry Ragel, CPA, was the Chapter President. This month’s meeting was held at the Ramada Inn. The meeting was the “Bosses’ Day Lunch” and the speaker was the Honorable William G. Holland, Auditor General. Mr. Holland spoke on “A Look Back: Four Years as Auditor General.” Mike Welch of the Department of Professional Regulations was this month’s award recipient. Mike received a brass business card case.

20 Years Ago – February 1992

Ronald Omer was the Chapter President. This month’s meeting was held at the Best Western. The pre-meeting seminar’s speaker was Angie Chin, CIA, CISA, CPA, CBA, Assistant General Auditor, Federal Reserve Bank of Chicago. Ms. Chin’s topic was “Using PCs as an Audit Tool.” The after-dinner speaker was Robert Moeller, CPA, CISA, CMA, CDP, Senior Corporate EDP Audit Manager for Sears, Roebuck & Co. He spoke on “Performing Logical Security Audits of Information Systems.” Membership Directory Updates were Tajuddin Asif, Student; Roger L. Humphrey, Michael R. Kelley, and Bharat A. Trivedi, Department of Corrections; and Raymond H. Piparinen, CPA, Office of the Comptroller.

25 Years Ago – February 1987

Dan Bedell, CIA, was the Chapter President. This month’s meeting was held at the Sheraton Inn. The pre-meeting seminar topic was “Pan Audit Plus Applications” presented by Ace Dzelezkaains, audit consultant, and Chuck Schaefer, marketing representative both presenters work for Pansophic Systems, Inc. The after-dinner speaker was Tom Farrell, Computer Audit Specialists with the Illinois Department of Insurance who spoke on “Automating Audit Functions.” Between July 1986 and January 1987 the chapter membership increased from 69 members to 82 members.

30 Years Ago – February 1982

Rudy Davenport was the Chapter President. The February meeting was held at the Hilton’s Top of the Arch in Springfield. The Chapter held a social hour, dinner, and then held elections for new officers. The Chapters’ Nomination Committee, chaired by Dan Bedell, approved the following slate for the year beginning July 1, 1982:

- Vice President – Arthur Martineau, Chief Internal Investigator, Illinois Department of Public Aid.
- Secretary – Sandra K. Kirchner, Internal Auditor for the City of Springfield, Mayor’s Office.
- Treasurer – Mark Schwab, Internal Audit Supervisor, Illinois Department of Revenue.
- Governor – Robert Schwarz, Chief, Bureau of Internal Audits, Illinois Department of Public Aid.

www.minyanville.com

What was the average salary of a full-time employee at Goldman Sachs in 2011? Almost $385,000. In 2007, it was $660,000!
Our Debt Challenge
Jeanne Sahadi, www.cnnMoney.com

How much debt does the U.S. have today? About $15 trillion. Nearly $10 trillion of the national debt is held by the public: individual bondholders, big investors (e.g., mutual funds), and foreign governments such as China, the United Kingdom, and Brazil. The rest is money owed to government trust funds, mainly Social Security.

Is $15 trillion too much to handle? The real problem is not that the country owes $15 trillion; it’s that it could grow to $23 trillion in 10 years and keep rising. If nothing is done to change its trajectory, the debt is on track to grow faster than the economy indefinitely.

Just how unsustainable is the national debt? By the end of this decade, barring any policy changes, the vast majority of federal tax revenue will be eaten up by just interest on the debt, Medicare/Medicaid and Social Security.

Aren't jobs a much more urgent problem? Yes. Reducing the debt won't be possible unless the economy gets stronger and unemployment falls. At the same time, the longer we wait to address the debt, the more it could impair economic growth and put us at risk of a fiscal crisis which could curtail growth.

How did the debt problem get so big? The debt started to accrue much more rapidly in the past decade because of the war on terrorism, tax cuts, and a Medicare prescription drug benefit – all of which were financed through borrowing. Then, in 2008, a financial crisis spurred more spending to stem the pain of the downturn. What worries budget experts is the “structural” debt – the kind that will keep growing even when the economy is strong, largely because of demographic changes such as the aging of population.

Why did things get so bad? Political self-interest. Politicians know they will get more votes when they give to constituents than when they cut the fat.

What happens if the long-term debt is not addressed? Growth could suffer, tamping job creation and income. If everything goes as legislated it would cut deficits over the next 10 years by $2.1 trillion. But that's only half the cost of extending the tax cuts which many lawmakers want to do.

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Things Not to Say in a Job Interview
Submitted by Cary Franks, www.baselinemag.com

1. I'm not familiar with your company’s culture. But I can fit in anywhere.
   ► Do some homework to show you really want the job.

2. My boss was a terrible communicator, it held me back.
   ► So why didn't you take initiative to get the information required?

3. I was always the smartest and best worker on my team.
   ► Show, don't tell. What did you do and how did it make a difference?

4. My boss never complained about me, so he must have been happy.
   ► No, maybe he didn’t see enough potential to invest in constructive feedback.

5. If there were problems, I would have jumped right in.
   ► Problems exist everywhere – they're opportunities to manage difficult situations.

6. I've never made a big mistake.
   ► That probably means you've never stretched for challenges.

7. I was in a no-win situation.
   ► Winners think positively and shine within difficult circumstances.

8. My weaknesses? I don’t know if I have any.
   ► Yeah, you do – you just haven’t conducted an honest self-assessment.

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WALL STREET JOURNAL 01/11/12

Did you know that the U.S. Federal Reserve made a profit of over $75 billion on its portfolio of securities and loans in 2011? The Fed had a portfolio of $875 billion before the financial crisis which now is nearly $3 trillion. Last year’s profits were even higher – $81 billion!
<table>
<thead>
<tr>
<th>Date</th>
<th>Speaker</th>
<th>Topic/Program</th>
<th>Hours</th>
<th>CPE</th>
<th>Members Members</th>
<th>Non-Members Non-Members</th>
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<tr>
<td>09/27/11 to 09/28/11</td>
<td>Various</td>
<td>State Internal Audit Advisory Board</td>
<td>8:30 - 4:30</td>
<td>14 (Gov't)</td>
<td>$70</td>
<td>$70</td>
</tr>
<tr>
<td>10/27/11</td>
<td>Jeff Thompson</td>
<td>Vulnerability Assessment and Cybercrime</td>
<td>12:30 - 4:30</td>
<td>4</td>
<td>$35</td>
<td>$50</td>
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<tr>
<td>11/08/11</td>
<td>Chief Audit Executives</td>
<td>Audit Roundtable</td>
<td>2:30 - 4:30</td>
<td>2</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>11/17/11</td>
<td>Chris Bauer</td>
<td>Professional Ethics</td>
<td>8:00 - 12:00</td>
<td>4</td>
<td>$50</td>
<td>$75</td>
</tr>
<tr>
<td>01/27/12</td>
<td>Connie Valencia</td>
<td>Risk Assessments and IT Compliance</td>
<td>8:00 - 3:00</td>
<td>7</td>
<td>$100</td>
<td>$125</td>
</tr>
<tr>
<td>02/16/12</td>
<td>Jeffrey Berk</td>
<td>Champions of Change</td>
<td>8:30 - 4:30</td>
<td>7.5</td>
<td>$100</td>
<td>$125</td>
</tr>
<tr>
<td>03/22/12</td>
<td>Steve Minder</td>
<td>Audit Program Development; Diagnosing the Enablers of Fraud; and Breaking the Fraud Triangle</td>
<td>8:00 - 4:30</td>
<td>7.5</td>
<td>$100</td>
<td>$125</td>
</tr>
<tr>
<td>04/10/12</td>
<td>Chief Audit Executives</td>
<td>Audit Roundtable</td>
<td>2:30 - 4:30</td>
<td>2</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>04/19/12</td>
<td>To be Determined</td>
<td>To be Determined</td>
<td>TBD</td>
<td>7.5</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>05/18/12</td>
<td>Leita Hart</td>
<td>“The Art of the Finding”</td>
<td>8:00 - 4:30</td>
<td>7.5</td>
<td>TBD</td>
<td>TBD</td>
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</table>

Cancellations should be made at least 24 hours before the meeting to avoid a charge.
Meetings will be held at the **Northfield Center**, unless noted differently.
The IIA presented a webinar by Jane Feierman which discussed the changes that have resulted from new communication technologies like iPad tablets and smartphones. To address these changes, she noted ways that auditors can improve their reports:

1. Keep findings to a few main points and make reports **concise** to fit the screen space of tablets/phones.
2. Don’t repeat findings and list the findings to make them easier to follow.
3. Avoid vague, old timey findings that no longer make an impact, like "weak internal controls."
4. Use **simpler** words that are easy to understand as people read on the go.
5. Avoid writing what the auditor did (e.g., we found this and we found that) instead write what you found.

These changes got me thinking about how much gadgets have changed the world as they give everyone the ability to email and text. People have gone green and are almost offended when anything is printed; you know that if they say “just email it to me.”

- As emails increase, each message gets less time and attention. People don’t have time to read anything long. If we ask more than a couple of questions in an email we may not get a reply to all the questions.
- When the Internet became common, reports that were written in detail were shortened to a page or two. Now that page has become a paragraph. With smartphones being the tool of choice, that paragraph is becoming a sentence.

Since people are reading reports and other information on their tablets and phones which have small screens, everything has to become what appears to me to be “bite sized”.

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**CHAPTER OFFICIALS**  
**2011–2012**

| OFFICERS |  
| --- | --- |
| **PRESIDENT** | Denise Behl, CIA  
(DBehl@isbe.net) | 558-2910 |
|  
- Administration (CAP-ologist)  
- Audit  
- Nominating | Larry L. Stone, CISA, CCP, CRPC  
Denise Shireman-Caldwell, CPA  
Denise Behl, CIA  
Larry L. Stone, CISA, CCP, CRPC  
H. Jay Wagner, CIA, CISA | 785-6972  
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785-2910  
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557-5682 |
| **1st VICE PRESIDENT** | Staci Crane, CIA  
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- Programs & Seminars  
- Continuing Education  
- Seminar Registration | Staci Crane, CIA  
Denise Behl, CIA  
Joelle Egger | 558-5135  
558-2910  
414-8382 |
| **2nd VICE PRESIDENT** | Amy Lyons  
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- Academic Relations  
- Admissions/Membership  
- Associate Trustee/Tech.  
- CIA Program | Leonard Branson, Ph.D.  
Staci Crane, CIA  
Larry L. Stone, CISA, CCP, CRPC  
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- Directory, Distribution, & Public Relations  
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- Webmaster | Denise Behl, CIA  
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Cary Franks, MS MIS  
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(oag33@mail.state.il.us) | 782-2320  
782-6506 |
|  
- Awards  
- Historian | Patrick Rynders  
Lesslie D. Morgan, CIA, CPA, CGFM, CISA | 782-6506  
524-4094 |
| **GOVERNORS** |  
- **Term Expiring:**  
  - 2012  
  - 2012  
  - 2012  
  - 2012  
  - 2013  
  - 2013 | Cary Franks, MS MIS  
Deanna J. Marvin, CIA, CGAP, CISA  
Bill Sampias, CIA, CFSA  
Doug Tinch, CIA, CPA, CISA, CISSP  
Stephen D. Kirk, CIA, CGAP  
Lesslie D. Morgan, CIA, CPA, CGFM, CISA  
Barbara Ringer, CPA  
Rusti Cummings, CPA  
Mohammed Ameen Dada, CGFM  
H. Jay Wagner, CIA, CISA | 496-2697  
789-2500  
785-5563  
782-4843  
557-1258  
524-4094  
524-7872  
558-3386  
785-0165  
557-5682 |
| **PAST PRESIDENT** |  
- 2010-2011  
- 2009-2010 | Coleen Jordan, CIA, CPA  
Larry L. Stone, CISA, CCP, CRP | 306-5849  
785-6972 |

*The Board of Governors consists of all Officers, Governors, and the President(s) in the past two years who are chapter members.*
Effective January 1, 2012, several key changes to the continuing professional education (CPE) reporting process will be implemented to create a better user experience and align The IIA with other certifications.

Certified individuals will be required to report credits earned every year, rather than every other year. The reporting date has been moved from May to December.

For the CIA, practicing individuals are required to complete 40 CPE hours annually. Non-practicing and retired individuals are required to complete 20 hours and 0 hours, respectively. For the CCSA, CFSA, CGAP, and CRMA, practicing individuals are required to complete 20 CPE hours annually. Non-practicing and retired individuals are required to complete 10 hours and 0 hours, respectively. In addition, 25 percent of CPE hours must be earned in the specialty area of expertise.

The following attestations are required at the time of CPE reporting:
- To practice in accordance with the International Professional Practices Framework.
- To abide by The IIA’s Code of Ethics.
- To not bring The IIA into disrepute.
- Confirming no criminal convictions since last reporting period.

In the event of failure to report CPEs, certification status will be changed to INACTIVE, and the designation may no longer be used until status is back to CERTIFIED.

If the INACTIVE status remains longer than 12 months, the candidate will need to report 80 hours of CPE and pay a reinstatement fee of US $100 (for IIA members) or US $250 (for nonmembers).

Auditor Vacancy – Horace Mann

Horace Mann is the nation’s largest insurance company for educators and is located in Springfield. Its Internal Audit helps evaluate and improve controls, operations, and governance. The Auditor will perform audits and internal control projects under a supervisor and will assist with planning, performing audit procedures, documenting work, and preparing initial drafts of audit reports.

- Applicants need 3 years of experience (internship acceptable) and a Bachelor’s degree in a relevant field.
- Applicants without a professional credential must complete certification within 2 years.
- Applicants must be eligible to work in the U.S. without employer sponsorship.


Springfield Chapter
The Institute of Internal Auditors
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Springfield, IL 62705-0205