President’s Message
Amy Lyons

As we approach the end of the Chapter year, I want to thank all of our members for allowing me to serve as your Chapter President. It has been such a wonderful experience allowing me the opportunity to meet so many new people. We have a great group of people in our Chapter and it has been a pleasure working with all of you.

I would like to THANK all of our Chapter Officers, Volunteers and Board of Governors for your contribution in making this another successful year! The planning, newsletters, photos, registration, billing, and accounting are all important to our Chapter’s success and are performed on a voluntary basis.

Tracy Allen planned so many great learning opportunities this year (over 55 hours of CPE) that were well attended by our members. A HUGE shout out to all of our Chapter members who attend our monthly training, your support is greatly appreciated. Please continue to provide suggestions and feedback on how we can serve you better.

The last seminar this year “Risk Assessment” will be held on May 22, 2014, this meeting will include our End of Year Recognition, attendance drawings and introduction of our new Officers. The attendance drawings will include an entry for attendees at each of the seminars this year; although you need not be present, we hope to see you at training!! Thanks!

Training Seminar
Risk Assessment
Tracy Allen, CPA, CISA

Come early and come hungry! May 22nd will be morning training on risk assessment and we will be serving you a breakfast buffet. The buffet will include a hearty fare of juices, fresh fruit, scrambled eggs with cheese, eggs benedict, bacon, sausage, country biscuits and gravy, hash browns, french toast, coffee and hot tea! Breakfast will start at 8:00 a.m. to give people a chance to eat before the session begins.

There will also be training offered by Pam McCoy to discuss some of the top findings from the IIA in 2012 and 2013. She will tell us what the deficiencies are and what technology is available to easily address these findings:

1. A disconnect continues between risks identified/assessed in the Risk Assessment and those included in Audits/Projects.
2. Ensuring findings from 3rd party reviews/audits should be included in the follow up process.
3. Review of audit/engagement work should be more timely.

Pam will show how technology should enable these processes, as well as engage the audience with a question and answer session to help auditors understand the practical application of technology to address these common problems in internal audit.

The speaker will be Pamela McCoy CPA, CIA, CISA. Pam is the Director of Federal Government Practice at Wolters Kluwer Financial Services. She received a Master of Science in Accounting from George Mason University – School of Management and has 23 years of experience from work as an auditor for the Air Force Audit Agency to Director at Pricewaterhouse Coopers and CCH. Pam enjoys hiking, weight lifting, and Redskins football.
Five Years Ago: May 2009

Jay Wagner, CIA, CISA, served as Chapter President.
- **TRAINING.** Our full-day seminar was on “Workplace Fraud: Assessing Employee Behavior” was presented by Nejolla Korris. Nejolla has a BA in Law from Carleton University. She has given presentations in Europe, Mexico, the Middle East, the former USSR, and the United States.
- **LOCATION.** This month’s meeting was held at the Northfield Center.

Ten Years Ago: May 2004

Cary Franks, MS MIS, served as Chapter President.
- **TRAINING.** Our lunch presentation of “Using the Business Process Maturity Model as an Audit Tool” was presented by Michael Aquerea, CIA, CISA, CISSP, and CBCP, Managing Director of the St. Louis office of Jefferson Wells International.
- **GOLD.** The Chapter earned its 3rd Platinum award for maintaining “Gold” status for 10 continuous years.
- **MEMBER NEWS.** Congratulations were sent to Brenda Vost, on her new position with the Department of Public Aid and to Mike Constantino on his new position with the Illinois Health Facilities Planning Board.

Fifteen Years Ago: May 1999

Lesslie D. Morgan, CIA, CPA, CGFM, CISA, served as Chapter President.
- **TRAINING.** The pre-dinner seminar speaker was Ben Zemaílis, CIA, CPA, former Chief Internal Auditor of the Illinois Department of Revenue, who spoke on “Interviewing Dynamics for Auditors.”
- **LOCATION.** This month’s meeting was held at the Northfield Center.
- **MEMBER NEWS.** The Chapter recognized two members who passed the CIA exam: Lesslie Morgan, Department of Insurance and Susan Marie Pimentel, Southern Illinois University.
- **MEMBERSHIP.** Membership recognition pins were awarded to:
  - 20 Years: Alvin F. Ostendorf, CFE
  - 15 Years: Tim R. Dunkel, Bradley W. Hammond, Elaine Hyden, CIA, W. David Leggett, Gerald L. Wright, CIA
  - 10 Years: James G. Berdusis

Twenty Years Ago: May 1994

Bill Coons, CFE, served as Chapter President.
- **TRAINING.** Senator Aldo DeAngelis and Rep. Gary Hannig of the Legislative Audit Commission were speakers.
- **LOCATION.** The Bosses’ Luncheon meeting was held at the Best Western – East.

Twenty-Five Years Ago: May 1989

Kevin Carhill, CIA, served as Chapter President.
- **TRAINING.** Dr. Robert Mandeville, Director of the Bureau of the Budget, was guest speaker.
- **ATTENDANCE.** We had 73 attendees at the joint Bosses’ Luncheon meeting with the Association of Government Accountants.
- **GOLD.** The Chapter closed April 1989 with 4,056 achievement points, which put us within 200 points of double Gold.

Thirty Years Ago: May 1984

James R. Donkin, served as Chapter President.
- **TRAINING.** David Wilson, EDP Audit Manager for Monsanto Company, was the guest dinner speaker.
- **MEMBER NEWS.** Bob Schwarz, CISA, was selected “Outstanding Chapter Member for 1983 and 1984.”
- **CIA EXAM.** Rudy Davenport, CIA, Dan Bedell, CIA, CISA, and Terry Radliff, CIA, administered the CIA examination to seven candidates on May 10th and 11th.

Thirty-Five Years Ago: May 1979

Bob Schwarz, CISA, served as Chapter President.
- **TRAINING.** Chapter meetings continued to be held at the Top of the Arch restaurant with about 10 to 15 members and guests attending.
- **OFFICIALS.** Vince Bracket was Vice President, Holly Robinson, Secretary, and Jim Donkin, Treasurer. Governors were Rudy Davenport, Sandra King Kirchner, Joyce Hartzler, and Judy Howell Lazar.
# Springfield Chapter of the Institute of Internal Auditors
## 2013-2014 PROGRAM SCHEDULE

<table>
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<tr>
<th>Date</th>
<th>Speaker/Details</th>
<th>Program</th>
<th>Hours</th>
<th>CPE</th>
<th>Members</th>
<th>Non-Members</th>
<th>Students:</th>
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| 8/29/13    | Christopher Trifiletti (FBI) Tim Hungerford (Hungerford, Vinton, LLC) | • Morning: Cyber-Security  
• Afternoon: Fraud                                       | 8:30 - 4:30   | 7   | $100          | $125        | $20       |
| 8/29/13    |                                                      | • Meet Chapter Officers and Board Members  
• *Light Hors d’oeuvres and Cash Bar* (Northfield Center)  
RSVP by 8/27/2013                              | 4:30 - 6:30      |     |               |             |           |
| September 2013 | N/a                                           | No Training Planned                                                   |             |     |               |             |           |
| 10/29/13 to 10/30/13 | Various                                      | Annual SIAAB Fall Government Auditing Conference                        | 8:30 - 4:30 | 14 (Gov’t) | $55            | $55         |           |
| 11/21/13   | Rob Cameron, CPA                                    | The Impact of SAS 115 - Communication of Internal Control Related Matters Identified in an Audit. | 12:30 - 4:30 | 4   | $60            | $75         | $15       |
| December 2013 | N/a                                           | No Training Planned                                                   |             |     |               |             |           |
| 01/23/14   | Al Marcella                                          | Privacy Compliance                                                    | 8:30 - 4:30 | 7   | $100          | $125        | $20       |
|            | ✓ Joint meeting with ISACA                          |                                                          |             |     |               |             |           |
| 02/27/14   | George Heyman Lucas Morris                          | • Ethics and Fraud (morning)  
• Avoid Headlines (afternoon)                             | 8:15 - 4:15   | 7   | $100          | $125        | $20       |
| 03/20/14   | Leita Hart-Fanta                                    | How to Conduct Performance/Operational Audits                          | 8:30 - 4:30 | 7 (Gov’t) | $100          | $125        | $20       |
|            | ✓ Joint meeting with Central Illinois Chapter      |                                                          |             |     |               |             |           |
| 04/17/14   | Tom Esch                                              | Courageous Dialogue – Tools for Talking When Stakes are High           | 8:30 - 4:30 | 7   | $100          | $125        | $20       |
|            | ✓ Joint meeting with Central Illinois Chapter      |                                                          |             |     |               |             |           |
| 5/22/14    | Pam Dill-McCoy (Team Mate)                          | Risk Assessment                                                      | 8:30–12:30  | 4   | $60            | $75         | $15       |

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 auditors move up the chain of command, they should learn to lead by delegating. The following steps can help auditors become successful delegators:

1. **Share Responsibilities.** The first key to successful delegation is to recognize when to let go rather than to do too much. Even though an auditor typically advances to a management position based on past accomplishments, he or she needs to take a broader view of what is best for the audit group and the organization. Delegating can increase productivity and help people grow.

2. **Conduct Self-Examination.** An honest self-examination is a precursor to delegation. Auditors in a management position need to understand their capabilities and role within the organization. One way to do this is by considering: (1) the vision and needs of the organization; (2) the audit activity’s goals, including capabilities and developmental needs; (3) self-confidence and trusting others to do a high-quality job; (4) personal career goals; and (5) priorities for work-life balance.

3. **Develop Competencies.** Delegating is more than shoving work on someone who possesses the skill set to fit the task. To the extent possible, an auditor should be matched strategically with an assignment as a way of providing a positive learning experience. Managers should allow time for learning and growth.

4. **Establish Parameters.** Initial parameters need to be established to prevent misunderstandings, deficient productivity, or delays in the timely completion of assignments. However, audit managers should refrain from giving excessively detailed instructions.

5. **Empower Subordinates.** An audit manager should give his or her subordinates authority to operationally pursue their assignment and make decisions as they see fit. In the absence of conferring an appropriate level of authority, the auditor’s performance could be undercut. Also, audit managers should keep an open mind by welcoming new ideas, innovative suggestions, and alternative proposals from others.

6. **Maintain Communications.** Meetings can be conducted face-to-face, by phone, or through videoconferencing and do not always have to be long to be effective.

7. **Evaluate Subordinates.** Any significant assignment should culminate with a constructive evaluation of the subordinate’s performance. The exit session could be used to address areas for improvement, possible alternatives or suggestions, and implications for future audit areas in other parts of the organization.

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**Lesslie Morgan Retiring**

Jay Wagner, CIA, CISA

“We should always do the best we can in whatever we commit to, because what we accomplish is our mark on life. When life throws a curve, and we are faced with difficulties, I have found that if you look hard enough, there is usually also something good that also happens because of the difficulties. If we can recognize the good in the worst situations, our faith will see us through it and our perspective will be forever changed. I believe that life’s winners are those individuals who are able to reach beyond themselves to those in need. It’s the attitudes we express and the positive memories we leave behind that is our most important legacy.”

- Lesslie Morgan, as quoted in her “Member Profile” featured in the February 1998 Springfield Audit Trails Newsletter.

Best. Faith. Legacy. Three words from Lesslie in 1998 that certainly describe her decades of service to the State of Illinois and the auditing profession.

I was not asked to write this article. I offered to. You see, after I jumped from external auditing to internal auditing, Lesslie was my first supervisor. And let me tell you, she truly is the best at what she does.

Then there is faith. During the years I spent working with Lesslie, my wife had two battles with cancer, and the blessing of adopting our twin daughters. Not only could Lesslie not have been more supportive, she prayed for my family often.

And finally, legacy. After decades of service as an auditor with the State of Illinois, decades as a loyal member of the Springfield IIA Board, including a term as president, and many years as a key member of the State Internal Audit Advisory Board, she has certainly left a legacy. Her unwavering commitment to what is right, her diligence in going above and beyond in fulfilling her responsibilities, and her sincere concern and prayers for those around her, she has left a lasting impression.

Lesslie and her husband Earl have three daughters and two grandchildren, who she is looking forward to spending more time with. So, on behalf of the Springfield IIA, we congratulate Lesslie on her retirement and THANK her for her dedicated service to our Chapter and continued service after her retirement.
It has been a great chapter year with terrific seminars month after month. Congratulations to this year’s officers, namely Amy Lyons, Tracy Allen, Jay Wagner, Emily Durbin, Paula Sorensen, and Joelle Egger.

Next year Tracy will be leading the chapter as President with Jay doing programming the seminars as the First Vice President. Both have started looking at seminars that you will enjoy and they welcome your suggestions.

The Chapter extends its condolences to several members who lost loved ones recently:
- Former President Denise Behl whose father, Danny Harrison Farley, passed away in April.
- Former President Cary Franks whose brother, Charles Franks passed away in March.
- Chapter member Doug Hathhorn whose mother, Carol Ann Hathhorn passed away in April.

Congratulations to Nancy Burklow who has accepted the position of accounting division supervisor at State Employees Retirement System. Next time you go to SERS, say hi to Nancy.

The Board of Governors consists of all Officers, Governors, and the past two Presidents.
Heartbleed Computer Bug
Brian Fung, The Washington Post

Efforts to fix the notorious Heartbleed bug threaten to cause major disruptions to the Internet as companies scramble to repair encryption systems on hundreds of thousands of Web sites at the same time, experts say.

What initially seemed like an inconvenient matter of changing passwords for protection now appears much more serious. New revelations suggest that skilled hackers can use the bug to create fake Web sites that mimic legitimate ones to trick consumers into handing over valuable personal information.

The sheer scale of the work required to fix this aspect of the bug — which makes it possible to steal the “security certificates” that verify that a Web site is authentic — could overwhelm the systems designed to keep the Internet trustworthy.

CloudFlare’s initial tests suggested it was probably impossible for an attacker to steal a site’s security certificate. Stealing the certificate is labor intensive and involved making 2.5 million requests to obtain the key. Web sites can be tricked into giving up their identity papers, and those papers can be reused by malicious actors. Changing your passwords will not protect you if you give them unwittingly to a hacker pretending to be your Web mail provider.

In the days after Heartbleed was revealed, many Web sites raced to update their systems. However, an attacker could have used Heartbleed to steal a site’s valid security keys anytime before the site patched its systems. The next step is for all 500,000 affected sites — from mom-and-pop retailers to big conglomerates — to revoke their security certificates and issue new ones.

But as necessary as that process is, it could have dramatic consequences. When you visit a secure site, your browser checks the site’s security certificate against a list of invalidated certificates. The browser probably downloads that list to your computer. Because sites rarely change their certificates, the lists are short.

But the Heartbleed exploit now requires hundreds of thousands of sites to add their certificates to the list. The certificate revocation lists will become bloated with new entries. And browsers will continue to download the now-massive files. “If a certificate authority has to revoke 10,000 certificates, that entry will have 10,000 certificates on it,” Mutton said. “And if browsers have to download that we’re talking hundreds of megabytes.” It’s roughly the equivalent of having to download 30 minutes’ worth of standard-definition video just to view a single Web page.

Provided by Cary Franks

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Risk Assessment