President’s Message

We are more than halfway done with our term in office and we are on our way to maintaining our Chapter’s Gold/Platinum status. Thank you for the support!!

We recently held our first Internal Audit Management training and it was a huge success! Thanks to the selfless audit leaders in our community. Please join me in thanking Joe Maleszewski, Melinda Miguel, Sam McCall, Sarah Hall, Delphine Simpkins-Hill, Yolanda Lockett, Diana Vaughn, Marie Walker, Laure Boyd, Valerie Peacock, Stephanie Sgouros, Carolyn McGriff, and Mike Blackburn. I also want to thank the Florida Department of Law Enforcement (FDLE) who continue to support our Chapter by allowing us to use their training facilities for free. My special thanks to Joe Maleszewski who is the brain behind this training.

I know a lot of you were disappointed because you were unable to attend the recently held Internal Audit Management training. No worries, we will offer the training again either in April or May.

We are also going to offer fraud training on March 14th and 15th at the FDLE. Additional information will be released soon. John Greene is leading this effort. Thanks, John!

I wish all of you the very best!

New Professional Guidance

Practice Guide: Talent Management

The IIA Standards state that “engagements must be performed with proficiency and due professional care” (1200). Further, “Internal auditors must enhance their knowledge, skills, and other competencies through continuing professional development” (1230), and the CAE “must ensure that internal audit resources are appropriate, sufficient, and effectively deployed to achieve the approved plan” (2030).

In December 2015, the IIA released the practice guide “Talent Management” to address compliance with these standards, among others. According to this guide, the purpose is to “help CAEs and internal audit managers better understand how to recruit, develop, motivate, and retain competent team members”. Any internal audit shop can benefit from this practice guide, regardless of its size, while setting its talent management strategy.

Download the practice guide on the IIA’s website.
Highlights of 2015

It’s hard to believe it’s already the New Year again! On a local note, we would like to congratulate the TCIIA members and their accomplishments, despite the challenges. Several of our members received new certifications, positions, and promotions. Our chapter continues to work at improving the member experience, including ongoing improvements to training and services offered to the members. The Board again worked together to overcome the challenge of vacant positions, notably, the Vice President of Training.

On a global note, the IPPF underwent significant changes in its structure. This included the incorporation of 10 core principles, an internal audit mission, and implementation guidance. PwC also issued its 2015 State of the Internal Audit Profession - Finding true north in a period of rapid transformation. It focuses on the need for internal audit departments to continue evolving to meet the needs of stakeholders and to address the evolving businesses and processes, including skills and capabilities, the use of data analytics, and collaboration with other lines of defense.

In his blog, Richard Chambers posted Five 2015 Headlines That Had High Implications for Internal Auditing, including the following:
1. Plague of Corporate Scandals Erodes Public Trust
2. The IIA Calls for Mandatory Internal Audit for Publicly Traded Companies
3. Regulators Increasingly See Internal Audit as Their “Boots on the Ground”
4. Toshiba’s Failure: Internal Audit Tried to Run Before It Could Walk
5. Cybersecurity Risks Are Still Enormous

Also in his blog, Mr. Chambers highlights that “Data from The IIA’s Jobs Bank, recently cited in the Wall Street Journal, tells of a doubling of job posts with a commensurate 42 percent drop in job seekers.” This presents a challenge for talent management, as internal auditors strive to recruit, develop, and retain top talent in their shops.

As internal auditors move forward into this New Year, it’s important to continue reflecting on self-improvements. In Mr. Chamber’s recent blog, 5 Resolutions for Every Internal Auditor’s List in 2016, he highlights the following resolutions for internal auditors:

- Resolution 1: Be Attuned to Upcoming Regulatory Changes
- Resolution 2: Advocate for Mandatory Internal Audit in Publicly Traded Companies
- Resolution 3: Be Wary of Internal Audit’s Expanding Scope of Work
- Resolution 4: Invest in Talent Management
- Resolution 5: Step Out of Your Comfort Zone

Moving forward, we challenge the TCIIA members to continue striving to add value in their organizations as they reflect on the prior year. Let’s continue celebrating accomplishments and learning from our mistakes in order to remain relevant and effective.

TCIIA Member Survey

The TCIIA Board of Directors is continually looking for ways to improve its service to the members. These include training luncheons, 2-day trainings, other activities and networking, website and resources, among others. As part of this initiative, the Board will be sending out a brief survey to the TCIIA members to get feedback and input on the member experience. We would like as much input as possible, both the positive and negative, and we encourage everyone to respond to the survey. Please keep an eye out for the survey during the upcoming days.
TCIIA NEWSLINE

IIA Tallahassee Chapter January 2016, Issue 9

Notice to IIA Members—CCSM Security

Over this past quarter, IIA members received two notices from Richard Chambers regarding a security issue involving Pearson VUE and the Certification Management System (CCMS).

A notice went out November 21, 2015 stating that “According to Pearson VUE, malware was discovered on the company’s Credential Manager System, allowing access to customer personal information including customer name, postal address, phone number, email address, user ID, company, the last four digits of credit card numbers used in certification transactions and date of birth. Pearson VUE says its initial analysis indicates that U.S. Social Security numbers, which are not collected in CCMS for IIA customers, were not exposed”; however, there was some impact to the CCMS services.

Another updated notice was sent on December 10th informing members that the functionality has been restored.

“The Certification Candidate Management System (CCMS) is now restored and fully functional. Thank you for your patience and understanding while Pearson VUE, which operates Pearson Credential Management (PCM) and is the computer-based testing vendor for CCMS, worked diligently to restore to the system.

Candidates can now:

- Submit applications and register for new certification programs or exam parts, as well as CPE reports;
- Schedule, reschedule or take exams, and retrieve official exam scores;
- Access the Acclaim (badging) platform and request new badges; and
- Securely submit documents to The IIA’s Certification Department for review and processing through the Certification Document Upload Portal.

Please note that a password reset is being required of all customers upon initial sign-in. We apologize for any inconveniences.”

Upcoming Training and Events

AGA’s Government Training Event is Nearing – Register Today!

The Tallahassee Chapter is pleased to announce its 7th Annual Government Accounting Conference, renamed Government Training Event. This event is scheduled for February 11-12, 2016, and will host superlative speakers presenting on relevant topics. Global AGA President John Homan is among the presenters who have committed to speak. Others include:

- Jeff Barbacci, Audit Partner, Thomas Howell Ferguson P.A.
- Laura Brock, Managing Director, Mayor Hoffman McCann P.C.
- Shawna Flanders, CEO/Trainer-Consultant at Business Technology Guidance Associates, LLC.
- Ash Williams, Executive Director, Florida State Board of Administration
- Jack Reagan, Partner, Audit Services, Global Public Sector, Grant Thornton LLP
- Lisa Parker, Project Manager, Government Accounting Standards Board
- Lynda Dennis, Lecturer, University of Central Florida and AICPA Consultant
- Michael W. Schroth, IT & Compliance Audit Manager, City of Atlanta

Mark your calendars NOW! Or better yet, register for the event by going to this webpage today!

Join your peers for even more upcoming events:

- TCIIA Quarterly Training Luncheons, 3/24/16—Agendas will be finalized and posted on the TCIIA website 1-2 weeks prior to the events.
- Raise the Red Flag, 3/14/16 – 3/15/16—PLEASE NOTE THE CHANGE OF DATES! Fraud training to be presented by Lynn Fountain, MBA, CGMA, CRMA, the author of Raise the Red Flag: An Internal Auditor’s Guide to Detect and Prevent Fraud.

Don’t forget to take advantage of the FREE webinars offered by the IIA! For more information, visit https://na.theiia.org.
**Member Accomplishments**

Please join us in congratulating our TCIIA members on their recent accomplishments:

- **Patrick Cowen**, Senior IT Auditor with the City of Tallahassee, earned the CIA designation.
- **Vanessa Spaulding**, Senior Auditor with the City of Tallahassee, earned the CIA designation.
- **Kimberly Jones**, Florida Department of Corrections, earned the CIGA* certification.
- **Tracey Biggins**, Florida Department of Corrections, earned the CIGA* certification.

* Certified Inspector General Auditor

Please notify us of your career accomplishments and certifications, or the accomplishments of fellow members at newsletter103@iiachapter.org.

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**We are auditors (and investigators), and we are here to help—really!**

The Department of Revenue, Office of Inspector General (OIG) participated in many projects to benefit the community during 2015. For example,

- Staff was part of a group that collected 430+ Box Tops for Education that will benefit a local elementary school. In addition, they collected 460+ Labels for Education for the Leon County Public Library.
- They also collected many pounds of pull tabs from soft drink cans. Funds from that project are used to support the Ronald McDonald House in Tallahassee.
- Two staff members regularly deliver Meals on Wheels during their lunch breaks.
- Two deserving families received Thanksgiving food baskets containing everything from meat to dessert.
- Staff “adopted” two cases from the Christmas Connection project. They donated clothes, toiletries, and sugar-free treats to brighten the holidays for an elderly man and woman.
- Staff also supported the Florida State Employees’ Charitable Campaign in various ways from organizing events to participating in the Revenue 5K run.

In addition, many Revenue OIG employees participate in volunteer activities outside the office as well. The generous, caring attitude of employees makes the Revenue OIG a great place to work!

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**What is your Internal Audit Unit doing that makes you proud?** If you would like to see your office featured in a future issue of the **TCIIA NewsLine**, send a short article to our email address: newsletter103@iiachapter.org.
I'm reading a super new book called, The (Honest) Truth About Dishonesty by Dan Ariely. In this book, the author talks about what he calls “Wishful Blindness.” He uses the Enron crash as an example and says:

“In case you weren’t paying attention in 2001, the basic story of the fall of the Wall Street darling went something like this: Through a series of creative accounting tricks – helped along by the blind eye of consultants, rating agencies. The company’s board and the now-defunct accounting firm Arthur Anderson, Enron rose to great financial heights only to come crashing down when its actions could no longer be concealed. Stockholders lost their investments, retirement plans evaporated, thousands of employees lost their jobs, and the company went bankrupt.”

The author describes his conversation with a friend and former Enron consultant, John Barlow:

“Even though he [John] consulted for Enron while the company was spinning out of control, he said he hadn’t seen anything sinister going on. In fact, he fully bought into the world view that Enron was an innovative leader of the new economy…”

So, the author concludes John’s involvement with Enron didn’t exhibit deliberate dishonesty, rather, “wishful blindness.”

Statements of Auditing Standards, issued by the Auditing Standards Board of the American Institute of Certified Public Accountants, require auditors to exercise professional skepticism. Here are a couple of the standards paraphrased:

Professional skepticism is an attitude that includes a questioning mind and a critical assessment of audit evidence. The auditor neither assumes that management is dishonest nor assumes unquestioned honesty. In exercising professional skepticism, the auditor should not be satisfied with less than persuasive evidence because of a belief that management is honest.

By complying with these professional standards, we lessen the likelihood of falling prey to “wishful blindness.”

Remember that things can and do go wrong even in stellar organizations. Auditors must keep a close eye on the processes we come into contact with as we do our work – use professional skepticism as your vaccination against “wishful blindness.” If you see something wrong, say something. If what you see is misconduct or a potential fraud remember, It’s Never The Wrong Time To Do the Right Thing!

CAP Corner (as of January 11, 2016)

by Kim Stirner, CAP Committee Chair

What is CAP? The Chapter Achievement Program (CAP) helps officers/board members plan the course of the Chapter year, especially service-oriented events for members and guests. For each CAP event, our Chapter receives CAP performance points from The IIA. We proudly celebrate that, for over a decade, the TCIIA Chapter has achieved the CAP points needed for the PLATINUM performance level. This current designation confirms our Chapter’s status as a prestigious, service-oriented organization for the Tallahassee audit community.

How are we doing? We have five more months in this fiscal year and we still need a little over 500 points to achieve our CAP goal of 1,560 points to maintain our PLATINUM status for another year. Registered attendance at our upcoming training events is very important.

How Can I Help? In addition to attending our upcoming training events, please review the table below and let us know if you or someone you know has earned CAP points. Your participation and support throughout the year is greatly appreciated! For more information, please contact Kim Stirner, CAP Committee Chair.
Articles From Our Members

Is there a topic or issue that you would like to share with your fellow members? Has an internal audit-related article caught your eye? If your answer is “yes” to either of these, you may be the perfect contributing writer for TCIIA NewsLine! If you would like to contribute an article, please send the article to newsletter103@iiachapter.org.

If you have any questions, feel free to contact us!

Article Submission Deadlines

During the first month of each quarter, a new issue of TCIIA NewsLine will be published. If you’re interested in submitting an article, the upcoming submission deadlines are:

- March 31, 2016
- June 30, 2016
- September 30, 2016

Important Links

IIA—Tallahassee Chapter
IIIACIIA
AGA—Tallahassee Chapter
AIG—Florida Chapter
Florida Audit Forum
ISACA - Tallahassee Chapter

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