President’s Message
Tracy Allen, CPA, CISA
Chapter President

The IIA website has a new report published by the Anti-Fraud Collaboration (AFC) which provides tools, traits, and techniques to help build an organization that is resistant to financial reporting fraud. The AFC was formed in 2010 by the Center for Audit Quality, Financial Executives International, The IIA, and the National Association of Corporate Directors. The AFC was formed to promote the deterrence and detection of financial reporting fraud development through leadership, education and awareness as well as providing resources specifically targeted to the unique roles and responsibilities of the primary participants in the financial reporting supply chain.

Some of the recommendations in the report are:

- Stakeholders should understand the conditions that contribute to fraud
- A tone at the top that encourages an ethical culture
- The presence of professional skepticism
- The active engagement of everyone who provides information that ultimately ends up in the financial statements
- Engaging the tools available through information technology that can facilitate the deterrence and detection of fraudulent financial reporting

While this report focuses on mitigating the risks of financial reporting fraud which may not be perceived to be as great in the public sector as it is in the private sector the concepts discussed in the report can be applied to any process or organization and make for a good resource. The report is available on the IIA website:


Tracy

Enabling Internal Audit’s Effectiveness
Jay Wagner, CIA, CISA
Chapter First Vice President

This month’s seminar, titled “Enhancing Internal Audit’s Effectiveness in the Organization – A Look at the Proposed Enhancements to the Internal Professional Practices Framework,” will look at the proposed enhancements to the professional practices framework that were released in exposure draft form in August. Then we’ll use to a case study to explore the conceptual ideas behind the latest proposed enhancements as they relate to the effectiveness of the internal audit function to determine the following conclusions:

1) Is internal audit effectively serving the organizations that have such a function?
2) If not, why not? What currently works well and what could be made better?
3) Do the proposed enhancements address these needs? If not, what changes should be instituted before final release?

We are welcoming back an instructor who was very highly rated by our chapter during a prior course, Mr. Rob Cameron, CPA. Rob has helped hundreds of people achieve their personal and business financial goals. As a small-business owner, he has experienced the challenges of keeping up and getting ahead. A long-time coach and referee of youth sports, Rob demonstrates consistency, discipline, and honesty in his personal life. Rob’s commitment to those values has guided his professional work as a certified public accountant for more than 20 years.

Note: We are offering this seminar at a reduced price of $50 for members. Email by January 19, 2015 to register: springfield.iaa@comcast.net.
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<thead>
<tr>
<th>Date</th>
<th>Speaker</th>
<th>Program</th>
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<tr>
<td>9/11/14</td>
<td>Nejolla Korris</td>
<td>Pinocchio Effect, Linguistic Lie Detection, and Ethics</td>
<td>8:30 – 4:30</td>
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<td>(Ethics 4 hours)</td>
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<tr>
<td>10/29/14</td>
<td>Various</td>
<td>Annual SIAAB Fall Government Auditing Conference</td>
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<td>Bill Jelen</td>
<td>Power Excel with Mr. Excel – 567 Excel Mysteries Solved</td>
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<td>✓ Seminar at UIS</td>
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<td>December 2014</td>
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<td>No Training Planned</td>
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<td>Rob Cameron, CPA</td>
<td>Enhancing Internal Audit’s Effectiveness in the Organization – A Look at the Proposed Enhancements to the Internal Professional Practices Framework</td>
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<td>$50</td>
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<td>02/26/15</td>
<td>Brad Rachmiel and Brennan Warren</td>
<td>Audit Implications of IT Control</td>
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<td>03/26/15</td>
<td>Dr. Joan Pastor</td>
<td>Adding Value through Communication and Collaboration in Your Organization ✓ Joint Meeting with ISACA</td>
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<td>04/23/15</td>
<td>John Hall</td>
<td>Fraud Risk Management for Internal Auditors ✓ Joint Meeting with Central Illinois Chapter</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 (i.e., November 2014 at UIS).
This Month in Chapter History

5 Years Ago (January 2010)

Larry L. Stone, CISA, CCP, CRPC, served as the Chapter President.
- The Chapter hosted a seminar on the IIA’s new International Professional Practice Framework (IPPF). These new standards made substantive changes over prior audit requirements; items that were optional before are now mandatory.
- The seminar was presented by Steve Minder on January 21, 2010. Steve is a founding partner in YCN Group, LLC.
- Congratulations were extended to Larry Stone who won a $50 gift certificate from the IIA bookstore for the October attendance drawing, and Robin Vota who won a $50 certificate from White Oaks Mall for the December attendance drawing.

10 Years Ago (January 2005)

Stephen Kirk, CIA, CGAP, served as the Chapter President.
- The monthly meeting was held at Northfield Center. The half-day seminar on “Teamwork Makes a Difference…I’m Positive” was presented by Harry Hofer, State Farm Insurance. The presentation provided members “cliff notes” of the two current bestsellers “The Five Dysfunctions of a Team” and “How full is Your Bucket?”
- Congratulations were extended to Cary Franks MS, MIS, who just retired after working for State government for more than a quarter century. Cary had been involved with our IIA Chapter since 1987, including a stint as President (2004-2005).
- Former Chapter President, Mike Moody (1997-1998) became Compliance Director at Northwestern University.

15 Years Ago (January 2000)

Rusti Cummings, CPA, served as the Chapter President.
- This month’s meeting was held at the Northfield Center. There was a full-day seminar on “Business Risk Assessment” presented by Ben Zemaitis, CPA, CIA.
- Before retiring in March 1999, Ben was the Chief Internal Auditor for the Department of Revenue for 26 years.
- The after-dinner speaker was Connie Klutnick, training supervisor at the Department of Revenue, who spoke on “Communicating Effectively: How to Get People to Listen.”
- Our Chapter was one of the first in North America to receive the highest achievement called “Gold Status.”

20 Years Ago (January 1995)

Nancy Hilger, CPA, served as Chapter President.
- This month’s meeting was held at the Best Western East. The speaker was James F. Schlouch, Performance Audit Director for the Auditor General’s Office who spoke on “Performance Auditing in the State of Illinois.”
- Guy Beggs and Dorothy French won the attendance recognition award, which was a free meal at a future meeting.

25 Years Ago (January 1990)

Nita K. Wilson served as Chapter President.
- This month’s meeting was a breakfast at the Sheraton. There was a half-day seminar on “Audit Report Writing” presented by Diana Hetherington, CPA, Department of Revenue. Also, a video titled “Information System: Auditing Issues Present and Future” was provided based upon presentations made at the 1989 Information Systems Audit & Control Conference.
- Dr. Al Marcella, CPA, COAP, CQA, CDP, CISA, Millikin University Tabor School of Business and Engineering, gave the after-dinner presentation on “Auditors’ Role in Testing a Disaster Recovery Plan.”

30 Years Ago (January 1985)

Sandra K. King, CIA, served as the Chapter President.
- This month’s meeting was at the Sheraton Inn. The pre-meeting seminar was titled “Auditing in the Overseas Territories,” presented by Dr. James Kent, Senior Policy Analyst, Illinois House of Representatives. The after-dinner topic was “Internal Auditing in the System Development Life Cycle,” presented by Kenneth I. VanderWaal, Partner at Ernst & Whinney.
- Special thanks went to members Rudy Davenport and Dan Bedell for monitoring the November CIA that was held at the Department of Commerce and Community Affairs in Springfield.
- Pamela Dick of the State Board of Education joined the Chapter as a new member.
Comptroller Judy Baar Topinka

On Wednesday December 10th, Illinois lost an icon of politics and State government when Comptroller Judy Baar Topinka died suddenly of a stroke. Most people knew Judy as a trail blazer in Illinois politics. She was the first woman elected to Illinois Treasurer, first woman re-elected to a statewide office, first woman elected to two State Constitutional offices and the first woman to run for Illinois Governor as a Republican. She had served the State of Illinois as an elected official since 1980 and believed to the bottom of her heart in the mission of serving others before herself.

But Judy was also a joy to know personally. She was a mother and grandmother, and the best friend her three dogs could ever have. She had empathy for animals and people who needed help and loved a good bargain. She was a plain spoken, down to earth person who could relate to most anyone with an infectious smile and a kind word.

Judy was also a master of reading and understanding the dynamics of how people work together. She set a tone at the top that was clearly communicated directly from her to her staff regarding what she expected, immediately after she took office. She made it clear that she expected her staff to serve the people of the State with integrity and clearly expressed her expectation that wrongdoing should be reported to the inspector general and addressed without delay. She led by example.

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She dressed professionally with a style that was uniquely her own. She always asked people how they were or what was going on in their life, listened with interest and remembered what you were up to so she could ask you the next time she saw you. Instead of simply demanding people treat others and constituents with respect, she treated her staff and contemporaries with respect and set the example she wanted others to follow. She worked hard and expected her staff to work hard, but was generous with praise for the achievements of her staff, and always encouraged them to be more than they thought they could be.

Judy was a friend to Internal Audit. She was always interested in what was new or what could be improved and was an active agent of change. Anytime she received an audit recommendation she discussed how it could be corrected and made it clear to management that she expected it to be resolved as soon as possible. I recall receiving copies of the final Internal Audit reports back from Judy where she had written “Make this happen” to the directors of the audited area. Many times she would ask how things in Audit were going and in what ways the Office could be better.

Knowing and working for Judy affected our lives and careers forever, in very positive ways. She was the epitome of what a public servant was and should be. Her quirky one-liners will bring smiles to the faces of those that knew and loved her for years to come. Rest in peace, Judy Baar Topinka, you were one of a kind, and very much loved and admired.

Tracy Allen and Barb Ringler served as Chief Internal Auditors under Judy Baar Topinka, Tracy when she was Comptroller and Barb when she was Treasurer.
Welcome 2015! It seems like each year comes a little quicker, possibly because we are busier with emails, texts, posts, and other communications.

I was watching an older TV show recently in which they were using the large old cell phones of the day. I laughed at those phones; however, the great technology of today may also look outdated in a few years. I just saw an article on the development of a new 5G network which could be 100 times faster than today’s 4G networks!

Other changes will be coming also. For example, cars will become robotic and we will wonder how we used to drive in so much traffic. If you use GPS to get to places, you might remember the “old days” when there was no GPS and we had to know exactly where to go.

Congratulations to Board Member Cary Franks on retiring from Peoria County. About 10 years ago Cary retired from CMS internal audits. Previously he served in the U.S. Navy.

Congratulations to Chapter VP Nikki Doukas on getting married in December! Nikki married Nick, who is also a CPA! They honeymooned in San Diego, which recorded the coldest day of the year at 46 degrees. Nikki said they “took a harbor cruise to celebrate New Year’s Eve which was a truly unique way to spend the evening.”

The Board of Governors consists of all Officers, Governors, and the past two Presidents.
MEMBER PROFILE

This month we are profiling an individual who is currently volunteering for a third consecutive year as an Indianapolis IIA Board Member and a District Representative (DR) with The IIA in North America.

- Meredith Yonker
- Sr. Information Security Auditor
- The Mako Group
- Indianapolis, Indiana

Meredith graduated from Truman State University in Kirksville, Missouri with a Bachelor of Science in Accounting. She earned the Certified Internal Auditor (CIA) designation in 2007, the Certified Information Systems Auditor (CISA) designation in 2010, and the Certification in Risk Management Assurance (CRMA) designation in 2013.

Meredith has been an Internal Auditor since 2002 when she joined Archer Daniels Midland in Decatur, Illinois and became a member of the Central Illinois IIA. In 2009, she transferred to the Indianapolis chapter and soon became the Programs Chair. She has been honored to serve in various leadership capacities since then, including Secretary, President, and Regional Conference Marketing Chair.

As the DR for Central Region District #3, Meredith supports 6 local chapters: Springfield, Indianapolis, Central Illinois, Tri-State (Evansville), Louisville, and Central Kentucky. Her responsibilities also include facilitating an annual one-day district workshop for incoming local chapter leaders and participating on the Chapter Relations Committee, which meets twice a year in Orlando, Florida.

Meredith grew up in St. Louis, Missouri and currently resides in Fishers, Indiana with her husband, Ben.

Components of a Disaster Recovery Plan

Dennis McCafferty, www.Baselinemag.com
(Provided by Cary Franks)

- Resiliency. A business continuity plan should address crisis management, incident response, business continuity, disaster recovery and pandemic planning.
- Location. Where will your applications run after an incident occurs? You need both a physical and a cloud presence.
- Notification. You should be able to reach all employees immediately via email, SMS text, mobile alerts, etc. They should be able to access incident management plans and procedures on their devices.
- Tested Plan. It’s one thing to have a plan. It’s another to say, “We have a plan, and it’s been tested for effectiveness.”
- Mobility. With mobile apps growing at 30% a year, instant access to work apps and data is critical, especially during difficult circumstances.
- Risk Awareness. New risks are added every year. Awareness to risks provides a framework for response, regardless of the cause of a disaster.