President’s Message

The Springfield Chapter kicked off the calendar year with a fantastic turnout at the January meeting with a 4 hour seminar on Data Analytics and Continuous Monitoring. We were all able to take away some great tools to add value to our Internal Audit shops for the coming year.

IIA President and CEO, Richard Chambers recently shared his top 5 New Year’s Resolutions every Internal Auditor should perform for a successful 2013:

1. Plan more and audit less
2. Communicate the impact
3. Empathize more and gloat less
4. Embrace technology
5. Enhance industry/business knowledge

How many of us will use his resolutions to enhance the quality of our performance as internal audit professionals in the coming year?

To gain a better understanding of Mr. Chambers reasoning behind each resolution visit https://na.theiia.org/news/Pages/Five-New-Year’s-Resolutions-Every-Internal-Auditor-Should-Make.aspx

Denise Behl, CIA

Auditing for Fraud in Government

The Yellow Book places responsibility on auditors to design their audit to detect fraud. But what does fraud look like? What techniques can you use to find it? And how does it rear its ugly head in the government environment? In this course, we will discuss the taxonomy of fraud as well as how to do your best to uncover it and document your work.

Leita Hart-Fanta will be presenting our training seminar titled “Auditing for Fraud in the Government Environment.” This seminar will provide 7 credit hours, including 2 hours of Ethics. Leita is a graduate of the University of Texas at Austin with a bachelor’s degree in business administration. She is a CPA, CGFM, and CGAP. She serves on the government conference planning committee the Texas Society of CPAs. She is a board member of the Austin chapter of the AGA and a technical reviewer for the AGA’s Certificate of Achievement in Service Efforts and Accomplishments Reporting.

Register by February 14, 2013 with Secretary Michelle Brown (524-7038) at Springfield.IIA@ComCast.net.

TRAINING SEMINAR
Auditing for Fraud in Government and Ethics
Leita Hart-Fanta
Northfield Center
7 Hours CPE
Members: $100; Non-Members: $125
February 19 @ 8:30a-4:30p
Chapter History

5 Years Ago: February 2008

Jay Wagner, CIA, CISA, served as the President of our Chapter.

- **Training.** A joint training seminar was held on February 19, 2008 with ISACA titled “Fraud and Embezzlement: Lessons from the Trenches.” The seminar was presented by Angela Morelock of BKD.

- **Retirement.** Brad Hammond retired from the State after more than 32 years. Brad joined our chapter in 1984 and served as president in 1987-1988. His career included working for the Illinois Economic and Fiscal Commission, Office of the Auditor General, and various internal audit offices at State agencies, including the Illinois Office of Internal Audit.

- **Prizes.** Door prizes were awarded to Diane Geary and Traci Rolf.

10 Years Ago: February 2003

Shelly Martin, CPA, served as the President of our Chapter.

- **Training.** The Chapter held its annual Bosses’ Day Luncheon at the Northfield Center and Auditor General William G. Holland was the featured speaker.

- **Member News.** Special thanks were extended to Brian Bond, Shelly Martin, Bill Sampias, Bob Schwarz, Brad Hammond, Steve Kirk, and Cary Franks for helping to make the Chapter’s “State and Local Government Conference” a success.

- **Anniversary Committee.** Shelly Martin, CPA, Bob Schwarz, CISA, and Deanna Marvin, CIA, CISA, CGAP, served on the 25th Year Anniversary Committee.

15 Years Ago: February 1998

Michael J. Moody, CIA, CISA, served as the President of our Chapter.

- **Training.** The Annual Bosses’ Day Luncheon was held at the Northfield Center. The speakers were Representative Frank Mautino, Legislative Audit Commission Co-Chair, and Sen. Chris Lauzen, Legislative Audit Commission member, who spoke on “Internal Auditor’s Role in Monitoring Public Accountability.”

- **Member News.** The member profile for this month was on Lesslie Morgan, CPA, Chief Internal Auditor for the Department of Insurance.

20 Years Ago: February 1993

Randall W. Welch, CIA, CPA, served as the President of our Chapter.

- **Training.** The Springfield and Central Illinois Chapters jointly sponsored a CIA Review Course which was presented by Dr. Glenn Summers. The monthly meeting was held at Sangamon State University with a presentation by Dr. Max Rexroad, CPA.

- **Chapter News.** Our Chapter achieved the IIA’s Gold Chapter Achievement Award!

25 Years Ago: February 1988

Bradley W. Hammond served as the President of our Chapter.

- **Training.** Bill Winberg, CPA, conducted a four-hour staff training session on “Audit Workpapers.” U.S. Attorney Bill Roberts spoke on the “Lighter Side of Law.”

- **Member News.** Bob Schwarz, CISA, was nominated for the position of Director of District 1 of the Midwestern Region. Charlie Stevens was the Hospitality Chairman. Diana Heatherington was Membership Chairperson.

- **New Members.** Bud Akkasiriskul and Dorothy French became the newest members of our Chapter.

30 Years Ago: February 1983

James R. Donkin served as the President of our Chapter.

- **Training.** Dr. Fred Neuman spoke on “CIA and Student Sponsorship.”

- **Member News.** Gail Mugler was reservations coordinator.
Guidelines for Better Dressing
Kent Tager, www.TheHubLtd.com

There is only one rule: dress appropriately for the occasion. When in doubt, it is better to be over dressed than under dressed. Buy quality rather than quantity. If you are over 40, do not dress like you are 18. Just because it is “in style” does not mean it is right for you.

There is no one best style, brand, color, etc. Everyone is unique so it is important to consider skin tones and body type, even personality. Fashion is something you buy, style is something you have.

**SHIRT.** Men do not think much about colors being flattering to them as often as women who get their colors “done”.

- **Best colors:** We divide men into two groups: warm tones and cool tones using a little dress shirt trick. Basically, most dress shirts are white, blue, or ecru (or cream). All men can wear blue shirts as they flatter most men, so we remove it from the equation. If you look good in white, then you are a cool tone person and should wear black, grey, purple, red, and teal colored shirts. If you look best in ecru, then you are a warm tone person and should wear camel, olive, brown, gold, green, and rust colored shirts.

- **Dress:** Wear a straight or spread collar shirt with a suit. A button down collar is more casual and is fine with a sport coat or blazer. We recommend 100% cotton shirts because they last longer and are more comfortable than blended fabrics. Avoid heavy starch as it cuts the life of a shirt in half and makes the fabric stiff.

- **Sport:** It depends on your build and body type. If you are lean, then wear fitted; otherwise stick with a regular cut.

**TROUSERS.** Many men are confused about the rise on a pant: short, regular, and long. Take your best fitting pant and first measure the outseam and then the inseam; the difference is your rise. For most men pleated trousers are flattering and more comfortable, especially for dress pants. We suggest cuffs with pleated pants as they look classy and help the trouser hang better.

**Suits.** The fit of the suit is critical. We advise 100% wool tropical for the best all round use in most climates. If you have a prominent posterior, a single vent might be a better choice.

- Tailoring is crucial and is often the key to a suit that really fits. Many things can be altered but the back, chest, and shoulders should fit right from the start. Tight clothing makes a person look heavier.

**Young Workers Redefine Career Success**
(Submitted by Cary Franks)

- **Meaningful Work:**
  - 30% of Millennials rank meaningful work as the top measure of a successful career.
  - 11% of hiring managers rank meaningful work as the top measure of a successful career (48% say high pay is number one for Millennials).

- **Computer Skills:**
  - 54% of Millennials cite computer skills as a top career skill.
  - 48% of hiring managers cite it as a top career skill.

- **Criticism:**
  - 51% of hiring managers say Millennials are not good at accepting criticism.
  - 54% of Millennials agree.

- **Communications:**
  - 38% of Millennials believe their generation does not communicate effectively.
  - 35% of hiring managers agree.

- **Mentoring:**
  - 47% of Millennials say mentoring is the most helpful way of overcoming performance shortfall.
  - 49% of hiring managers agree.

**Five Myths About Internal Auditing**
Richard Chambers, IIA President and CEO
(Submitted by Jay Wagner)

1. Internal auditors are accountants by trade.
2. Auditors are nitpickers and fault finders.
3. It’s best not to tell the auditors anything unless they specifically ask.
4. Auditors audit on a cycle and use checklist so they audit the same thing each time.
5. Internal audit is the corporate police function.

**Business Casual.** Business casual is a nice sport or knit shirt, a pair of tailored trousers, and a classy pair of slip-on shoes. Do not mistake business casual as a license to wear anything. Appropriate attire is still important even in these more casual times.

**NECKWEAR.** The bottom of the tie should touch the waistband. The knot should be tight. For spread collar shirts, a 1/2 Windsor knot is an alternative. Blot up spots when you spill something on the tie; do not rub. Dry-clean as a last resort because ties usually do not look great after being dry cleaned.

**SHOES.** Black is always correct but browns have also been strong. The belt color should closely match the shoe color.

**SOCKS.** One of the most popular questions we get asked is “should the sock match the shoe or the trouser?” Match the pant if you are wearing business clothing.

**Suits.** The fit of the suit is critical. We advise 100% wool tropical for the best all round use in most climates. If you have a prominent posterior, a single vent might be a better choice.

- Tailoring is crucial and is often the key to a suit that really fits. Many things can be altered but the back, chest, and shoulders should fit right from the start. Tight clothing makes a person look heavier.

**Shoes.** Black is always correct but browns have also been strong. The belt color should closely match the shoe color.

**Soaks.** One of the most popular questions we get asked is “should the sock match the shoe or the trouser?” Match the pant if you are wearing business clothing.

**Business Casual.** Business casual is a nice sport or knit shirt, a pair of tailored trousers, and a classy pair of slip-on shoes. Do not mistake business casual as a license to wear anything. Appropriate attire is still important even in these more casual times.
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<thead>
<tr>
<th>Date</th>
<th>Speaker</th>
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<tr>
<td>9/27/12</td>
<td>Crowe Horwath</td>
<td>Single Audit Fundamentals - Overview</td>
<td>8:30 - 4:30</td>
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<td>10/24/12</td>
<td>Various</td>
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<td>Steve Morgan</td>
<td>A New Service Model: Auditor Roles in Government Performance Measurement</td>
<td>8:30 - 4:30</td>
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<td>Janet Beckman</td>
<td>Data Analytics – Continuous Monitoring or Internal Audit Report Writing</td>
<td>8:00 - 12:00</td>
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<td>02/19/13</td>
<td>Leita Hart-Fanta</td>
<td>Auditing for Fraud in the Government Environment and Ethics</td>
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<td>03/20/13</td>
<td>John Hall</td>
<td>High Impact Auditing: Practices that Pay, Risk Focused Internal Auditing</td>
<td>8:30 - 4:30</td>
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<td>Julie Kowalski</td>
<td>Effective Time Management Skills or Successful Project Management</td>
<td>8:30 - 4:30</td>
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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.
As you may know, this was one of the warmest years on record, another sign of global warming. Unfortunately, this may just be the beginning and keep getting worse for hundreds of years.

I must, however, confess that I like warmth, possibly because I grew up in a city where it never snowed. Way back, when I was young (and strong), and considering colleges, the top ones on my list were in areas where it snowed.

As luck would have it, one day I gave a ride to my high school superintendent, Mr. Herman Penland, who asked which colleges I was considering. When I mentioned the University of Minnesota at Duluth, he was shocked and said it was the coldest city in the US (mainland) and not to even consider it.

So, I came near family to EIU. In those days, the winters were very cold. For example, during my first winter, I was out one night and by the time I got back I was shivering uncontrollably. My roommate said the wind chill was minus 60 degrees! In fact, I remember seeing flurries on my last day of college in May.

During my first year in Springfield, the winter was also brutal and temperatures dropped below zero often, one night to a whopping minus 21 degrees. So if there is ever a day when you are cold, remember that it used to be much colder (before we polluted the air!).

The Board of Governors consists of all Officers, Governors, and the President(s) in the past two years who are chapter members.
The federal student loan program seemed like a great idea when it started in 1965: borrow now, pay back later when you have a job. But many borrowers these days are close to flunking out.

Surging above $1 trillion, U.S. student loans have surpassed credit card and auto-loan debt. Unable to find work, many students have returned to school, further driving up their indebtedness.

Mark Zandi, chief economist at Moody’s, argues that government loans and subsidies are not particularly cost-effective for taxpayers because universities and colleges just raise their tuition. It doesn’t make it easier to go to college. Tuition has been increasing faster than inflation and enrollment has been rising, fueling even more borrowing. Average student loans recently topped $25,000, up 25 percent in 10 years.

It’s not just young adults who are saddled. “Parents and the federal government shoulder a substantial part of the postsecondary education bill,” said a report by the Federal Reserve Bank of New York.

And some of the borrowers are approaching retirement age. “This could very well be the next debt bomb for the U.S. economy,” said William Brewer, president of the National Association of Consumer Bankruptcy Attorneys. “As bankruptcy lawyers, we’re the first to see the cracks in the foundation. We were warning of mortgage problems in 2006 and 2007. The industry was saying we’ve got it under control. Now we’re seeing the same signs. We’re seeing huge defaults on student loans.”

For those with federal student loans, the government has vast collection powers, including the ability to garnishee wages and seize tax refunds and Social Security benefit payments. Overburdened student-loan borrowers may fail to qualify for mortgages and stay much longer in their parents’ homes.

“When kids graduate, the most daunting challenge can be the cost of college,” President Obama said. But he added that “We can’t just keep subsidizing skyrocketing tuition. We’ll run out of money.”

www.usatoday.com
Thousands of borrowers are postponing getting married, buying a home, or having children until their debts are paid off. And the problem isn’t limited to young adults. Some borrowers are older adults who went back to school. Others are parents who co-signed loans for their children.