President’s Message
H. Jay Wagner, CIA, CFE, CISA

Happy Birthday Springfield IIA! March 8, 2017 marks our chapter’s 39th birthday.

It is hard to believe it has been nine years since the Springfield IIA’s 30th anniversary party. I had the good fortune to be on my first term as chapter president during our 30th anniversary year. One of the more common questions I was asked was if it was difficult to be chapter president. The answer was the same then as it is now: It is far easier to steer this ship than it was for those before to build it. We have had our share of challenges over the years, from consolidations to financial hurdles, but the Springfield IIA has always endured and remained one of the IIA’s strongest chapters. I remain grateful to those who founded and have sustained our great chapter over the past four decades.

Last April, I was unable to attend our monthly seminar. What made this so disappointing is our speaker was Mr. Mike Jacka, whose blog I have followed for many years. He recently blogged a series on “The Eight Words Internal Audit Should Kick Out.” Very interesting perspective, as I use every word he suggested giving the boot. A summary post is here, and I highly recommend his blog: https://iaonline.theiia.org/blogs/jacka/2017/Pages/Eight-Words-Internal-Audit-Should-Kick-OUT---A-Summary.aspx. Always entertaining and thought provoking.

Thank you for your continuing support of the Springfield IIA!

Seminar
Risk Assessment & Audit Program Development
Leighann Manning

This month’s seminar will be a detailed course focusing on audit level risk assessments and appropriate steps throughout the planning phase of an audit. Planning is the foundation for every efficient and effective audit. If audit teams take the time to build an effective audit risk assessment and plan the audit accordingly, the opportunity for a smooth and under budget audit increases exponentially. Attendees will learn how to identify audit risk and appropriate audit planning tools and techniques, how to apply critical thinking skills to the planning and risk assessment phase to perform an effective audit, and discover the best techniques for team management. The agenda will address the “end to end” audit process, the importance of audit planning, assurance, engagement risk assessment process, gathering of information, interviewing, workprogram development, and keys to effectiveness.

Our instructor will be Mr. Danny M. Goldberg, CPA, CIA, CISA, CGMA, CGEIT, CFISK, CRMA, CCSA. Mr. Goldberg is the founder of GoldSRD, and has over 18 years of experience. Mr. Goldberg was named the third highest rated speaker out of 71 at the ISACA CACS Conference, received a 4.91/5.00 rating as a Keynote Speaker at the IIA Southern California District Conference, and was named one of Fort Worth Business Press ‘40 Under 40.’ Mr. Goldberg taught our chapter in February 2016, and received one of the best evaluations ever by our chapter.

This important seminar will be from 8:30a to 4:30p on Monday March 27, 2017 at the Northfield Center. We hope you will join us. You may register at: http://www.etouches.com/mar2017seminar
• **Recommendations Are Easier to Write Than to Implement.** It’s exciting to identify a complex problem, but trying to come up with a good, workable recommendation to fix the problem is likely to be elusive due to the complexity of possible solutions.

• **Focus on the Real World.** Many have never worked in operations and have no idea how difficult it can be to get the job done “efficiently and effectively.” There is a theory of how things should work and the reality of what it takes to make things work on a day-to-day basis.

• **Relevancy Matters.** Most people want to improve, but they don’t feel communication with evaluators is a two-way street. More immediate and direct feedback is preferred, as well as more useful and relevant recommendations.

• **Show Some Appreciation.** Trying to implement program suggestions is difficult. You might be pleasantly surprised at how interesting some of them are if you report them.

• **Bad Apples (Don’t) Break Programs.** Recruiting and retaining good managers on state government salaries is difficult. While agencies are lucky to keep outstanding managers, it only takes a couple of bad ones to detract from the accomplishments.

• **Legislative Intent.** What happens in the capitol is often not understood within the executive branch. It is not that legislative intent is ignored, but elements can be lost in translation. Versions of legislative intent differ and are not necessarily at the forefront of the minds of people who are implementing programs.

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**Reason we Gain Weight as we Age**


You’ve probably heard that once you hit 40, it’s all downhill when it comes to your weight. That inexplicable force we call our metabolism does begin to slow from age 30.

However, the rate at which your metabolism slows down is actually rather minimal. Most weight gain that happens in midlife is because we become less active.

Our resting metabolic rate is a measure of how much energy we expend (or “burn”) when we’re at rest. It’s determined by a combination of factors, including your height, sex, and genes, and can’t be altered much, no matter what you do.

Most of the things that people say will boost your metabolism won’t. Many people think strength training or weight lifting is key. But weight lifting can only do so much for your metabolism because muscles don’t burn a lot of calories.

As far as calorie-melting organs go, your brain is actually far more efficient than your bicep. “Brain function makes up close to 20% of resting metabolic rate,” according to Dr. Claude Bouchard, a professor of genetics and nutrition at the Pennington Biomedical Research Center of Louisiana State University.

“When is the heart, which is beating all the time and accounts for another 15-20%. The liver, which also functions at rest, contributes another 15-20%. Then you have the kidneys and lungs and other tissues, so what remains is muscle, contributing only 20-25% of total resting metabolism,” Bouchard said.

When we’re eating, we also burn a small number of calories (roughly 10% of our total calories for the day).

So while strength training is a healthy habit that will have a helpful effect on things like agility and balance, it won’t change your metabolism a great deal. A good way to be more mindful is to eat smaller meals and get more only when you’re still hungry.
### March 2012

**Denise Behl**, CIA, served as Chapter President.
- **Training.** The chapter met at Northfield Center for full-day seminar on “Audit Program Development and Diagnosing the Enablers of Fraud.”
- **Presenter.** Steve Minder.

### March 2007

**Tina Neely**, CIA, CGAP, served as Chapter President.
- **Training.** The chapter met at the Northfield Center for a full-day seminar on “Champions of Change: Manager’s Guide to Improvements in Business Process.”
- **Presenter.** Jeffrey A. Berk, Vice President for learning analytics at a technology company.
- **Message.** This month’s “Guest Message” was by Larry Stone, CISA, CCP, CRPC, who spoke on retirement planning.
- **Wedding.** Former Chapter President Brian Bond announced plans to marry Carol Buck.

### March 2002

**Brian Bond**, CPA, served as Chapter President.
- **Training.** The chapter met at the Northfield Center for a pre-meeting panel discussion on “Ethics and Responsibilities.” The discussion panel was:
  - Ben R. Zemaitis, CIA, CPA, Chief Internal Auditor, Department of Revenue.
  - Tim Dunkel, External Audit Manager, Department of Commerce and Community Affairs.
  - Ed Taylor, Internal Auditor, Department of Conservation.
  - Jim Donkin, CIA, Audit Manager, Department of Public Aid.
- **Dinner.** Dara Diel, Training Director for Sarah Bush Lincoln Health System, spoke on “Time Management.”
- **Members.** Four new members were added this month:
  - Helen L. Anderson
  - Cary Franks
  - Sheri Reith
  - Vincent Zara

### March 1997

**Larry Ragel**, CPA, served as Chapter President.
- **Training.** The chapter met at the Ramada Inn for Student Night for a full-day seminar on “The New Workplace.”
- **Presenter.** Connie Klutnick, Training Supervisor, Department of Revenue.
- **Dinner.** Dara Diel, Training Director for Sarah Bush Lincoln Health System, spoke on “Time Management.”
- **Membership.** The following members were recognized for their length of service:
  - 15 Years: C. William Coons, CFE
  - 15 Years: Albert J. Marcella, Ph.D., CISA
  - 10 Years: Jeffery Anderson, CIA, CPA
  - 10 Years: Ameen Dada, CGFM
  - 10 Years: Cary Franks
  - 10 Years: James Kincaid

### March 1992

**Ronald Omer** served as Chapter President.
- **Training.** The chapter met at the Best Western for a full-day seminar on “The Auditor’s Role in Preventing, Detecting and Controlling Fraud.”
- **Presenter.** William T. Thornhill of Thornhill Consulting Services in Barrington, Illinois.
- **Dinner.** Robert Anderson, Supervisory Special Agent of the FBI, spoke on “Interviewing and Interrogation: How to Tell if Someone is Lying.”

### March 1987

**Dan Bedell**, CIA, served as Chapter President.
- **Training.** The chapter met at the Sheraton for a pre-meeting panel discussion on “Ethics and Responsibilities.” The discussion panel was:
  - Ben R. Zemaitis, CIA, CPA, Chief Internal Auditor, Department of Revenue.
  - Tim Dunkel, External Audit Manager, Department of Commerce and Community Affairs.
  - Ed Taylor, Internal Auditor, Department of Conservation.
  - Jim Donkin, CIA, Audit Manager, Department of Public Aid.
- **Dinner.** Gene Vernon, Chief Legal Counsel for the CMS Bureau of Personnel, spoke on “Labor Relations and the Internal Auditor.”
- **Members.** Four new members were added this month:
  - Helen L. Anderson
  - Cary Franks
  - Sheri Reith
  - Vincent Zara

### March 1982

**Rudy Davenport**, CIA, served as Chapter President.
- **Training.** The chapter met for the annual Bosses’ Day Lunch to hear a presentation on “Internal Control From a Management and Internal Audit Perspective.”
- **Presenter.** Roger N. Carolus, CIA, CPA.
There are three categories of team management skills you must master to have success in a management job. These are (1) motivation, (2) training and coaching, and (3) employee involvement.

**Motivation**

You can't accomplish your goals as a manager unless your team is motivated to perform and deliver results. Employee motivation is the key for employee retention. Putting each person in the right job is a critical part of that. See what a difference you can make by using your people in the spots where they can do their best.

**Training**

It is unlikely that you will ever manage a team where everyone is adequately trained. It is even more unlikely that you will have a team that never needs coaching.

Cross training is training someone in another activity that is related to their current work. It is good for managers, because it provides you more flexibility, which saves money in labor costs. It is good for the employees too. It lets them learn new skills, makes them more valuable, and can combat worker boredom.

You have to let people make mistakes if they are going to learn. The trick is knowing when to step in and when to let them try on their own.

**Coaching**

The same factors apply in baseball as in business. Generally the teams with the best coaches (managers) make it to the playoffs. In business, too, it is usually the best managed companies that succeed.

**Time Management**

If you have learned nothing else in your management career, you have learned that there is never enough time to do all the things you feel need to get done. That is why it is critical to your success as a manager that you be skilled at managing time.

- You can't do everything so use a “To Do” list to keep you focused on the important ones.
- Human beings can’t really multi-task. We can do different tasks in rapid succession, but not at the same time.

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**How to Give Orders**

**F. John Reh**

Many people believe that to be a good manager you have to give orders to the people below you. They are wrong. You do not have to give orders.

When you give orders, you tell someone to do something. There are two reasons why this is bad. First, you do not allow them to figure out the best way to do the task and second, you do not let them learn. Good managers give instructions. Instead of telling them what to do, tell them what you want done.

When you tell an employee what you want done, you give them the freedom to come up with the best way of getting the task done. You may have to provide some guidance, but there is the chance that they will come up with something better than what you planned.

When an employee is given an instruction instead of an order, they have to think. They can't just do what they were told and say they were following orders. They have to invest a little of themselves.

Also, you are more likely to get their buy-in and support. If they have made the decision about the best way to accomplish the task, they are more likely to believe it is correct and valuable.

Your job as a manager is to get things done . . . through others. When you give orders, you limit them. When you give instructions, you let the employees contribute. It may not be as good as what you would have done, but that is an indication that you trust them. However, it might also be better than your idea. When that happens, you have an employee who feels involved and motivated, and you look smarter.

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**Only I Matter**

Heidi Stevens, www.sj-r.com

“Narcissism is an epidemic in our society,” says Lisa Scott, author of a book on how to identify a narcissist. The American Psychological Association identifies nine traits of narcissists, five of which need to be present for a Narcissistic Personality Disorder (NPD) diagnosis:

- Requires admiration, adulation, attention, and affirmation.
- Obsesses with fantasies about success, fame, power, or omnipotence.
- Projects a sense of entitlement.
- Displays arrogant and haughty behavior.
- Believes he/she is unique and special and can be understood by, and associate with only, other unique or high-status people.
- Acts grandiose and self-important for reasons not supported by reality.
- Tends to be envious of others or believes others are envious of him/her.
- Exploits others without guilt or remorse.
- Is devoid of empathy.

A narcissist needs the world to “validate their image.”
Our February seminar on Risk Management by Kirk Lonbom of DoIT, covered a number of topics, including information systems, risk assessment, security controls, risk management program, measuring the maturity of systems, etc. The event was hosted at IDOT by Steve Kirk, and provided valuable information about what DoIT was in the process of doing at State agencies.

- It was also an opportunity to see so many members in attendance. Among the attendees were a number of former employees from the Office of the Auditor General, including Leighann Manning, Barb Ringler, Jerry Nimmons, Cindy Thomas, Steve Gehlback, Jeremey Mehochko, and Tyrone Windett. They all seemed to be doing well.

- If you attend a training course, would you mind writing a summary and sending it to me for our newsletter? Not all members attend our seminars so it would be a valuable summary that I can include.

Separately, our newsletter includes articles from various sites that are interesting. These articles are, however, edited – i.e., some words, sentences, or paragraphs may be deleted depending on the space.

Lastly, I wanted to remind you to volunteer for the upcoming year. When I first volunteered, I was concerned that it could be too much work. But the best way to handle that is to let people help you (and to recognize their assistance). So please volunteer to do something that interests you and contact a chapter officer today as they are making plans for our chapter’s 40th year – which you know that will be a big year!

DID YOU KNOW...

if you multiply 111,111,111 x 111,111,111 your total will be 12,345,678,987,654,321?

<table>
<thead>
<tr>
<th>OFFICERS</th>
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<tbody>
<tr>
<td><strong>PRESIDENT</strong></td>
<td>H. Jay Wagner, CIA, CFE, CISA</td>
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<tr>
<td><strong>FIRST VICE PRESIDENT</strong></td>
<td>Leighann Manning</td>
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<td><strong>SECOND VICE PRESIDENT</strong></td>
<td>Satu Allen</td>
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<td><strong>SECRETARY</strong></td>
<td>Emily Durbin, CIA, CGAP</td>
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<tr>
<td><strong>TREASURERS</strong></td>
<td>Amy DeWeese, CPA</td>
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<tr>
<td><strong>GOVERNORS</strong></td>
<td>Rusti Cummings, CPA</td>
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<tr>
<td><strong>PAST PRESIDENT</strong></td>
<td>Tracy Allen, CPA, CISA</td>
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The Board of Governors consists of all Officers, Governors, and the past president.
## Springfield Chapter of the Institute of Internal Auditors
### 2016-2017 PROGRAM SCHEDULE

Given the delays in payments by the State, please pay in advance of the seminar and seek reimbursement. You may pay with a credit card.

<table>
<thead>
<tr>
<th>Date</th>
<th>Speaker Details</th>
<th>Program Details</th>
<th>Hours</th>
<th>CPE</th>
<th>Members</th>
<th>Non-Members</th>
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<tbody>
<tr>
<td>09/15/16</td>
<td>Agent Federhofer</td>
<td>Fraud Detection and Investigation</td>
<td>8:30 – 11:30</td>
<td>3</td>
<td>$50</td>
<td>$65</td>
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<td></td>
<td>Tim Hungerford</td>
<td>Fraud</td>
<td>12:30 – 4:30</td>
<td>4</td>
<td>$60</td>
<td>$80</td>
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<td></td>
<td></td>
<td>Both sessions combined</td>
<td>8:30 – 4:30</td>
<td>7</td>
<td>$90</td>
<td>$125</td>
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<tr>
<td>10/25/16</td>
<td>Various</td>
<td>Annual SIAAB Fall Government Auditing Conference</td>
<td>8:30 – 4:30 (last day until 11:30)</td>
<td>17</td>
<td>$95</td>
<td>$95</td>
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<tr>
<td>10/27/16</td>
<td>S.Blankenship</td>
<td>Standards Update</td>
<td>12:30 – 4:30</td>
<td>4</td>
<td>$40</td>
<td>$60</td>
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<tr>
<td>11/17/16</td>
<td>FBI and the Mako Group</td>
<td>Cybersecurity</td>
<td>9:30 – 4:30</td>
<td>6</td>
<td>$90</td>
<td>$100</td>
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<td>1/26/17</td>
<td>Stephen Minder</td>
<td>Organizational and Internal Controls</td>
<td>8:30 – 4:30</td>
<td>7</td>
<td>$90</td>
<td>$125</td>
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<td>2/23/17</td>
<td>Kirk Lonbom, Chief Info. Security Officer, DoIT</td>
<td>IT Risk Assessment Methodology</td>
<td>8:15 – 11:45</td>
<td>3.5</td>
<td>Free for Chapter Members &amp; CIOs</td>
<td>$25 ($15 for other IIA Chapter members)</td>
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<td>3/27/17</td>
<td>Danny Goldberg</td>
<td>Risk Assessment and Audit Program Development</td>
<td>8:30 – 4:30</td>
<td>7</td>
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<td>$125</td>
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<td>4/20/17</td>
<td>Nejolla Korris</td>
<td>Human Auditing, Social Engineering, and Ethics</td>
<td>8:30 – 4:30</td>
<td>7</td>
<td>$90</td>
<td>$125</td>
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<tr>
<td>5/25/17</td>
<td>Jim Ratley, ACFE President</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 on Thursdays unless noted differently.