President’s Message
Tracy Allen, CPA, CISA

I would like to remind you that at the November training seminar we will be conducting a paper ballot to seek approval of bylaw changes for the Springfield chapter. The specific changes and a sample ballot are available on the Chapter website in the members-only section. If you are not planning to attend the training, you are welcome to come to Northfield Center and complete your ballot from 11:30 to 12:30. A quick reminder of the changes on the ballot:

- The Chapter has split the duties of the office of Treasurer between two people to increase segregation of duties
- Formalize the process of conducting Board and Chapter business, sending notice of meetings by electronic communication rather than on paper,
- Specify that if an Officer or Governor leaves the Chapter they automatically relinquish their office.
- Changes to Standing Rules to increase to $100 the amount the Treasurer may expend above the currently approved budget without prior Board approval
- Specify that IIA financial reports will be prepared by the Treasurer(s) in the current format mandated by the International IIA organization.

Please come out and let your voice be heard on November 19th and vote on the bylaw changes.

I also want to remind you about the State of Illinois group membership renewal. If you are eligible for State of Illinois group membership you should have already received a listing for your organization and a request to update the list and renew the membership. If you have not received a listing but think you should be in the group, please contact me immediately. Please remember payments should be directed to the “Springfield IIA” and sent to the Springfield Chapter Treasurer at PO Box 205, Springfield, IL 62705.

TRAINING
Risk Management and Audit Plan Development
H. Jay Wagner, CIA, CFE, CISA

Have you ever performed an audit and wondered why you were performing certain steps from the audit program? Have you ever finished an audit and wondered whether you really covered everything of significance related to that audit? An effective audit requires a well thought-out audit program. Thorough audit planning is crucial to effective auditing and should incorporate gaining a deep understanding of your audit area, assessing the potential risks, and developing an audit program with steps addressing those risks. This session is designed to help you understand how to assess risks specifically related to your audit area and to develop programs with meaningful steps created to address the risks you identify.

On November 19, 2015, from 11:30a to 4:30p, Kelly Bartels, Brandon Reed, and Lisa Stinton of Crowe Horwath will be our instructors for Risk Management and Audit Plan Development. The objectives for the seminar will be to: understand the importance of developing risk-based audit programs, discover how to identify risks related to your audit area, and learn to allow your risk assessments to drive your audit program development. This will also be our annual Student Day.

<table>
<thead>
<tr>
<th>Date</th>
<th>Speaker</th>
<th>Program</th>
<th>Hours</th>
<th>CPE</th>
<th>Members</th>
<th>Non-Members</th>
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<tbody>
<tr>
<td>09/15/15</td>
<td>Raven Catlin</td>
<td>Performing Value Adding Audits</td>
<td>8:30 – 4:30</td>
<td>7</td>
<td>$105</td>
<td>$130</td>
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<tr>
<td>10/27/15</td>
<td>Various</td>
<td>Annual SIAAB Fall Government Auditing Conference</td>
<td>8:30 – 4:30</td>
<td>17</td>
<td>$90</td>
<td>$90</td>
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<tr>
<td>11/19/15</td>
<td>Chris Mower, Crowe Horwath</td>
<td>Risk Assessment and Audit Plan Development</td>
<td>12:30 - 4:30</td>
<td>4</td>
<td>$65</td>
<td>$80</td>
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<tr>
<td>December 2015</td>
<td>N/a</td>
<td>No Training Planned</td>
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<tr>
<td>01/21/16</td>
<td>Nejolla Korris</td>
<td>Human Auditing, Social Engineering, Advanced Ethics</td>
<td>8:30 – 4:30</td>
<td>7</td>
<td>$105</td>
<td>$130</td>
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<tr>
<td>02/25/16</td>
<td>Danny Goldberg</td>
<td>Optimized Operational Auditing</td>
<td>8:30 – 4:30</td>
<td>7</td>
<td>$105</td>
<td>$130</td>
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<tr>
<td>03/24/16</td>
<td>Dr. Joan Pastor</td>
<td>Psychology Behind Fraud and White Collar Crime</td>
<td>8:30 – 4:30</td>
<td>7</td>
<td>$105</td>
<td>$130</td>
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<tr>
<td>04/26/16</td>
<td>TBD</td>
<td>Joint Meeting Hosted by Central Illinois Chapter</td>
<td>12:30 - 4:30</td>
<td>4</td>
<td>$65</td>
<td>$80</td>
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<tr>
<td>05/26/16</td>
<td>TBD</td>
<td>TBD</td>
<td>12:30 - 4:30</td>
<td>4</td>
<td>$65</td>
<td>$80</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 (i.e., joint meeting with the IIA’s Central Illinois Chapter is likely to be held outside of Springfield).

**Note:** A regional conference is being held in Nashville, TN from May 1-4 2016. As this is in our region, we are prohibited from holding full day seminars in April and May 2016. Therefore, we are holding full days in the winter months of January and February.
November 2010

Coleen Jordan, CIA, CPA, served as Chapter President.

- **Training.** The chapter met at the Northfield Center for a full-day seminar on "Auditing for the Non-IT Auditor."
- **Presenters.** Staci Crane and Larry Stone, both members of our chapter board.
- **Prizes.** Former Chapter President Jay Wagner awarded Subway gift cards to Cary Franks and Barb Ringler.
- **Position.** Denise Behl, Chapter VP for Training, became a Senior Internal Auditor at the Illinois State Board of Education.
- **Member News.** Former Chapter President Cary Franks attended a reunion for his shipmates in Boston.

November 2005

Tina Neely, CIA, CISA, CGAP, served as Chapter President.

- **Training.** The chapter met for a joint meeting with the Central Illinois Chapter at the Decatur Club. The afternoon seminar “Promise of Performance: Developing a Passion for Results in the Auditing Profession” was presented by Mark Sturgell, President of Performance Development Network.
- **After Dinner.** An after-dinner keynote presentation on “Keeping Our Promise” was presented by IIA Board Chairman Thomas J. Warga, CIA.
- **New Member.** Leighann Brown of the Auditor General joined the Chapter.

November 2000

Deanna Marvin, CIA, CISA, served as Chapter President.

- **Training.** The chapter met with the IIA Central Chapter at the Northfield Center for a seminar called “IS Auditing.”
- **Presenter.** Chapter President Deanna Marvin, CIA, CISA. Deanna is the IS Audit Supervisor for the Department of Corrections where she has worked for seven years.
- **Afternoon Seminar.** Larry Stone, CISA, CCP, Senior Auditor at the Illinois Department of Public Health, spoke on auditing the System Development Life Cycle, including what a non-IS auditor needs to know regarding the process and the risks. Larry has been an IS Auditor for 15 years and is a part-time instructor at UIS. He also taught the System Review portion of Deanna’s seminar (above).
- **Member Profile.** Tom Fitzgerald, CIA, CISA, Supervisor, Management Request Audit Unit Illinois Department of Human Services. He has been a member since 1997 and serves as the Springfield Chapter’s Webmaster.

November 1995

Mark Krell, CIA, served as Chapter President.

- **Training.** The chapter met for a Bosses’ Lunch at the Renaissance Ballroom in Springfield for a seminar titled “Everything’s Coming Up Roses.”
- **Presenter.** James Heins, Ph.D., Emeritus Professor of Economics, University of Illinois at Urbana-Champaign.
- **Prize.** Ellen Jennings of the Department of Revenue won the free meal drawing. (Editor’s Note: Larry Ragle pulled Cary Franks’ name but since Cary was the program director he graciously declined.)
- **New Members.** The chapter welcomed the following new members: Darrel Balmer, Wayne Ballard, Julie Eggimann, Dianna Hathorn, Larry Holt, Joe Taylor, and Donna McNeely.

November 1990

David W. Oehmke, CIA, CPE, served as Chapter President.

- **Training.** The chapter met at the Sheraton Inn for a pre-meeting seminar on “SAS63: Implications of the Single Audit Act,” presented by Nick Applebaum, CPA, Partner at Sikich, Gardner & Co.
- **After Dinner.** The after-dinner presentation was “Investment Strategies – Where to Start, How to Win and When to Get Out Quick,” by Homer Rieken, A.G. Edwards & Sons Inc.
- **Exam.** The CIA exam was given at Sangamon State University by Mark Krell, CIA, Chairman of the CIA Exam Committee.
- **Membership.** 158 members.

November 1985

William B. Winberg, CPA, served as Chapter President.

- **Training.** The chapter met at the Sheraton for a joint meeting with the Central Illinois chapter. The meeting theme was “CIA Recognition Night.” The pre-meeting seminar was “CIA Overview” presented by Dan Bedell, CIA, and Rudy Davenport, CIA.
- **After Dinner.** The after-dinner topic was “Communicating Results” presented by Terry Sanderson, CIA, CBA, auditor of the Indiana National Bank in Indianapolis, Indiana.
- **Exam.** Doug Steidinger passed the CIA exam.
What is GASB?
www.gasb.org

The Governmental Accounting Standards Board (GASB) is the private, nonpartisan, nonprofit organization that works to create and improve the rules that U.S. state and local governments follow when accounting for their finances and reporting to the public.

GASB was founded in 1984 under the auspices of the Financial Accounting Foundation (FAF), which appoints GASB’s board, raises its funds, and oversees its activities. The FAF performs the same functions for GASB’s counterpart for private companies and not-for-profit organizations, the Financial Accounting Standards Board (FASB).

Although GASB does not have the power to enforce compliance with the standards it promulgates, the authority for its standards is recognized under the Code of Professional Conduct of the AICPA.

Who is the GASB? GASB is composed of a full-time chair and six part-time members. It has a professional staff that works with the Board and its task forces, conducts research, analyzes oral and written comments received from the public, and drafts documents for consideration by the Board.

What is GASB Trying to Accomplish? The mission of GASB is to establish and improve standards of state and local governmental accounting and financial reporting.

How Does GASB Establish Accounting Standards? Before issuing its standards, GASB follows the set of “due process” activities in its published rules. Due process is stringent and is designed to permit timely, thorough, and open study of financial accounting and reporting issues by the preparers, auditors, and users of financial reports, in order to encourage broad public participation in the standards setting process.

How Does GASB Further Guide and Educate the Public? GASB is committed to helping the preparers, auditors, and users of financial statements to understand its standards and the resulting information contained in the annual financial reports of state and local governments. To further achieve this part of its mission, GASB members and staff:
- Issue guides with frequently asked questions and answers;
- Publish plain-language, nontechnical “user guides” to help the public understand and utilize the information found in annual financial reports; and
- Make presentations at hundreds of conferences, seminars, and meetings annually.

How Managers Monitor Work
F. John Reh, www.management.about.com

Managers have to monitor the activities of their team, along with other factors to keep everyone moving towards the team’s goal. In the control task, you monitor the work being done and compare the actual progress to the plan.

If everything is going well, you do not need to do anything but keep monitoring; however, that seldom happens. The control step dictates that you take action to minimize the impact and bring things back to the desired goal as quickly as possible. That means going back to the planning stage and adjusting plans.

- **Keeping Score.** Make sure you are measuring the right things and taking appropriate action to fix the problems found.

- **You Can't Manage What You Don’t Measure.** You cannot manage for improvement if you don’t measure what is getting better and what is not. Take action based on what you measure and found to be different from your goals.

- **Monitor What You Can Control.** A good manager will always monitor what their employees are doing, but will not intervene to coach their employees except in specific circumstances. You have to balance their opportunity to learn and grow against the harm that can come.

- **Electronic Monitoring.** The need to monitor electronic activities is also necessary. However, be sure to let your employees know what is being monitored and why, including what is acceptable and what is not.

More companies are monitoring their employees electronically. However, nearly all of them inform employees that they’re doing it. Also, most of the monitoring is performed on a spot-check basis rather than a 24-hour basis.
When I get a chance, I try to write down things that can be included in this column. Now that I have a few items, I’ll share them; and as always, your comments are welcome. You are always also welcome to send your thoughts or even write this column.

**Live a Little.** Don’t leave everything for tomorrow because tomorrow may not come or may be different than what you anticipated. People become sick, injured, frail, poor, etc.

Think back to when you were in school – how did you expect life to turn out? Did you think you would be rich, have a great job, get big promotions, be happy, and have a loving spouse and children? If you visualize a long time span, you probably know that life did not turn out as predicted. No reason to think that the future will be as predicted.

**Aging.** People often try to hide their age because they think getting old is not a good thing. But do you know of any other way to experience life without getting older? Auditors like to use metrics; maybe age could be considered a metric. Age is a measure of success, not failure. While none of us wants to become frail with age, none of us really want to die young. We can think of age as climbing the organizational chart -- the older you are, the higher you are!

**Train Subordinates.** Those supervisors who train staff are worth more to their organization. Training subordinates can mean you won’t also have to do their job.

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**Congratulations to Leihann Manning** on accepting the position of Chief Internal Auditor for the State Treasurer’s Office.

**Congratulations to Darick Clark,** who works for Chapter Vice President **Jay Wagner,** on passing the CGAP (Certified Government Auditing Professional) exam.

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CHAPTER OFFICIALS  
2015 – 2016

<table>
<thead>
<tr>
<th>OFFICERS</th>
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| **PRESIDENT** | Tracy Allen, CPA, CISA  
[AllenTK@mail.loc.state.il.us](mailto:AllenTK@mail.loc.state.il.us)  
782-1003 |
| • Administration (CAP-ologist) | Amy Lyons  
558-4347 |
| • Audit | Amy DeWeese, CPA  
558-3956 |
| • Nominating | Tracy Allen, CPA, CISA  
Amy Lyons  
782-1003  
558-4347 |
| **FIRST VICE PRESIDENT** | H. Jay Wagner, CIA, CFE, CISA  
[HWagner@atg.state.il.us](mailto:HWagner@atg.state.il.us)  
524-4094 |
| • Programs & Seminars | H. Jay Wagner, CIA, CFE, CISA  
524-4094 |
| • Continuing Education | Tracy Allen, CPA, CISA  
782-1003 |
| • Seminar Registration | Emily Durbin, CIA, CGAP  
558-6546 |
| **SECOND VICE PRESIDENT** | Leihann Manning  
[Leihann.Manning@illinois.gov](mailto:Leihann.Manning@illinois.gov)  
557-5682 |
| • Academic Relations | Carol Jessup, Ph.D, CPA, CFE  
206-7923 |
| • Membership | Debbie Abbott, CIA  
782-2645 |
| • Associate Trustee/Tech. | Larry L. Stone, CISA, CCP, CRPC  
544-5198 |
| • Certifications Program | Leihann Manning  
557-5682 |
| **SECRETARY** | Emily Durbin, CIA, CGAP  
[Emily.Durbin@illinois.gov](mailto:Emily.Durbin@illinois.gov)  
558-6546 |
| • Directory, Distribution & Public Relations | Emily Durbin, CIA, CGAP  
558-6546 |
| • Newsletter | M. Ameen Dada, CGFM  
785-0165 |
| • Photographer | Cary Franks, MS MIS  
741-4410 |
| • Webmaster | H. Jay Wagner, CIA, CFE, CISA  
524-4094 |
| **TREASURERS** | Paula Sorensen  
[Paula.Sorensen@illinois.gov](mailto:Paula.Sorensen@illinois.gov)  
782-4843  
524-6423 |
| • Awards | Joelle Egger  
524-6423 |
| • Historian | Seeking Volunteer |

**GOVERNORS**

Term Expiring:

- 2016:  
  - Stephen D. Kirk, CIA, CGAP  
  557-1258 |
  - Lesslie D. Morgan, CIA, CPA, CGFM, CISA  
  524-4094 |
  - Barbara Ringler, CPA  
  785-6515 |
  - Rusti Cummings, CPA  
  558-3386 |
  - Ameen Dada, CGFM  
  785-0165 |
  - Cary Franks, MS MIS  
  741-4410 |
  - Bill Sampias, CISA, CFSA  
  785-5563 |
  - Larry L. Stone, CISA, CCP, CRP  
  544-5198 |
  - Denise Behl, CIA  
  558-2701 |
  - Amy Lyons  
  558-4347 |

*The Board of Governors consists of all Officers, Governors, and the past two Presidents.*
Many of Yogi Berra’s quotes offer thought-provoking and relevant insight and advice for internal auditors. For example:

**You can observe a lot by watching.** So often we have our heads down and our pens to paper. We studiously follow a predetermined audit plan without ever stepping back during the course of an audit to assess the environment and culture of the organization we are auditing. We really can observe a lot by watching.

**In theory, there is no difference between theory and practice. In practice there is.** This is one of my favorite Yogi-isms, because it is so true. New auditors often spend days or weeks immersed in their policies and procedures, or learning The IIA’s Standards before undertaking their first audit. Then reality sets in when they start their first audit. Theory is important, but there is no substitute for practical experience.

**If you ask me anything I don’t know, I’m not going to answer.** So often during the course of an internal audit, we become frustrated that those we interview are not giving us the answers we think they should. We sometimes assume they are stonewalling or hiding something. The simple answer may be that they do not know the answers to our questions, or that they do not understand their processes or controls.

**It’s like déjà vu all over again.** I cannot recall the number of times when I went back into a business unit to conduct an audit, only to find that none of the recommendations from my previous audits had been implemented. I discovered that, for a variety of reasons, management simply had not been able to implement the agreed-upon recommendations, and that my report would be a mirror image of my previous work.

**If you don’t know where you are going, you might wind up someplace else.** This quote is a perfect analogy for the outcome that often befalls internal auditors who undertake an engagement without well-crafted objectives and a comprehensive audit plan. As I noted in my book, Lessons Learned on the Audit Trail, a well-crafted audit plan can keep you focused and help you to avoid unnecessary detours and dead ends that undermine the timeliness of your work.

There are dozens of other Yogi-isms that are relevant to the daily challenges we face as internal auditors. If you are like me, the quotes I shared have probably brought a smile to your face at first glance, only to be followed by a knowing nod as you contemplated the deeper meaning.

One last Yogi-ism that I find particularly relevant this week: **The future ain’t what it used to be.**